

**Date: 8<sup>th</sup> September 2021**

**National Stock Exchange of India Ltd,**  
Exchange Plaza, 5th Floor,  
Plot No. C/1, G Block,  
Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051

**BSE Ltd,**  
Department of Corporate Services  
P. J. Towers, Dalal Street,  
Mumbai - 400 001

**Scrip Name: Inventure****Scrip Code: 533506****Sub: Annual Report of the Company for the Financial Year 2020-2021**

Dear Sir/Madam,

Pursuant to Regulation 34(1) and Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the Annual Report of the Company for the Financial Year 2020-2021 along with the Notice of 26<sup>th</sup> Annual General Meeting of the Members of the Company.

The aforesaid documents are also available on the Company's website [www.inventuregrowth.com](http://www.inventuregrowth.com)

Kindly take the same on record and acknowledge receipt.

Thanks &amp; Regards,

**For Inventure Growth & Securities Ltd**

**Bhavi R. Gandhi**  
(Company Secretary)



# 2021

## ANNUAL REPORT

GROW WITH INVENTURE GROWTH

Enhancing fortune, Enriching life

INVENTURE GROUP COMPANIES

Inventure Group is a professionally managed group and operates through following key companies.

**Inventure Growth & Securities Limited**

Equity & Currency trading-cum-clearing member on NSE, BSE and MSEI  
**Broking**

**Inventure Commodities Limited**

A trading-cum-clearing member on MCX and NCDEX  
**Commodity Trading**

**Inventure Wealth Management Limited**

Investment advisory, financial planning to HNI, Retail clients / Investors  
**Financial Doctor**

**Inventure Finance Private Limited**

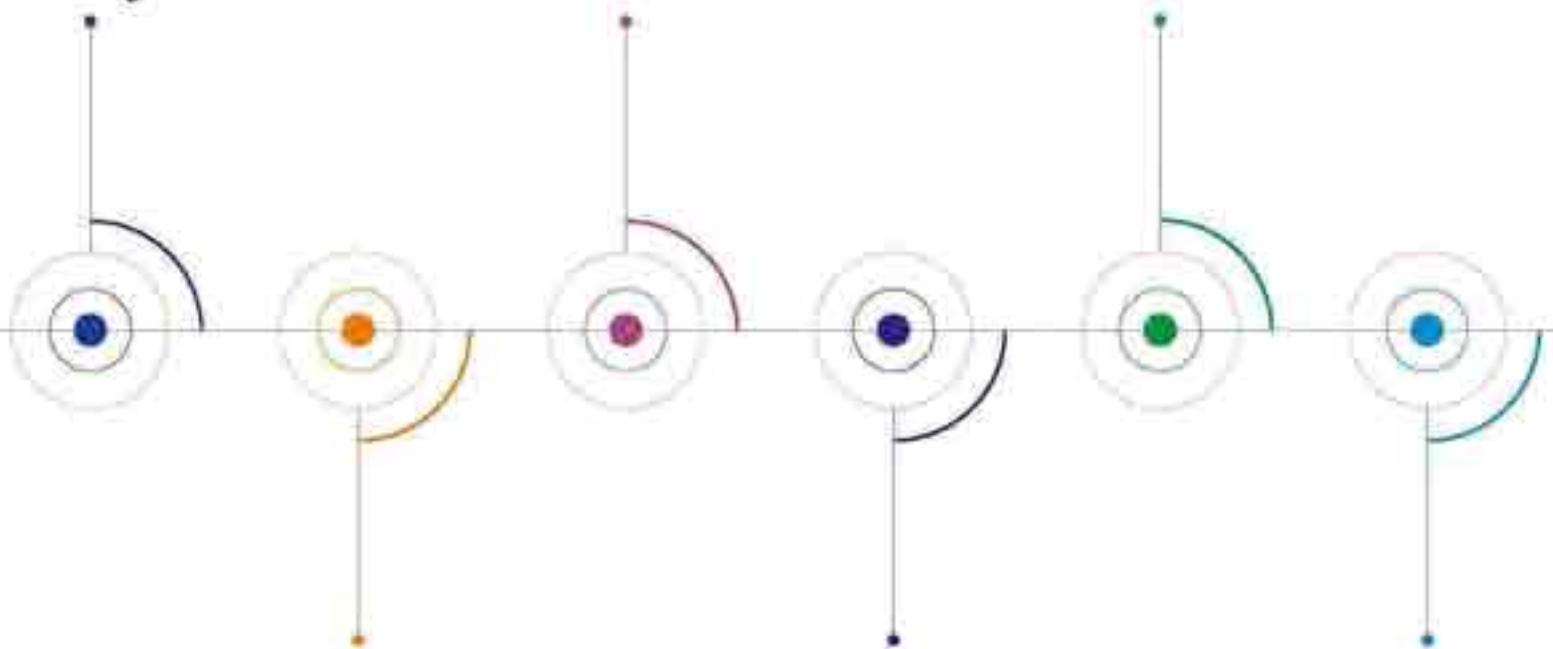
NBFC engaged in lending and allied activities  
**Funding**

**Inventure Developers Private Limited**

Real estate developer  
Developing tomorrow for better living  
**Real Estate**

**Inventure Merchant Banker Pvt. Limited**

Merchant Banking, Financial Advisors, Merger & Acquisition, Valuations  
**Investment Banking**



This mobile trading application has been developed based on latest technologies keeping the new generation of trading clients in mind. Simple UI, Fresh UX and Open Architecture are some of the key objectives factored in while designing this NextGen App to provide a delightful trading experience. IGSL Trade is a platform that will cater to all new innovations in FinTech Space.



AVAILABLE ON



**TRADE AT  
YOUR WAY**



**SECURE**



**EASY TO ORDER**



**WATCH LIST**



**REPORTS**

**IGSL  
LITE**

**DESKTOP TRADING**



## ADVANCE MOBILE TRADING PLATFORM

- Real Time Trade
- Get Historical Charts
- News & Events
- Corporate Announcements
- Company Financial Data
- Systematic Equity Plan - SEP
- Good Till Date Order
- Research Notification
- Set Your Own Alerts
- Online Payment



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# CORPORATE INFORMATION

## BOARD OF DIRECTORS:

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|----------------------------|------------------------------|
| Mr. Kanji B. Rita          | Chairman & Managing Director |
| Mr. Kamlesh S. Limbachiya  | Whole Time Director          |
| Mrs. Lasha Meet Rita       | Whole Time Director          |
| Mr. Deepak M. Vaishnav     | Independent Director         |
| Mr. Bharat P. Shah         | Independent Director         |
| Mrs. Shilpa Vishal Solnaki | Independent Director         |

## AUDIT COMMITTEE

Mr. Bharat P Shah – Chairman  
Mr. Deepak M. Vaishnav -Member

Ms. Shilpa Solanki – Member (w.e.f 12/09/2020)  
Mr. Kanji B. Rita – Member (w.e.f 15/07/2020)

## STAKEHOLDER RELATIONSHIP COMMITTEE

Shri Deepak M. Vaishnav - Chairman  
Shri Bharat P. Shah – Member  
Mr. Kanji B. Rita – Member

## COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Bhavi R Gandhi

## CHIEF FINANCIAL OFFICER

Mr. Arvind J. Gala

## INTERNAL AUDITORS

M/s. Shah & Ramalya Chartered Accountants

## SECRETARIAL AUDITOR

D. M. Zaveri & Co.

## REGISTERED OFFICE

CIN No. L65990MH1995PLC089838  
201,2nd floor, Viraj Towers,  
Western Express Highway,  
Andheri – East, Mumbai – 400069

## NOMINATION & REMUNERATION COMMITTEE

Shri Deepak M. Vaishnav – Chairman  
Mr. Bharat P. Shah – Member  
Mrs. Shilpa V. Solanki - Member

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Shri Bharat P. Shah (Chairman)  
Shri Kanji B. Rita  
Shri Kamlesh S. Limbachiya

## STATUTORY AUDITORS

M/s. PPV & Co  
Chartered Accountants  
Radha Chambers, Level 3, Teli lane,  
Andheri-East, Mumbai

## BANKERS

Bank of India  
HDFC Bank Ltd.  
Kotak Mahindra Bank Ltd.  
Axis Bank Ltd.  
Punjab National Bank  
State Bank of India  
ICICI Bank Ltd.

## REGISTRAR AND SHARE TRANSFER AGENT

LINKINTIME INDIA PRIVATE LIMITED  
C 101, 247 Park, LBS Marg, Surya Nagar,  
Gandhi Nagar, Vikhroli West, Mumbai,  
Maharashtra 400083

## FROM THE DESK OF CHAIRMAN



Dear Shareholders,

The Last financial year (FY2021) was very volatile and challenging for the overall markets with various macro-level. Despite the pandemic situation and uncertainties thereof, it was a remarkable year for IGSL. India stepped into FY2021 with Covid-19 induced lockdown in place. But markets started gradually recovering led by phase wise unlocking, various policy measures announced by Government and RBI as well as a better than expected corporate earnings performance. From the lows seen during the end of FY2020, markets bounced back to erase its losses in November. Investors further gained confidence with the approval of vaccines against Covid. Both Sensex and Nifty closed at an all-time high in the month of February'21.

Indian equity markets Noted best performance in a decade in FY2021. The industry witnessed a record of 1.44 Cr of new DMat accounts being opened. FII inflows were also at an all-time high. We continue to remain optimistic on the growth potential of all our business verticals given the robust fundamental structure and revival in macro-conditions. Our consolidated revenues for Financial Year 2020-2021 stood at Rs.406 Million.

We firmly believe in our QGLP (Quality, Growth, Longevity and Price) philosophy which has rewarded us over the years in terms of performance and will continue to follow for continuous improvement. We focus on maintaining strong foundations in these businesses through investments which could generate long-term benefits and built products to enhance customer delight such as Equity Advisory Product IGSL Elite, Margin Trading Facility, EKYC, Mutual Fund distributions and Research Analysis to our valued customers. Your Company has been able to seize the opportunities presented by the challenges in the current market meltdown, and also protect itself from challenges posed by dynamic and volatile Market. Change has become the norm of the day and for us to retain our position, it is essential to have a multi-pronged approach to remain future-ready. Towards this end, we continue to work on:

- a) Taking advantage of innovations and high-end technology
- b) Committing to sustainable and responsible growth and
- c) Building future-ready capabilities.

Our Subsidiaries have scaled up their performances which are commendable in nature despite multiple challenges presented by the external environment, change in Government and its Policies. Building on core strengths of the Group and unparalleled industry insights of our leadership, the Group continued to focus increasingly on higher value addition to its stakeholders. I would like to take this opportunity to thank to all our Valued Customers, Suppliers, Bankers and all other Stakeholders, including the Shareholders for their continued support to Inventure Group. I earnestly request them to extend the same cooperation and support with same enthusiasm.

To all my colleagues, I have a special message – I have been saying time and time again – “Change is the only constant”. There is always room for improvement – no matter how long we have been in business. I earnestly request each one of you to embrace change, focus on your deliverables, help one another to meet the targets we set for ourselves together; in short – be worthy ambassadors carrying forward the Inventure legacy for our future generation.

Thanks and Regards,

Mr. Kanji B. Rita  
(Chairman & Managing Director) DIN: 00727470  
Inventure Growth & Securities Limited

## BOARD OF DIRECTORS



**Mr. Kanji B. Rita**

**(Chairman & Managing Director)**

Mr. Kanji B. Rita, 54 years, is the Managing Director w.e.f. 24.09.2015 of our Company. He is a non-matriculate and started his career in retail steel sector from the year 1984. He has over 17 years of experience in the stock markets. He has diversified business interests in the areas of realty, retail and finance. In the year 2002 he incorporated Vandana Collection Private Limited and set up a retail store by the name "Kenorta". He ventured into the real estate sector and has multiple projects running under the banner of Krushni Developers Private Limited, Ratnasagar Diamond Mall Private Limited and Kenorta Developers Private Limited.



**Mr. Kamlesh S. Limbachiya**

**(Whole-time Director)**

Mr. Kamlesh S. Limbachiya is a Whole Time Director of the Company with effect from 1st April 2014. He is Commerce Graduate and started his career in the year 1993. He has 18yrs of experience in Readymade Garments business including 14 years of experience in construction business. He works as a Partner in M/S Shri Paridhan Traders and as a Director in Keshvi Developers Private Limited.



**Mrs. Lasha Rita**

**(Non-Executive Director)**

Mrs. Lasha Rita, is Designated Director in Inventure Commodities and Inventure Growth and Securities limited. She is qualified with degree of B.M.S, M.Com and PGDM in Marketing. She has experience of 6 years including 3 years of experience in Securities Market. She is handling day to day activities of the company which includes Operations, Accounts and technology. She is also developing technology based system to improve the quality and performance of various departments.



**Mr. Deepak M. Vaishnav**

**(Independent Director)**

Mr. Deepak M. Vaishnav, 56 years, is the Independent Director of our Company. He is a Chartered Accountant by profession. He has a vast experience of 27 years in the fields of business process re-engineering, computerization of processes, ERP evaluation, implementation and post production support, ERP due diligence, providing functional, technical and strategic support to various teams working on various projects in diverse industries like stock exchange, finance, real estate, telecommunication, banking, government financials, IT consulting, insurance and investments, process manufacturing, retail etc. at different locations in India and abroad. He is employed with Tata consultancy services.



**Mr. Bharat P. Shah**

**(Independent Director)**

Mr. Bharat Popatlal Shah is designated as an Independent Director in our company. He is qualified as a B.com from Mumbai University & Chartered Accountants from ICAI. His work experience is more than 34 years & currently he is Proprietor of Bharat P. Shah & Co.



**Mrs. Shilpa V. Solanki**

**(Independent Director)**

Mrs. Shilpa V Solanki has 21 years of working experience in accountancy background. She is Qualified as a B. Com from Mumbai University as well as Chartered Accountants from ICAI. By profession she is Practicing Chartered Accountants in the firm name "M/s Shilpa S Jain and Associates", she was partner in Yardi Prabhu & Associates.



## **NOTICE**

**NOTICE is hereby given that the 26<sup>th</sup> Annual General Meeting of the Members of Inventure Growth & Securities Limited will be held on Thursday, 30<sup>th</sup> September 2021 at 11.00 AM through electronic means / video conferencing (VC), to transact, with or without modifications, as may be permissible, the following business:**

### **ORDINARY BUSINESS:**

1. **To consider and adopt (a) the Audited Financial Statement of the Company for the financial year ended 31st March, 2021 and the reports of the Board of Directors and Auditors thereon; and (b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2021 and the report of the Auditors thereon and in this regard, to pass the following resolutions as Ordinary Resolutions:**
  - (a) **"RESOLVED THAT** the Audited Financial Statement of the Company for the Financial Year ended 31st March, 2021 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."
  - (b) **"RESOLVED THAT** the Audited Consolidated Financial Statement of the Company for the Financial Year ended 31<sup>st</sup> March, 2021 and the report of the Auditors thereon laid before this meeting, be and are hereby considered and adopted."
2. **To appoint Mr. Kamlesh S. Limbachya (DIN02774663) who retires by rotation as a Director and being eligible, offers himself for reappointment.**

### **SPECIAL BUSINESS:**

3. **To Consider & approve reappointment of Mr. Kanji B. Rita as Chairman & Managing Director of the Company wef. 13<sup>th</sup> August 2021.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder including the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, Articles of Association of the Company, (including any statutory modifications or re-enactment thereof for the time being in force), subject to necessary approvals, if any, the consent of the Company be and is hereby accorded for the appointment of Mr. Kanji B. Rita (DIN 00727470) as Chairman & Managing Director of the Company for a period of 3 (Three) years i.e. 13<sup>th</sup> August 2021 to 12<sup>th</sup> August 2024, on the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting (including the remuneration to be paid in the event of loss or inadequacy of Profits in any financial year during the tenure of his appointment), with the liberty and powers to the Board of Directors to increase, alter and vary the salary, commission and perquisites and other terms in such manner as the Board in its absolute discretion deems fit and is acceptable to Mr. Kanji B. Rita (DIN 00727470) within the limits specified in Section 197 and Schedule V to the Companies Act, 2013 or any amendments, modifications, re-enactments thereof in force from time to time in this behalf.

**"RESOLVED FURTHER THAT** notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act,2013 or any amendment/re-enactment thereof or any revised/new schedule thereof, in the event of absence of profits or inadequate profits in any financial year, the salary, perquisites and statutory benefits, as set out in the explanatory statement."

**"RESOLVED FURTHER THAT** the Board of the Company, be and is hereby authorized to do all such acts, deeds and action as it may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental for giving effect to this Resolution, enter into agreement or issue letter if necessary, and to settle questions, remove any difficulty or doubt that may arise from time to time and to take such action or give such directions as may be necessary or desirable and to obtain any approvals, permissions or sanctions which may be necessary or desirable, as it may think fit."

**By Order of the Board of Directors**

**For Inventure Growth & Securities Ltd**

**Sd/-  
Kanji B. Rita  
(Chairman & Managing Director)  
Place: Mumbai  
Date: 06.08.2021**

## **Notes:**

1. Annual General Meeting through Video Conferencing facility or Other Audio-Visual Means: In view of the Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its General Circular dated 13th January, 2021 allowed the holding of Annual General Meeting in accordance with relevant provisions of circular dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 and General Circular No. 02/2020 dated 13th January, 2021 (collectively referred to as MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide circular dated 15th January, 2021 and 12th May, 2020 ("SEBI Circular") permitted the holding of the Annual General Meeting ("the Meeting / AGM") through Video Conferencing facility or Other Audio-Visual Means ("VC / OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), MCA Circulars and SEBI Circular, the Meeting of the Company is being convened and conducted through VC / OAVM. Members participating through the VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Companies Act, 2013 ("Act").

The deemed venue for the AGM will be place from where the Chairman of the Board conducts the meeting. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.

2. Proxies, Attendance Slip & route map of the AGM venue: Pursuant to MCA Circulars and SEBI Circular, since the AGM will be held through VC/ OAVM, the physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting and hence the Proxy Form, Attendance Slip and route map of the AGM venue are not annexed to this Notice.

3. Authorised Representative: Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to [cs@inventuregrowth.com](mailto:cs@inventuregrowth.com) not less than 48 (forty eight) hours before the commencement of the AGM i.e. by 11 A.M. on September 30, 2021.

4. Explanatory Statement: The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of special business to be transacted at the Meeting forms part of the Notice.

5. Brief resume of the Directors including those proposed to be appointed / re-appointed, their functional expertise and qualification, names of the Companies in which they hold directorships etc. as stipulated under Companies Act, 2013, Secretarial Standard on General Meetings (SS-2) and Regulation 36(3) of SEBI (LODR) Regulations, 2015, are provided below as Annexure to notice and forming part of the Notice.

6. The Board of Directors have considered and decided to include the resolution nos. 3 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.

7. Cut-off Date for Dispatch: Members of the Company, holding shares either in dematerialised form or physical form, as on Friday, August 27, 2021 (cut-off date for receiving Notice and Annual Report), shall be entitled for receiving of the Annual Report for the period 2020-21, through their registered mail id. Any person, who acquires shares of the Company and become Member of the Company after sending of the Notice and holding

shares as on cut-off date i.e. Friday, August 27, 2021, may obtain login ID and password by writing to Registrar & Share Transfer Agent of the Company, Linkintime India Private Limited at e-mail [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in).

8. Communication: Notice of the AGM and the Annual Report for the Financial Year 2020-21 are being sent electronically to the Members whose E-mail IDs are registered with the Depository Participant(s) and / or Company's Registrar and Share Transfer Agents. Any member, who has not registered his Email id, may register his / her Email ID with Registrar and Share Transfer Agents and may also request for a copy of Annual Report electronically. Annual Report for 2020-21 along with Notice of the AGM is available at the website of the Company at [www.inventuregrowth.com](http://www.inventuregrowth.com) and website of the Stock Exchanges i.e. National Stock Exchange Limited of India at [www.nseindia.com](http://www.nseindia.com) and BSE Limited at [www.bseindia.com](http://www.bseindia.com).

9. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

10. Link Intime India Private Limited is our Registrar and Transfer Agent of the Company. All the Investor related communication and grievances may be addressed to them at their following address: Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai – 400083, Website: [www.linkintime.co.in](http://www.linkintime.co.in) Email: [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in) Tel No: 022-2596 0320 / Fax No: 022-2596 0329

11. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Linkintime India Private Limited (LIPL) to provide efficient and better services.

12. Members holding shares in physical form are requested to intimate such changes to LIPL. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or LIPL for assistance in this regard.

13. SEBI vide its notification dated 8th June, 2018 has amended Regulation 40 of the Listing Regulations, 2015 and it has been stated that (except in case of transmission or transposition of securities), the transfer of securities shall be processed only in dematerialized form with effect from 1st April, 2019. In compliance with the aforesaid notifications, the members are advised to dematerialize their shares immediately.

14. Non-Resident Indian Members are requested to inform the R&TA immediately about the change in residential status on their return to India, if any.

15. Nomination Facility: Members holding shares in the physical form and desirous of making / changing Nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 and Rules made thereunder, are requested to submit the prescribed Form No. SH-13, as applicable for this purpose to the Company's Registrar and Share Transfer Agents (RTA), Link Intime India Private Limited, who will provide the form on request. In respect of shares held in electronic / demat form, the Members may please contact their respective depository participant.

16. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, September 24, 2021.

17. Any person who is not a Member as on the cut-off date i.e. Friday, September 24, 2021 should treat this Notice for information purposes only.

18. Members seeking any information with regard to the accounts, operations, etc. are requested to write to the Company at an early date on or before 30<sup>th</sup> September 2021 so as to enable the Management to keep the information ready at the meeting.

19. Go Green Initiative: Members holding Shares in physical form are requested to register their email IDs with the Company's RTA i.e. Link Intime India Private Limited and Members holding Shares in electronic / demat mode are requested to register their email IDs with their respective Depository Participants (DPs). Members whose email IDs have undergone any change or whose IDs require any correction, may kindly update the same with the RTA or the DPs, as stated above.

20. Mandatory PAN Submission: The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form can submit their PAN details to the Company's RTA, Link Intime India Private Limited.

21. Unclaimed Dividend: Members are requested to note that as per Section 124(5) of the Companies Act, 2013, dividends not encashed/ claimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against the Company. Members are requested to contact M/s. Link Intime India Private Limited / Secretarial Department of the Company for encashing the unclaimed dividends standing to the credit of their account.

22. All the relevant documents referred to in this AGM Notice and Explanatory Statement etc., Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and other documents shall be available electronically for inspection by the members at the AGM. Members seeking to inspect such documents or have any other queries, may write to us at [cs@inventuregrowth.com](mailto:cs@inventuregrowth.com) and 02271148500.

23. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may write an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or call on +91 (022) 4918 6175.

24. All grievances connected with the facility for voting by electronic means may be addressed to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or call on +91 (022) 4918 6175.

## **STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No 3. – Appointment of Mr. Kanji B. Rita (DIN00727470) as Chairman & Managing Director of the Company.**

Re-appointment of Mr. Kanji B. Rita (DIN 00727470) as Chairman & Managing Director of the Company. The Board of Directors in the meeting held on 06<sup>th</sup> August 2021, on the recommendation of the Nomination & Compensation Committee, recommended for the approval of the Members, the appointment of Mr. Kanji B. Rita as Chairman & Managing Director of the Company. The principal terms and conditions of appointment Mr. Kanji B. Rita (herein after referred to as an "Executive Director") are as follows:

**A. TENURE OF APPOINTMENT:** The appointment of the Managing Director is for a period of Three years with effect from 13<sup>th</sup> August 2021.

**B. NATURE OF DUTIES:** The Managing Director shall devote his whole time and attention to the business of the Company and shall perform such duties as may be entrusted to her by the Board from time to time and separately communicated to her and exercise such powers as may be assigned to her, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of one or more of its associated companies and / or subsidiaries, including performing duties as assigned to the Managing Director from time to time by serving on the Boards of such associated companies and / or subsidiaries or any other executive body or any committee of such a company

**C. REMUNERATION:** I. Basic Salary: Current Basic Salary of up to Rs.4, 00,000/- per month. The annual increments which will be effective from 1st April each year, will be decided by the Board based on the recommendations of the Nomination and Remuneration Committee ("NRC") or by the NRC on authority of the Board and will be performance-based and take into account the Company's performance as well, provided that the total remuneration shall not exceed the limits specified under the Companies Act, 2013.

II. Benefits, Perquisites & Allowances: a. Housing Allowances: As per the rules of the Company. b. Medical Reimbursement incurred for himself and his family: As per the rules of the Company. c. Personal accident / Medical Insurance: As may be decided by the Board/Nomination and Remuneration Committee. d. Club Memberships: Subscription or reimbursement of membership fees (including admission and life membership) for two clubs in India and/or abroad. e. Leave Encashment: As per the rules of the Company. f. Personal Accident Insurance: As may be decided by the Board/Nomination and Remuneration Committee. g. Benefits, if any, assigned under Key man Insurance Policy. h. Other Allowances: As may be decided by the Board/ Committee from time to time, subject to the provisions of the Companies Act, 2013 and Schedule V thereto. Explanation: Perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost. i. Telephone: Free telephone(s) at his residence; Personal long distance calls will be billed to the Managing Director. Explanation: The amenities shall not be included for the purposes of computation of the remuneration as aforesaid.

**D. MINIMUM REMUNERATION:** Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Salary, Benefits, Perquisites, Allowances and Commission subject to further approvals as required under Schedule V of the Companies Act, 2013, or any modification(s) thereto.

**E. OTHER TERMS OF APPOINTMENT:** a. The Managing Director shall not become interested or otherwise concerned, directly or through her spouse and / or children, in any selling agency of the Company.

b. The terms and conditions of the appointment of the Managing Director may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Executive Director, subject to such approvals as may be required.

c. The Agreement may be terminated by either party by giving to the other party Three months notice of such termination or the Company paying Three months remuneration in lieu thereof.

d. The employment of the Managing Director may be terminated by the Company without notice or payment in lieu of notice: • if the Managing Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which she is required to render services; or • In the event of any serious repeated or continuing breach (after prior warning) or non-observance by the Managing Director of any of the stipulations contained in the Agreement;

e. Upon the termination by whatever means of the Managing Director's employment: • the Managing Director shall immediately cease to hold offices held by him in any holding company, subsidiaries or associated companies without claim for compensation for loss of office by virtue of Section 167(1)(h) of the Act and shall resign as trustee of any trusts connected with the Company; • the Executive Director shall not without the consent of the Company, at any time thereafter represent himself as connected with the Company or any of the subsidiaries or associated companies.

f. All Personnel Policies of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to the Executive Director, unless specifically provided otherwise.

g. The terms and conditions of appointment of the Managing Director also include clauses pertaining to adherence with the Company's Code of Conduct, non-solicitation and maintenance of confidentiality.

h. If and when the Agreement expires or is terminated for any reason whatsoever, the Executive Director will cease to be the Executive Director, and also cease to be a Director. If at any time, the Managing Director ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Managing Director, and the Agreement shall forthwith terminate. Requisite Notice under Section 160 of the Act proposing the appointment of Mr. Kanji B. Rita has been received by the Company, and consent has been filed by Mr. Kanji B. Rita pursuant to Section 152 of the Act. The Directors are of the view that the appointment of Mr. Kanji B. Rita as Managing Director will be beneficial to the operations of the Company and the remuneration payable to her is commensurate with his abilities and experience and accordingly commend the Resolutions at Item Nos. 3 of the accompanying Notice for approval by the Members of the Company by way of Special Resolution. In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Act, read with Schedule V to the Act, the terms of remuneration specified above are now being placed before the Members for their approval.

## INFORMATION PURSUANT TO SCHEDULE V OF THE COMPANIES ACT, 2013

### GENERAL INFORMATION:-

1. Nature of Industry:

The Company is in broking business.

2. Date or expected date of commencement of commercial production:

The Company is into broking industry hence the same is not applicable.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable.

4. Financial performance based on given indicators:

As per the Audited Accounts of the previous three financial years:-

| Particulars            | As on March<br>31, 2020 | As on March<br>31, 2019 | As on March<br>31, 2018 |
|------------------------|-------------------------|-------------------------|-------------------------|
| Total Income           | 22,33,69,993            | 85,63,03,261            | 28,80,48,933            |
| Profit/Loss before Tax | 4,65,49,036             | (6,11,79,528)           | 1,73,29,568             |
| Profit after Tax       | 4,65,49,036             | (5,02,25,398)           | 1,19,11,567             |

5. Foreign Investments or collaborations, if any:

NIL

### B. INFORMATION ABOUT THE APPOINTEE:-

1. Background details:

Mr. Kanji Rita is the driving force behind Inventure Growth & Securities Limited. He has over 23 years of entrepreneurial experience of the broking industry and Real Estate Sector. He directly oversees the day-to-day activities of the Company

2. Past remuneration:

Details of the remuneration paid to Mr. Kanji Rita in previous three financial years.

| Sr. No. | Year       |            | Remuneration (in Rs.) |
|---------|------------|------------|-----------------------|
|         | From       | To         |                       |
| 1       | 01.04.2017 | 31.03.2018 | 40,50,000             |
| 2       | 01.04.2018 | 31.03.2019 | 39,00,000             |
| 3       | 01.04.2019 | 31.03.2020 | 39,00,000             |

3. Recognition of Awards: NIL

4. Job profile and his suitability

His work profile includes Stock Broking experience, construction business with experience of 23 years.

5. Remuneration proposed:

The terms of remuneration are detailed in the Explanatory statement.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:



The remuneration proposed is reasonable in the context of global operations & complexity of business of the Company and Commensurate with the similar industry (Broking Business), operating in India and the profile of the position.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel:

Mr. Kanji Rita is a father in law of Mrs. Lash Rita - Whole time Director of the company.

**C. OTHER INFORMATION:-**

1. Reasons of loss or inadequate profits:

The profits of the Company have increased over the years. For the year ended 31st March, 2021, the Company has made Profit before tax of Rs 11, 13, 81,789 and Profit after tax of Rs 76, 83, 8434. The proposed remuneration payable to the Managing Director may exceed the limit specified under Section 197 of the Companies Act, 2013 and profits of the company may be inadequate to that extent.

2. Steps taken or proposed to be taken for improvement:

During the year the Company has started a business of Mutual fund broking business.

3. Expected increase in productivity and profits in measurable terms:

The Company's tight control on cost, higher asset productivity and sales growth is expected to improve the profit before depreciation, interest and tax over the years.

None of the other Directors or Key Managerial Persons and their relatives except Mr. Kanji B. Rita is deemed to be interested in the said resolution No 3.

**For Inventure Growth & Securities Ltd.**

**Sd/-**

**Kanji B. Rita  
(Chairman & Managing Director)**

Place: Mumbai

Date: 06.08.2021

## ANNEXURE TO THE NOTICE

Details of the Directors seeking appointment/re-appointment in the ensuing AGM.

(In pursuance to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings)

|  |   |  |
|--|---|--|
| Name of the Director   | Kanji Bachubhai Rita  | Kamlesh S. Limbachiya  |
| DIN  | 00727470  | 02774663   |
| Date of Birth  | 15.11.1966  | 27.09.1967   |
| Age  | 58 Years  | 55 Years   |
| Date of last Appointment   | 04.08.2018  | 24.08.2019   |
| Brief resume, qualification, experience and nature of expertise in specific functional areas   | Mr. Kanji Rita is the driving force behind Inventure Growth & Securities Limited. He has over 18 years of entrepreneurial experience of the broking industry and Real Estate Sector. He directly oversees the day-to-day activities of the Company  | Mr. Kamlesh S. Limbachiya is a Whole Time Director of the Company with effect from 1st April 2014. He is Commerce Graduate and started his career in the year 1993. He has 19 years of experience in Readymade Garments business including 15 years of experience in construction business. He works as a Partner in M/S Shri Paridhan Traders and as a Director in Keshvi Developers Private Limited. |
| No. of Board Meetings attended during the financial year ended March 31, 2021  | 4   | 4  |
| Directorships held in other public companies (excluding foreign companies and Section 8 companies)   | Inventure Finance Private Limited<br>Inventure Merchant Bankers Services Private Limited<br>Inventure Developers Private Limited<br>Keshvi Developers Private Limited<br>Ratnasagar Enterprises Private Limited<br>Krushmi Developers Private Limited<br>K. R. Shoppers Private Limited<br>Kothari Builders Private Limited<br>Kenorita Collections Private Limited | Inventure Commodities Limited<br>Inventure Merchant Bankers Services Private Limited<br>Inventure Developers Private Limited<br>Keshvi Developers Private Limited  |
| Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders Relationship Committee.) | 0   | 0  |
| Number of Shares held in the Company   | 2,21,64,327   | 7,00,000   |
| Inter-se relationship with other Directors and Key Managerial Personnel  | Father in Law of Mrs. Lasha Meet Rita   | -  |

|   |                   |                   |
|---|-------------------|-------------------|
| Details of Remuneration sought to be paid   | Rs. 4,00,000/- pm | Rs. 2,00,000/- pm |
| Remuneration last drawn by the Director   | Rs. 3,00,000/- pm | Rs. 2,00,000/- pm |
| Justification for choosing the appointee for the appointment as Independent Directors | NA                | NA                |

**INFORMATION AND OTHER INSTRUCTIONS RELATING TO E-VOTING ARE AS UNDER:**

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility to be provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

NSDL/ CDSL, they may contact the respective helpdesk given below:

| <u>Type of shareholders</u>   | <u>Login Method</u>  |
|---|--|
| <b>Individual Shareholders holding securities in demat mode with NSDL</b> | <p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under <input type="checkbox"/>IDeAS<input type="checkbox"/> section. A new screen will open. You will have to enter your User ID and Password.</p> <p>After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under <input type="checkbox"/>Shareholder/Member<input type="checkbox"/> section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> |

|  |  |
|--|--|
| <p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p>   | <p>Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</p> <p>After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link In <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.</p> |
| <p><b>Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</b></p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</p> <p>Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>   |

**Individual Shareholders holding securities in Physical mode & e-voting service Provider is LINKINTIME.**

1. Open the internet browser and launch the URL:  
<https://instavote.linkintime.co.in>

Click on "**Sign Up**" under  **SHARE HOLDER** tab and register with your following details: -

**A. User ID:** Shareholders/ members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable).

**C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

**D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders/ members holding shares in **physical form** but have not recorded  C  and  D , shall provide their Folio number in  D  above

Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).

Click "confirm" (Your password is now generated).

2. Click on  Login  der  **SHARE HOLDER** tab.

3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on  **Submit**.

4. After successful login, you will be able to see the notification for e-voting. Select  **View icon**.

5. E-voting page will appear.

6. Refer the Resolution description and cast your vote by selecting your desired option  **Favour / Against** (If you wish to view the entire Resolution details, click on the  **View Resolution file** link).

7. After selecting the desired option i.e. Favour / Against, click on  **Submit**. A confirmation box will be displayed. If you wish to confirm your vote, click on  **Yes** else to change your vote, click on  **No** and accordingly modify your vote.

### **Institutional shareholders:**

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as **□ Custodian / Mutual Fund / Corporate Body □**. They are also required to upload a scanned certified true copy of the board resolution / authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **□ Custodian / Mutual Fund / Corporate Body □** login for the Scrutinizer to verify the same.

### **Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:**

- o Click on **□ Login □** under **□ SHARE HOLDER □** tab and further Click **□ forgot password? □**
- o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on **□ Submit □**.

- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.

### **Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:**

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

### **GENERAL INSTRUCTIONS**

1. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Friday, September, 24, 2021.
2. The e-voting period commences on Monday, September 27, 2021 (10.00 a.m. IST) and ends on Wednesday, September 29, 2021 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, September 24, 2021 i.e. cut-off date, may cast their vote electronically.
3. The facility for e-voting shall also be available at the AGM. Members who have already cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote at the AGM. Only those Members who attend the AGM and have not cast their votes through remote e-voting and are otherwise not barred from doing so will be allowed to vote through the e-voting facility available at the AGM.

4. Any person, who acquires shares of the Company and becomes its Member after the sending of Notice of the AGM and holds shares as on the cutoff date for voting i.e. Friday, September 24, 2021, may obtain the login ID and password by sending a request to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in). However, if he/she is already registered with LIPL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

5. Mr. Dharmesh Zaveri, proprietor of M/s. D. M. Zaveri & Co., Company Secretaries (FCS No. 5418 CP. No. 4363) has been appointed as the Scrutinizer to scrutinize the remote e-voting and ensure that the voting process at the AGM is conducted in a fair and transparent manner.

6. The Scrutinizer shall after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favor/against, if any, to the Chairperson or a person authorized in writing, who shall countersign the same and declare the result of the voting forthwith.

7. The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company [www.inventuregrowth.com](http://www.inventuregrowth.com) and on the LIPL website <https://instavote.linkintime.co.in> and shall also be forwarded to BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE).

#### **INSTRUCTIONS FOR SHAREHOLDERS/MEMBERS TO ATTEND THE ANNUAL GENERAL MEETING THROUGH INSTAMEET (VC/OAVM) ARE AS UNDER:**

- i. Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.
- ii. Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted up to 1000 members only.
- iii. Shareholders/ Members will be provided with Instameet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:
  - (i) Open the internet browser and launch the URL for InstaMeet<<<https://instameet.linkintime.co.in>>> and register with your following details:
    - a. DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company
    - b. PAN: Enter your 10 digit Permanent Account Number (PAN)
    - c. Mobile No.
    - d. Email ID
  - (ii) Click "Go to Meeting"



**NOTE:**

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or Call us: - Tel : (022-49186175)

**INSTRUCTIONS FOR SHAREHOLDERS / MEMBERS TO REGISTER THEMSELVES AS SPEAKERS DURING ANNUAL GENERAL MEETING:**

- i. Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at [cs@inventuregrowth.com](mailto:cs@inventuregrowth.com) before 48 hours prior to the date of AGM.
- ii. The first Speakers on first come basis will only be allowed to express their views/ask questions during the meeting.
- iii. Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [cs@inventuregrowth.com](mailto:cs@inventuregrowth.com) The same will be replied by the company suitably.

**NOTE:**

Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.

Shareholders/ Members should allow to use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

**INSTRUCTIONS FOR SHAREHOLDERS/MEMBERS TO VOTE DURING THE ANNUAL GENERAL MEETING THROUGH INSTA MEET:**

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
2. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for Insta Meet and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favor/ against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favor/against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favor/against'.
5. After selecting the appropriate option i.e. Favor/against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

## DIRECTORS REPORT

Dear Members,

Your Directors are pleased to present the 26<sup>th</sup> Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the Financial Year ended, 31<sup>st</sup> March, 2021.

The summarized financial results for the year ended 31<sup>st</sup> March, 2021 are as under:

### FINANCIAL HIGHLIGHTS

#### I Standalone Financial Information:

(₹ In Lacs)

| Particulars   | For the year ended |               |
|---|--------------------|---------------|
|   | 31-Mar-21          | 31-Mar-20     |
| Gross Income  | 3,138.38           | 2,233.70      |
| <b>Profit Before Depreciation, Interest &amp; Tax</b> | <b>1,167.07</b>    | <b>627.88</b> |
| Less: Depreciation                                    | 37.39              | 42.28         |
| Interest  | 15.85              | 120.11        |
| <b>Profit Before Tax</b>                              | <b>1,113.82</b>    | <b>465.49</b> |
| Current Tax   | 166.89             | 43.86         |
| Deferred Tax  | 178.54             | (10.85)       |
| <b>Net Profit/(Loss)</b>                              | <b>768.38</b>      | <b>432.49</b> |
| Add: Profit brought forward from earlier years        | -                  | -             |
| Profit available for appropriation                    | 768.38             | 432.49        |
| Appropriations:                                       | -                  | -             |
| Last year dividend paid                               | -                  | -             |
| Last year dividend tax paid                           | -                  | -             |
| Proposed Dividend                                     | -                  | -             |
| Interim Dividend                                      | -                  | -             |
| Dividend Tax  | -                  | -             |
| General Reserve                                       | -                  | -             |
| <b>Balance carried to Balance sheet</b>               | <b>768.38</b>      | <b>432.49</b> |
| <b>Basic and Diluted Earnings Per Share</b>           | <b>0.91</b>        | <b>0.51</b>   |

**II Consolidate Financial Information:**

(₹ In Lacs)

| Particulars   | For the year ended |               |
|---|--------------------|---------------|
|   | 31-Mar-21          | 31-Mar-20     |
| Gross Income  | 4,061.80           | 3,127.87      |
| <b>Profit Before Depreciation, Interest &amp; Tax</b> | <b>1,928.67</b>    | <b>290.71</b> |
| Less: Depreciation                                    | 56.72              | 59.88         |
| Interest  | 71.99              | 236.24        |
| Profit Before Tax                                     | 1,799.97           | (5.41)        |
| Current Tax   | 331.31             | 183.99        |
| Deferred Tax  | 223.85             | (194.25)      |
| <b>Net Profit /(Loss)(after Minority Interest)</b>    | <b>1,244.80</b>    | <b>4.86</b>   |
| Add: Profit brought forward from earlier years        | -                  | -             |
| Adjustment arising on consolidation                   | -                  | -             |
| <b>Profit available for appropriation</b>             | <b>1,244.80</b>    | <b>4.86</b>   |
| <b>Appropriations</b>                                 | <b>-</b>           | <b>-</b>      |
| Last year dividend paid                               | -                  | -             |
| Last year dividend tax paid                           | -                  | -             |
| Proposed Dividend                                     | -                  | -             |
| Interim Dividend                                      | -                  | -             |
| Dividend Tax  | -                  | -             |
| General Reserve                                       | -                  | -             |
| Statutory Reserve                                     | -                  | -             |
| <b>Balance carried to Balance sheet</b>               | <b>1,244.80</b>    | <b>4.86</b>   |
| <b>Basic and Diluted Earnings Per Share</b>           | <b>1.48</b>        | <b>0.01</b>   |

## **1. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE.**

### **STANDALONE:**

The company has earned a Profit of Rs.768.38 lakhs (before OCI) lakhs for the current financial year 2020-2021.

### **CONSOLIDATED:**

The company has earned a Profit of Rs. 1244.80 lakhs (before OCI) for the financial year 2020-2021.

## **2. CHANGE IN NATURE OF BUSINESS.**

There is no change in nature of business of the Company

## **3. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY.**

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2020-2021 and the date of this report.

## **4. SHARES.**

Company has not issued any bonus Shares, securities with Differential Voting Rights, any SWEAT Equity, any Employee Stock Option or any preferential Issue of Warrants or Convertible into Equity Shares along with your Company has not brought back any securities from Market.

## **5. CONSOLIDATED ACCOUNTS.**

In compliance with the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), Consolidated financial statements of the Company and all of its subsidiaries and associate, have been prepared for the year under report. The audited Consolidated financial statements along with the auditors' report thereon forms part of this Annual report. The consolidated financial statements presented by the Company include the financial results of all its subsidiaries and associate. The audited standalone financial statements of these entities have been reviewed by the Audit Committee and the Board.

## **6. SUBSIDIARIES.**

The Company has total Six (6) Subsidiaries Companies\*

Inventure Finance Private Limited

Inventure Commodities Limited

Inventure Wealth Management Limited

Inventure Insurance Broking Private Limited

Inventure Merchant Bankers Services Private Limited

Inventure Developers Private Limited

Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of your Company. The financial statements including the consolidated financial statements, financial statements of

subsidiaries and all other documents required to be attached to this report have been uploaded on the website of your Company ([www.inventuregrowth.com](http://www.inventuregrowth.com)) The financial performance of each of the subsidiaries included in the consolidated financial statements of your Company is set out in the **Annexure A** as **AOC-1** to this Report. Additional details of the performance and operations of the subsidiaries along with details of the restructuring and investments made by your Company are set out in the Management Discussion and Analysis which also forms part of this report.

## **7. MANAGEMENT DISCUSSION AND ANALYSIS.**

The Management Discussion and Analysis (MDA) report for the year, of the operations and state of the affairs of your Company and all of its subsidiaries or associate is given in a separate section of this Annual Report and forms part of this Annual Report.

## **8. CORPORATE GOVERNANCE REPORT.**

The Company is committed to maintain highest standards of corporate governance aligned with the best practices. Pursuant to applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed report on Corporate Governance forms part of this Report. The Company is in compliance with the various requirements and disclosures that have to be made in this regard. A certificate from the Auditors confirming compliance of the conditions of Corporate Governance as stipulated under the Listing Regulations forms part of the Annual Report.

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS.**

- A) In connection with the Show Cause Notice dated 30/06/2016 under Section 11(1), 11(4), 11A and 11B of SEBI Act, 1992 in the matter relating to public issue received from SEBI, The SEBI Whole Time Member has passed an Order against The Company, Its Directors and KMP of the Company as on 10.10.2019

The Company had filed Review Applications and SAT had passed an Order on review applications as on 06.02.2020. All The review applications has been dismissed and the debarment period has been reduced from 4 years to 3 years. The Company has filed an Appeal at Supreme Court against the SAT Order and Hearing is pending at Supreme Court.

- B) Show Cause Notice No. EAD-7/ADJ/KS/AS/OW/3851/1/2021 dated February 09, 2021 under Rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 read with Section 15-I of the Securities and Exchange Board of India, 1992 and under Rule 4 of the Securities Contracts (Regulation) (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 read with Section 23-I of the Securities Contracts (Regulation) Act, 1956 in the matter of Inventure Growth and Securities Limited for the inspection period of 2012-2015.
- C) Show Cause Notice bearing ref no. EAD-6, BM / RSL / 39094 / 2011 dated 27 December 2011 ("SCN") issued in the matter of Pyramid Symira Theatres Ltd to

Inventure Growth and Securities Limited ("IGSL"), wherein final AO order No order/VV/AA/2021-22/12070-12078 passed on 31/05/2021 with penalty of Rs.3,00,000/- (Rupees Three Lacs Only).and The Company has challenged the said order at SAT.

- d) Show Cause Notice bearing ref no, EAD DRA-III/ BR / PP / 13400 / 2015 dated 30 April 2015 ("SCN") issued in the matter of Pyramid Symira Theatres Ltd to Inventure Growth and Securities Limited ("IGSL"), wherein WTM SEBI has debarred the IGSL for 2 years vide order No WTM/AB/IVD/ID2/7987/2020-21 dated 23/06/2020 & said order challenge by us at SAT and next hearing will be conduct on 16/09/2021. The order for the above mentioned Notice is awaited.

#### **9. TRANSFER TO RESERVE.**

There is also no specific statutory requirement to transfer any sum to General reserve. Your Directors therefore have not proposed any sum for transfer to Reserves during this Year.

#### **10. DIVIDEND.**

Your Company has not proposed any dividend for the year 2020-2021.

#### **11. DIRECTORS AND KEY MANAGERIAL PERSONNEL.**

Mr. Kamlesh S. Limbachiya, Whole Time Director of the Company, is liable to retire by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of your Company and being eligible have offered himself for reappointment. Appropriate resolution for his re-appointment is being placed for your approval at the ensuing AGM. The brief resume of the Directors and other related information has been detailed in the Notice convening the 26<sup>th</sup> AGM of your Company. Your Directors recommend his re-appointment as Whole Time Director of the Company.

During the financial year, Mr. Ajay Khera, Independent Director, Mr. Meet K. Rita, Whole Time Director, Mr. Harilal B. Rita, Non-Executive Director has resigned from the Company and Mr. Dilip C. Shah, Independent Director Office vacated w.e.f 15.07.2020 as per Section 167 of the Companies Act 2013.

All the Independent Directors have given declaration that they meet the criteria of independence laid down under Section 149 of the Companies Act, 2013 and the Listing Regulations. Every Independent Director of the Company have affirmed that they have registered themselves under Independent Director Database and they will pass online proficiency test as may be required or applicable to them individually. The Independent Directors of Company hold office up to September, 2022 and are not liable to retire by rotation.

Shri Kanji B. Rita, Chairman & Managing Director and Shri Kamlesh S. Limbachiya, Whole Time Director, Mrs. Bhavi Gandhi, Company Secretary and Mr. Arvind Gala, Chief Financial Officer are the Key Managerial Personnel of your Company in accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013

read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

**12. DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES:**

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force),

Further details of Directors including remuneration, remuneration policy, criteria for qualification, independence; performance evaluation of the Board, Committees and Directors; meetings, committees and other details are given in the Corporate Governance Report, which is integral part of this Annual and Board's Report. Remuneration policy is posted in investors, corporate governance section on the Company's website or link: [www.inventuregrowth.com](http://www.inventuregrowth.com) and salient features of the same are mentioned in the Corporate Governance Report.

The Managing Director & Whole Time Directors of your Company does not receive remuneration from any of the subsidiaries of the Company.

**13. DIRECTORS RESPONSIBILITY STATEMENT:**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended 31 March 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2021 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) That systems to ensure compliance with the provisions of applicable laws were in place and were adequate and operating effectively.

**14. EVALUATION OF BOARD'S PERFORMANCE:**

Nomination and Remuneration Committee and the Board adopted performance



evaluation policy for Board, Committees and Directors with intents to set out criteria, manners and process for the performance evaluation. The policy provides manners to evaluate performance of the Board, committees, independent directors, non-independent directors and chairman. Criteria in this respect includes: Board composition, mix of skill, experience, members' participation and role, attendance, suggestions for effective functioning, board process, policies and others. The evaluation process includes review, discussion and feedback from directors and rating on questioners through online software based system. Evaluation of Performance of the Board, its committees, every Director and Chairperson, for the financial year 2020-2021 has been done following the manner and process as per the policy which includes discussion, feedback, assessment and rating on questioners. The manner in which the evaluation has been carried out has also been explained in the Corporate Governance Report, which forms part of this Annual Report

## **15. NUMBER OF MEETINGS OF THE BOARD AND ITS COMMITTEES**

During the financial year 2020-2021 the Board met for 4(Four) times and there were 4 Audit committee Meetings held. The details of the meetings of the Board of Directors and its Committees, convened are given in the Corporate Governance Report which forms a part of this report.

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The Company has complied with the Secretarial Standard as issued by the ICSI.

## **16. AUDITORS AND AUDITORS' REPORT**

### **A. STATUTORY AUDITORS**

The Members at the Annual General meeting held on 26<sup>th</sup> December 2020 appointed appoint M/S PPV & Co., (Firm Registration No 153929W) Chartered Accountants Mumbai, as Statutory Auditors of the Company), for a term of 5 years up to the Conclusion of Annual General Meeting to be held for the financial year 2024-25.

M/S PPV & Co. Chartered Accountants, (Firm Registration No 153929W) have confirmed their eligibility and qualification required under section 139 and 141 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force, for their continuation as statutory auditors.

In terms of the Listing Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI.

#### **Reporting of Fraud**

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

### **Change in Accounting Policy**

As per MCA Notification G.S.R. 365 (E) dated 30.03.2016 stock broking companies were covered under Non-Banking Finance Companies and the IND-AS was applicable to NBFC listed entities having net worth below Rs 500 Crores effective from April 2019. Accordingly, the Company has adopted Indian Accounting Standards (IND - AS) with effect from April 1, 2019. The effective date of such transition is April 1, 2018.

### **B. INTERNAL AUDITORS**

The Company continues to engage **SHAH & RAMAIYA** Chartered Accountants as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

### **C. SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed D. M. Zaveri & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as **Annexure-B**.

## **17. EXPLANATION OR COMMENTS ON QUALIFICATIONS, OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS RESERVATIONS**

There was no qualification, reservation or adverse remarks made by statutory auditor in their report for the Financial Year ended 31<sup>st</sup> March 2021.

However, There was following observation by secretarial auditor in their report for the Financial Year ended 31<sup>st</sup> March 2021.

Delay in filing of audited financial statements for the year ended 31/03/2020 approved in its Board meeting held on 15/07/2018 which is required to be filed within 30 minutes from the conclusion of such board meeting.

As represented by the management the above referred minor delay occur due to technical difficulties as well as connectivity issues faced while uploading results with BSE/ NSE.

Delay in filing of un-audited financial statements for the quarter ended 30/06/2020 approved in its Board meeting held on 12/09/2020 which is required to be filed within 30 minutes from the conclusion of such board meeting.

As represented by the management, there was some technical difficulties faced by the Company for login at NEAPS System of NSE on 12.09.2020 in order to

online submission of outcome of said board meeting, hence in order to avoid any further delay the Company had immediately sent a mail to NSE at 08.23 PM i.e. within 30 min. from the conclusion of said Board Meeting.

Delay in filing of Shareholding pattern for the quarter ended 30.09.2020, which is required to be filed within 21 days of end of quarter.

As represented by the management the above delay occur in view of current pandemic situation and due to work from home situation.

## **18. MAINTAINANCE OF COST RECORDS**

The Company is not required to maintain cost records as specified by Central Government under sub-section (1) of Section 148 of the Companies Act, 2013

## **19. COMMITTEES OF THE BOARD**

There are currently four committees of the board, as indicated below:

### **1. Audit Committee**

Audit Committee of the Board has been constituted as per the Listing Regulations and section 177 of the Companies Act, 2013. Constitution, meetings, attendance and other details of the Audit Committee are given in Corporate Governance Report which is part of this Report.

### **2. Nomination and Remuneration Committee**

Nomination and Remuneration committee of the Board has been constituted as per the Listing Regulations and section 178 of the Companies Act, 2013. Constitution, meetings, attendance and other details of the Committee are given in Corporate Governance Report which is part of this Report.

### **3. Stakeholder Relationship committee**

Stakeholder Relationship committee of the Board has been constituted as per the Listing Regulations and section 178 of the Companies Act, 2013. Constitution, meetings, attendance and other details of the Committee are given in Corporate Governance Report which is part of this Report.

### **4. Corporate Social Responsibility Committee**

Details of all the committees, along with their charters, composition and meeting held during the year are provided in the report on Corporate Governance forms part of the Annual Report

## **20. ANNUAL RETURN**

Pursuant to section 134(3)(a) and Section 92(3) of Companies Act, 2013 read with relevant Rules framed thereunder, The Annual Return of the Company in eform MGT-7 is available on the website of the Company at [www.inventuregrowth.com](http://www.inventuregrowth.com) :-

## **21. LOANS, GUARANTEE AND INVESTMENTS UNDER SECTION 186**

## **OF COMPANIES ACT,2013**

Details of loans, guarantees and investments under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules,2014, as on 31<sup>st</sup> March,2021,are set out in Note no.40 to the Standalone Financial Statements forming part of this report.

### **22. RELATED PARTY TRANSACTIONS**

Arrangements or transactions entered by the Company during the financial year with related parties were on an arm's length basis and in the ordinary course of business. All related party transactions are placed for approval before the Audit Committee and also before the Board wherever necessary in compliance with the provisions of the Act and Listing Regulations. During the year, the Company has not entered into any contracts/ arrangements/ transactions with related parties which could be considered material in accordance with the policy of the Company on material related party transactions or under section 188(1) of the Act. Accordingly, there are no particulars to report in Form AOC-2. Details of the related party transactions during the year as required under Listing Regulations and Indian accounting standards are given in note 39 to the standalone financial statements. The policy on dealing with the Related Party Transactions including determining material subsidiaries is available on the Company's website or link: [www.inventuregrowth.com](http://www.inventuregrowth.com)

### **23. VIGIL MECHANISM**

The Company has a whistle blower policy laying down a vigil mechanism to deal with instances of unethical behavior, fraud or mismanagement. The said policy has been explained in the corporate governance report and also displayed on the Company's website [www.inventuregrowth.com](http://www.inventuregrowth.com).

### **24. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

Pursuant to Section 135 of the Companies Act, 2013 and the relevant rules, the Board has constituted Corporate Social Responsibility (CSR) Committee under the Chairmanship of Mr. Bharat P. Shah, Independent Director. The other members of the Committee are Mr. Kanji B. Rita and Mr. Kamlesh S. Limbachiya. The Board of Directors, based on the recommendations of the Committee, formulated a CSR Policy. The detailed CSR Policy is available on web link [www.inventuregrowth.com](http://www.inventuregrowth.com) Annual report on CSR as required under Companies (Corporate Social Responsibility Policy) Rules 2014.

The Company confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company. Implementation by the company on its corporate social responsibility initiatives are **Annexure C** in this Report.

### **25. FAMILIARIZATION PROGRAMME**

The Company's Policy on programme and measures to familiarize Independent Directors about the Company, its business,

updates and development includes various measures viz. issue of appointment letters containing terms, duties etc., management information reports, presentation and other programmes as may be appropriate from time to time. The Policy and programme aims to provide insights into the Company to enable Independent Directors to understand the business, functionalities, business model and other matters. The said Policy and details in this respect is displayed on the Company's website.

## **26. LISTING OF SECURITIES**

The Equity Shares of the Company are presently listed on BSE Limited, National Stock Exchange of India Limited and Metropolitan Stock Exchange of India. However, Company has made an application for Voluntary Delisting of Shares at Metropolitan Stock Exchange of India Limited, confirmation is awaited from the Exchange. The Annual Listing Fee for the year 2020-2021 has been duly paid to the Stock Exchange.

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

The particulars required by the Section 134(3)(m) of the Companies Act, 2013 ("the Act") read with rule 8 (3) of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the Company during the year.

## **28. Foreign Exchange Earning and Outgo**

Your Company has no foreign exchange earnings and outgo.

## **29. LEVERAGING DIGITAL TECHNOLOGY**

Innovative ideas and technology is introduced continuously to provide great user experience to our customers, business associates and employees. In association with the IT Team, the Company with active support from management has been investing time and effort in information technology solutions to demonstrate technological leadership.

## **30. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES.**

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, including criteria for determining Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in **Annexure- D** and is attached to this report.

## **31. RISK MANAGEMENT POLICY.**

The Company has laid down a well-defined risk management mechanism covering the risk mapping and analysis, risk

exposure, potential impact and risk mitigation measures. Exercise is being carried out to identify, evaluate, manage and monitor the principal risks that can impact the Company's ability to achieve its strategic and financial objectives. Whenever necessary, the Board reviews the risks and suggests steps to be taken to control and mitigate the same through appropriate framework. Details on the risk elements which the Company is exposed to are covered in the Management Discussion and Analysis which forms part of this Annual Report. The Company has framed a Risk Management Policy to identify and assess the key risk areas, monitor and report compliance and effectiveness of the policy and procedure.

### **32. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES.**

Relations with employees across all the offices and units continued to be cordial. HR policies of the Company are focused on developing the potential of each employee. With this premise, a comprehensive set of HR policies are in place, aimed at attracting, retaining and motivating employees at all levels. Your Company had 110 permanent employees as on 31 March 2021.

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure E** and forms part of this Report.

The Company has not paid any remuneration to its Non-Executive Directors, except sitting fees for attending the meetings of the Board and Committee thereof during the FY 2020-2021. The details of the same are provided in the corporate governance Report forms part of the Annual Report.

### **33. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

An Internal complaints committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year 2020-2021, no complaints were received by the Company related to sexual harassment.

### **34. DEPOSITS (UNDER CHAPTER V):**

During the year, your Company has not accepted and/or renewed any public deposits in terms of the provisions of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 as amended.

### **35. INTERNAL FINANCIAL CONTROLS SYSTEMS AND ADEQUACY.**

The Board has adopted policies and procedures for governance of orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The Company's internal control systems commensurate with the nature of its business, the size and complexity of its operations.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Audit Committee of the Board of Directors, Statutory Auditors and the Senior Management are periodically apprised of the internal audit findings and corrective actions taken. Audit provides a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

### **36. APPRECIATION.**

Your Directors would like to take this opportunity to express sincere gratitude to the customers, bankers and other business associates for the continued cooperation and patronage. Your Directors gratefully acknowledge the ongoing co-operation and support provided by the Government, Regulatory Bodies and the Stock Exchanges. Your Directors place on record their deep appreciation for the exemplary contribution made by the employees at all levels to the growth and profitability of your Company's business. The Directors also wish to express their gratitude to the valued shareholders for their unwavering trust and support.

**For Inventure Growth & Securities Limited**

**Sd/-**

**Mr. Kanji B. Rita**

**(Chairman & Managing Director)**

**Sd/-**

**Mr. Kamlesh S Limbachiya**

**(Whole -Time Director)**

## **MANAGEMENT'S DISCUSSION & ANALYSIS**

### **Indian Economy Overview**

The Financial year 2020-21 started with the economic uncertainty due to the lockdowns imposed in the country as a result of worldwide Covid-19 pandemic. Government revenues were hit hard due to significant reduction in economic activities. All the economic activities barring essential services and agriculture were suspended. The start of the year was full of uncertainty as to when and how things would pan-out in terms of lives and livelihood. However, India managed the health crisis well with the available infrastructure.

The Government initiated several measures to minimize the impact of the pandemic, protect the lives of the country's citizens and revive the economy. The Government also announced a comprehensive COVID relief package of Rs. 20 trillion (equivalent to 10% of India's GDP) in May 2020 as a part of Atmanirbhar Bharat Abhiyaan which included a mix of cash spending, liquidity support to agriculture, MSMEs and other critical sectors, along with various structural reforms across sectors.

The lockdown measures, imposed to contain the pandemic, affected the economic activities resulting in contraction of the real Gross Domestic Product (GDP) by 7.3% in 2020-21. Consequent to the several proactive preventive and mitigating measures taken by Government, the rebound from the COVID-19 induced slump has been sharp in the third quarter of 2020 as real GDP growth turned positive. The health care crisis has subsided during second quarter of 2021. With aggressive vaccination programme and fiscal stimulus, economic activity is witnessing resumption.

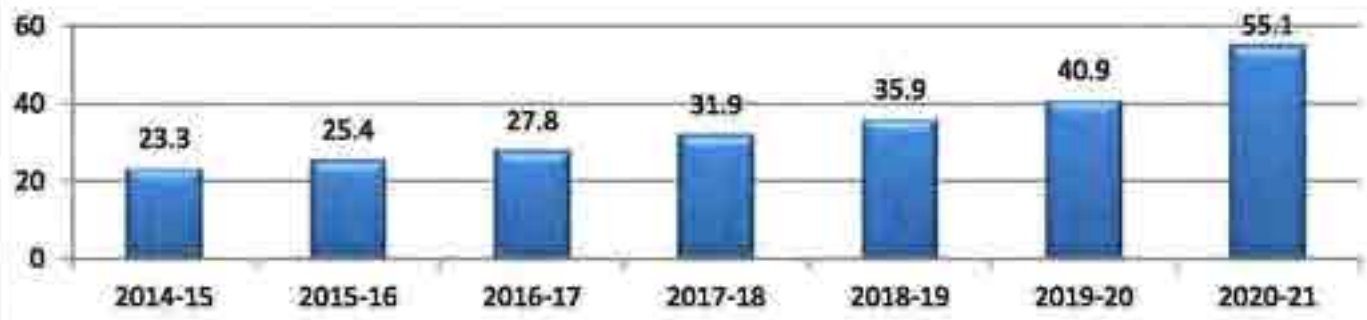
### **Industry Structure and Development**

The year 2020-21 has been a roller coaster for the Indian equity markets. Despite one of the most challenging years, the Indian Stock Markets registered their best financial year performance in a decade, with Nifty up 71%. From the lows seen during the end of 2019-20 on account of the Covid-19 induced lockdown, the markets recovered to reach new highs in the last quarter after vaccines against Covid-19 were approved and rolled out. BSE Sensex, the benchmark equity index of BSE, fell to 25,981.24 on March 23, 2020, its lowest value since December 26, 2016, but then rose to 52,516.76 on February 16, 2021 its highest ever value. It closed trading at 50,136.58 on March 30, 2021.

Initially, the recovery in the market amid the pandemic took everyone by surprise. Retail investor participation drastically increased. This was confirmed by record number of new demat accounts opened in FY 2020-21. About 14.2 Million new demat accounts were opened in FY 2020-21, nearly three times the figure of 4.9 Million in FY 2019-20. The total demat accounts stood at 55.1 Million as of FY 2020-21 vs. 40.8 Million at end of FY 2019-20. This trend has remained strong in month of April 2021 also with 1.9 Million accounts opened, taking total tally to 56.9 Million accounts. Further, as the Indian economy came to standstill post the outbreak and businesses suffered and jobs were lost, the stock market offered individuals an opportunity to supplement their income.



## GROWTH OF DEMAT ACCOUNT



## **Broking Business**

### **Industry Facts**

The average daily traded volumes (ADTO) for the equity markets during FY2021 stood at Rs.27.41 lakh crores, up 90% YoY from R 14.44 lakh crores in FY2020. The overall Cash market ADTO reported growth of 66% YoY at Rs. 64,951 crores in FY2021. Delivery saw growth of 39% YoY to Rs.12,718 crores. Within derivatives, futures volume increased 24% YoY to Rs. 1.09 lakh crores while options rose 95% YoY to Rs. 25.67 lakh crores. Amongst cash market participants, retail constitutes 56% of total cash volume, institution constitutes 18% of total cash volume and prop constitutes 26%. The proportion of DII in the cash market was 7%.

## **INVENTURE GROWTH AND SECURITIES LIMITED**

### **About us**

Inventure Growth and Securities Limited (the Company) Incorporated in June 1995, started as Public Limited Company with membership on Bombay Stock Exchange and National Stock Exchange. Inventure sees its role as "creating wealth diversification with a research-driven approach" for client base of more than 51205 that includes corporations, institutions and individuals.

The Company has its Head Office in Mumbai, have **completed 25 years of operations** providing a 360 degree view of your financial needs and planning. It has one-stop shop for all your financial needs operating in different segments such as cash and derivatives trading, currency futures and a registered depository participant with Central Depository Service (India) Limited (CDSL). The Company operates with wide range of products and services across various asset classes like mutual funds, real estate, debt, insurance and many more.

The Company encourages its customers to make right decisions for your portfolio. It provides its valuable services to its customers with a trusted pedigree of employees, sub brokers and authorized persons it is our constant endeavor to provide services in transparent manner. Inventure today has managed to create a good network of clientele in Maharashtra and Gujarat. Trading under the symbols NSE: INVENTURE, BSE: 533506, Inventure helps retail customers to diversify their portfolios in almost all available financial services. It covers:

1. Retail Broking
2. Financial Product Distribution
3. Institutional Broking
4. Mutual Fund Investments

Investing money is just not enough. You have to monitor and ensure your investments help you build a robust financial portfolio. Hence we continuously strive to empower the retail customer community by understanding their financial needs. Being present in the entire life cycle of the customers' hard earned money, Inventure provides all financial products on a single platter. The Company started diversifying its business and different line of activities through its subsidiary companies. Today under the umbrella of Inventure, we have six wholly owned subsidiary companies.

Subsidiary businesses are largely divided into:

- Non-banking finance.
- Commodity Broking.
- Merchant Banking Activities.
- Real estate activities.

Small snippets of each of the subsidiary businesses are mentioned below -



### **Inventure Finance Private Limited**

Inventure Finance Private Limited is a non-banking finance company (NBFC). The Company is engaged in lending and allied activities. It focuses on consumer lending, small and medium-sized enterprises (SME) lending, commercial lending, Its SME lending products include loan against property and business loans. Its commercial lending products include inter corporate deposits (ICD), loan against securities and financial institutions group lending business. Its retail lending products include Business Loans, salaried personal loans and gold loans.

### **Inventure Commodities Limited**

Inventure Commodities Limited is a trading-cum-clearing member of the leading national commodity exchanges - MCX & NCDEX. Our offerings include Commodities Broking Services, Hedging Solutions and Arbitrage Desk to meet the requirements of all kinds of market participants. The Commodities Broking Services cater to the retail private investor segment, while the Hedging Services are offered through our corporate desk to the producing/consuming firms that have either direct or economic exposure to the underlying commodity. Our offerings also include Arbitrage products that are backed by our experts. ICL offers a range of services to mitigate risk and provide assurance to clients operating in India. Our mission is to provide trade financiers with specialist risk mitigation and assurance services at strategic points along the commodity value chain, key benefits of trading in commodities are portfolio diversification, inflation protection, hedge against event bases risk etc., creating a secure environment for the successful conduct of trade

### **Inventure Insurance Broking Private Limited**

Inventure Insurance Broking Services Private Limited is driven by a vision to provide transparent and reliable insurance broking services for all types of Life Insurance, General Insurance and Risk Management Solutions. We are committed to provide honest, timely and research-backed information and insurance services to our customers.

### **Inventure Merchant Bankers Services Private Limited**

Inventure Merchant Bankers Service Private Limited has a comprehensive package of services like issue management, leasing and hire purchase, loan syndication, merger and acquisitions, stock broking, treasury management, portfolio management, etc. These services encompass Project Advisory and Loan Syndication, Structured Debt Placement, Capital Markets, Mergers & Acquisitions, Private Equity and Stressed Assets Resolution. We are a complete solutions provider offering diversified financial advisory and investment banking services, innovative ideas and unparalleled execution to our client base across all stages of the business cycle.

Customer centric approach of Inventure Merchant Bankers Service Private Limited, with a dedicated professional team has helped carve a niche for itself in financial services arena and won confidence of its clients. Inventure Merchant Banking Service Private Limited is registered with SEBI. With years of experience in capital markets activity this elite division of ours is dedicated in providing services/assistance related to Issue Management, merger and amalgamation of listed Company, Buybacks, delisting in Compliance with norms of SEBI.

### **Inventure Wealth Management Limited**

Inventure Wealth Management Limited gained investor trust by managing funds as per its investment objectives and have been able to deliver superior risk adjusted returns. The consistent long term performance was achieved on the strength of fundamentals, process driven investment approach with enough flexibility for the fund managers to manage their funds in their respective unique style and insight. We strive hard to deliver consistent performance over the benchmark across all our products, thereby creating customer satisfaction. We have a dedicated team of employee offering a broad range of investment products across asset classes with varying risk parameters that cater to needs of various customer segments.

### **Inventure Developers Private Limited**

**Inventure Developers Private Limited is engaged in Real Estate related activities.** It carry on business as builders, developers, general construction contractors, purchase, take over, acquire, and to sell or advertise, transfer, adapt, manage, franchise, commercialize, run, use, maintain, and in all aspects deal in any type of properties. Its business also includes take on lease or otherwise flats, offices, buildings or like structure along with equipment, plant and machinery, furniture and fixtures, and to assign the rights, title and interest in any type of properties, in India or elsewhere, either alone or jointly with one or more persons, companies, government.

### **Risk, Concern and Threats**

The Company recognizes that risk is inherent to any business activity and that managing risk effectively is critical to the immediate and future success of the Company. The Company is registered and regulated by SEBI for stock broking, depository participant, investment advisory, and mutual funds. The Company has highly digitalized processes which minimizes the scope for omission and commission of errors and frauds. However, the Company faces a variety of risk because of business environment it operates in, which may affects its operations or financial results and many of that risk are driven by factors that the company cannot predict or control. The major sources of our revenues are derived from equity brokerage business. Hence, like other players in the market, our business is highly sensitive to economic and political conditions prevalent in the country and across the globe. Any sustained downturn in general economic conditions or Indian equity markets and severe market fluctuations would likely result in reduced client trading volumes and net revenues, and hence, will have a material adverse effect on our profitability. The Company is also exposed to the risk arising from misconduct, fraud or trading errors by its employees such as indulgence in unauthorized transactions by employees/registered authorized persons, misreporting of and non-compliance with various statutory and legal requirements, improper use of confidential information and operational errors. We also provide exposure limits to clients, based on the collaterals of securities that we receive from them, in connection with our brokerage business. Sharp change in market values of securities and the failure by parties to honor their commitments on a timely basis could have a material adverse effect on the portability of our operations. The overall assessment of risks and threats at Company level is carried out and presented to the Board of Directors. Hence adequate risk management system has been put in place by the management to ensure the success and financial soundness of the company and to deal with various trade related risks.

### **Internal Controls System and their adequacy**

The Company has an internal audit system which is effective and commensurate with the nature of business, regulatory prescriptions and the size of its operations. The scope of internal audit covers all aspects of the business, including regular front-end and back-end operations and internal compliances.

The Company also retains specialized audit firms to carry out specific / concurrent audit of some critical functions, such as half-yearly internal audit mandated by SEBI/Exchanges, DP processes, Know Your Customer (KYC) verifications, demat transfers, payouts verifications, systems audit, branches and authorized person's audit and, end use verification audits, among others. In addition, the Company complies with several specific audits mandated by regulatory authorities such as SEBI / Exchanges / Depositories, and the reports are periodically submitted to the regulators.

The Board/Audit Committee reviews the overall risk management framework and the adequacy of internal controls instituted by the management team. The Audit Committee reviews major instances of fraud periodically and actions are taken on the same. The Board has also put in place state-of-the-art technology and has automated most of the key areas of operations and processes, to minimize human intervention. The statutory auditors, after reviewing the systems and processes, have confirmed the adequacy and effectiveness of the internal financial controls of the Company.

### **Cautionary Statement**

This report contains forward-looking statements extracted from reports of Government Authorities/ Bodies, Industry Associations etc. available on the public domain which may involve risks and uncertainties including, but not limited to, economic conditions, government policies, dependence on certain businesses and other factors. Actual results, performance or achievements could differ materially from those expressed or implied in such forward-looking statements. This report should be read in conjunction with the financial statements included herein and the notes thereto. The Company does not undertake to update these statements.

## CORPORATE GOVERNANCE REPORT

[Pursuant to Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Inventure Growth & Securities Limited strive to follow the best corporate governance practices, develop best policies/ guidelines, communicate and train its entire employees in order to foster a culture of compliance and obligation at every level of the organization. The company is in compliance with the provision of Corporate Governance specified in the Listing Agreement with the Bombay Stock Exchange Ltd., National Stock Exchange of India Ltd.

The Company is committed to meet the expectations of stakeholders as a responsible corporate citizen. The Inventure Growth & Securities Limited's code of conduct contains the fundamentals principles and rules concerning ethical business conduct.

### 2. BOARD OF DIRECTORS

As on 31<sup>st</sup> March, 2021, the Board of the Company comprised of Six (6) Directors, out of which One (1) is Chairman and Managing Director, Two (2) is Whole Time Director, Three (3) are Independent Directors.

Mrs. Lasha Meet Rita is Daughter in law of Mr. Kanji B. Rita, Chairman & Managing Director.

All the directors have vast experience not only in Securities Market but also in other varied industries. The Independent Directors have no other pecuniary interest or business relation with the Company, other than just receiving sitting fees.

The Board of Directors of the Company has an optimum mix of Executive and Non-Executive Directors and is in conformity with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

| Sr. No. | Category             | Full Name                          | Designation                  | Date of Appointment |
|---------|----------------------|------------------------------------|------------------------------|---------------------|
| 1       | Executive            | Kanji Bhachubhai Rita              | Chairman & Managing director | 14-08-2014          |
| 2       | Executive            | Kamleshkumar Shankarlal Limbachiya | Whole-time director          | 12-02-2014          |
| 3       | Independent Director | Bharat Popatlal Shah               | Independent Director         | 28-05-2014          |
| 4       | Independent Director | Deepak Manikant Vaishnav           | Independent Director         | 24-12-2009          |
| 5       | Independent Director | Shilpa Vishal Solanki              | Independent Director         | 23-03-2015          |
| 6       | Executive            | Lasha Meet Rita                    | Whole-time director          | 30-01-2019          |

Mr. Ajay Khara resigned from the Company w.e.f 18<sup>th</sup> August 2020 due to his shifting from Mumbai to New Delhi and has confirmed that there is no other material reason other than mentioned above for his resignation and

Mr. Dilip Shah's office vacated w.e.f 15.07.2020 u/s 167 of the Companies Act 2013 on account of non-attaining of Board Meeting for a period of one year.



Mr. Harilal Bachubhai Rita resigned from the Company w.e.f 12<sup>th</sup> September 2020.  
 Mr. Meet Kanji Rita resigned from the Company w.e.f 12<sup>th</sup> September 2020.  
 Mrs. Lasha Rita designation has changed from Non-Executive Director to Whole Time Director w.e.f 12<sup>th</sup> September 2020.

## 2.1 Matrix of expertise and skill of Directors

Present Directors of the Company (including directors seeking appointment) having different skill and expertise in respective domain area viz. sales and marketing, technology and business management, accounting, finance and taxation etc. Following is the qualification, expertise and skill of the Directors of the Company. The Board is of the opinion that the skill or competence required for the Directors in relation to the present business of the Company includes finance, accounts, taxation, technology, legal, operation, business development and compliance:-

| Sr. No. | Name of Director             | Qualification                               | Skills/expertise/competence/experience  |
|---------|------------------------------|---|---|
| 1       | Mr. Kanji B. Rita            | Non Matriculate                             | Key skills are in Business strategy, Marketing strategy, Business development, Product Management, Competitive Analysis, Brand equity and Team management.<br>Having Experience of more than 17 Years in Stock Markets and Real Estate Sector   |
| 2       | Mr. Kamlesh S. Limbachiya    | Bachelor of Commerce                        | Having Experience of more than 19 Years in Readymade garments sector and more than 13 Years of experience in Construction business.   |
| 3       | Mrs. Lasha Meet Rita         | B.M.S, Master of Commerce & PGDBM Marketing | Expertise in Accountancy and Technology and having more than 6 Years of experience in Securities Market.  |
| 4       | Mr. Deepak Manikant Vaishnav | Member of ICAI                              | Expertise in the fields of business process re-engineering, computerization of processes, ERP evaluation, implementation and post production support, ERP due diligence, providing functional, technical and strategic support to various teams working on various projects in diverse industries like stock exchange, finance, real estate, telecommunication, banking, government financials, IT consulting, insurance and investments, process manufacturing, retail etc.<br>Having experience of more than 27 Years |
| 5       | Mr. Bharat P. Shah           | Member of ICAI                              | Expertise in Taxation & Accountancy with more than 34 Years of experience as Chartered Accountant.  |
| 6       | Mrs. Shilpa Vishal Solanki   | Member of ICAI                              | Expertise in Accountancy with more than 21 Years of Experience as Chartered Accountant  |

Share Holding of Directors in the Company:

| Sr. No. | Category  | Full Name                          | Designation                  | No. of shares held |
|---------|-----------|------------------------------------|------------------------------|--------------------|
| 1       | Executive | Kanji Bhachubhai Rita              | Chairman & Managing director | 22,16,43,270       |
| 2       | Executive | Kamleshkumar Shankarlal Limbachiya | Whole Time Director          | 70,00,000          |
| 3       | Executive | Lasha Meet Rita                    | Whole Time Director          | 29,94,360          |

Attendance Records of Directors at Board Meetings, Last Annual General Meeting (AGM) and number of their Directorship / Committee Membership / Chairmanships is given below:

| Name of Director     | Category                     | Number of meeting held during the year/the director was on the board | No. of Board Meetings Attended during the year | Attendance at last AGM held on 26th December 2020 | No. of Positions held in Other Companies. |                       |                        |
|----------------------|------------------------------|--|--|---|---|-----------------------|------------------------|
|                      |                              |  |  |   | Board*                                    | Committee membership# | Committee Chairmanship |
| Mr. Kanji B. Rita    | Chairman & Managing Director | 4  | 4  | Yes   | 9   | 1                     | -                      |
| Mr. Kamlesh S.       | Whole Time Director          | 4  | 4  | Yes   | 6   | -                     | -                      |
| Mrs. Lasha Meet Rita | Whole Time Director          | 4  | 4  | Yes   | 1   | -                     | -                      |
| Mr. Deepak Manikant  | Independent Director         | 4  | 4  | Yes   | -   | -                     | -                      |
| Mr. Bharat P.        | Independent Director         | 4  | 4  | Yes   | -   | -                     | -                      |
| Mrs. Shilpa          | Independent Director         | 4  | 4  | Yes   | 1   | -                     | -                      |

#Only Audit Committee & Stakeholder's Relationship Committee is considered for the Committee Positions.

Board Meetings held during the Financial Year 2020-21:

| July-September           | October-December | January-March |
|--------------------------|------------------|---------------|
| 15.07.2020<br>12.09.2020 | 10.11.2020       | 12.02.2021    |

### **3. Evaluation of the Board's Performance:**

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering Board effectiveness, quality of discussion and contribution at the meetings, business acumen, strategic thinking, time commitment, relationship with the stakeholders, corporate governance practices, contribution of the Committees to the Board in discharging its functions, etc.

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (as per Regulation 26(1)) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 across all the public limited companies in which he is a Director. All the Directors have made the requisite disclosures regarding Committee positions held by them in other public limited companies.

The Company familiarizes its Directors including independent directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.

The familiarization program for Independent Directors is disclosed on the Company's website under the web link: [www.inventuregrowth.com](http://www.inventuregrowth.com).

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

- a. number of complaints filed during the financial year 2020-21: Nil
- b. number of complaints disposed of during the financial year 2020-21: N.A.
- c. number of complaints pending as on end of the financial year 2020-21: N.A.

5. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: Details relating to fees paid to the statutory auditors are given in Note 36 (a) to the Standalone Financial Statements.

### **6. COMMITTEES:**

#### **A. AUDIT COMMITTEE**

The Audit Committee comprises of 4 members, wherein Mr. Bharat P. Shah holds chairmanship, who has sound financial knowledge. The other members in the audit committee are Mr. Deepak M. Vaishnav Mr. Kanji B. Rita and Mrs. Shilpa V. Solanki and Mrs. Bhavi R. Gandhi Company Secretary of the Company was also the Secretary to the audit committee.

The audit committee has adequate powers and plays such role as required and prescribed under the provisions of Companies Act, 2013 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 signed with the Stock Exchanges. The members of the committee met 4 times during the financial year.

The Composition, Meetings & Attendance during the FY 2020-2021 are as follows:

| Name of Directors      |          | Category Attendance |            |            |            |
|------------------------|----------|---------------------|------------|------------|------------|
|                        |          | 15.07.2020          | 12.09.2020 | 10.11.2020 | 12.02.2021 |
| Mr. Bharat P. Shah     | Chairman | Yes                 | Yes        | Yes        | Yes        |
| Mr. Deepak M Vaishnav  | Member   | Yes                 | Yes        | Yes        | Yes        |
| *Mrs. Shilpa V Solanki | Member   | NA                  | Yes        | Yes        | Yes        |
| *Mr. Kanji B. Rita     | Member   | NA                  | NA         | Yes        | Yes        |

\*As on 15.07.2020, Mr. Bharat Shah, Independent Director was appointed as Chairman of the Committee

\* As on 15.07.2020 Mr. Kanji B. Rita, Chairman & Managing Director was appointed as Member of the Audit Committee.

\*As on 12.09.2020 Mrs. Shilpa Solanki, Independent Director was appointed as Member of the Audit Committee

(i) The terms of reference of the audit committee:

- (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) Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- (c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- (d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of subsection 3 of section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
- (e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- (f) 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- (g) Review and monitor the auditor's independence and performance, and effectiveness of the audit process.
- (h) Approval or any subsequent modification of transactions of the Company with related parties.
- (i) Scrutiny of inter-corporate loans and investments.
- (j) Valuation of undertakings or assets of the company, wherever it is necessary.
- (k) Evaluation of internal financial controls and risk management systems;

- (l) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- (m) 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.
- (n) Discussion with internal auditors of any significant findings and follow up there on.
- (o) 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.
- (p) 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.
- (q) 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.
- (r) To review the functioning of the Whistle Blower mechanism.
- (s) 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 and background, etc. of the candidate.
- (t) Reviewing the utilization of loans/ advances/ investment in the subsidiary > Rs. 100 Crores / 10% of the asset size of the subsidiary.
- (u) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
- (v) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(ii) The representatives of statutory auditors and internal auditors have attended all the Audit Committee meetings held during the year. The Chief Executive Officer, Chief Financial Officer, and Principal Officer are permanent invitees to the Meeting. The Company Secretary acts as the secretary to the audit Committee.

(ii) The Chairman of the Audit Committee was present at the last Annual General Meeting held on September 30<sup>th</sup> September 2020.

(iii) The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the BSE Limited read with Section 177 of the Companies Act, 2013.

In addition to the members of the Audit Committee, these meetings are attended by the heads of accounts & finance, Internal Auditors, Statutory Auditors and other executives of the Company who are considered necessary for providing inputs to the Committee as invitees.

Mrs. Bhavi R. Gandhi, Company Secretary acts as Secretary of the Committee.

## **B. STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Shareholders' / Investors' Grievance Committee consists of 3 members, a Chairman, Mr. Deepak M. Vaishnav and another is the member, Kamlesh S. Limbachiya & Mr. Bharat P Shah Both/all the members are eminent in resolving the complaints, if any received from investors.

(i) In order to ensure quick redressal of the complaints of the stakeholders, the Company has, in due compliance with Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Companies Act, 2013.

(ii) The terms of reference of the Committee:

(a) The Committee looks into redressal of shareholders' complaints such as transfer or credit of shares, Non-receipt of dividend, Non-receipt of Annual Reports etc.

(b) Oversee and review all matters connected with transfer of the Company's Securities

(c) Approve issue of Company's duplicate share / debenture certificate

(d) Monitor redressal of investors' / shareholders' grievances

(e) Oversee the performance of the Company's Registrars and Share Transfer Agents

(f) Monitors implementation and compliance with the Company's code of conduct for prohibition of insider trading

(g) Perform such other functions as may be necessary or appropriate for the performance of its duties

(iii) Meeting, Attendance and Composition:

The composition of Stakeholder Relationship Committee is in the Compliance with the provisions of the Companies Act, 2013 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Stakeholder Relationship Committee meetings held once during the year as on 12<sup>th</sup> February 2021.

| Name Of Directors         | Category | 12.02.2021 |
|---------------------------|----------|------------|
| *Mr. Deepak M. Vaishnav   | Chairman | Yes        |
| *Bharat P. Shah           | Member   | Yes        |
| Mr. Kamlesh S. Limbachiya | Member   | Yes        |

\*As on 15.07.2020, Mr. Deepak M. Vaishnav, Independent Director was appointed as Chairman of the Committee

\*As on 15.07.2020, Mr. Bharat Shah, Independent Director was appointed as member of the Committee

The Company has specifically designated an email id i.e. for the purpose of registering complaints of investors electronically: [investorgrievance@inventuregrowth.com](mailto:investorgrievance@inventuregrowth.com) to Compliance Officer- Bhavi Gandhi (Company Secretary)

However, the committee has delegated its power to approve transfer & transmission of shares & issue of duplicate share certificates to the Registrar & share transfer agent of the Company.

During the financial year 2020-2021, the Company has/has not received any complaints from its shareholders.

### **C. Nomination & Remuneration Committee.**

The Company has Nomination & Remuneration Committee which comprises of 3 directors, Chairman Mr. Deepak Vaishnav and Mr. Bharat P. Shah, Mrs. Shilpa Solanki are other members. The Remuneration Committee met One (1) time during given period.

The composition of the Committee is in the Compliance with the provisions of the Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

- (ii) The terms of reference of the Committee inter-alia includes the followings :
- (a) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
  - (b) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and senior employees.
  - (c) Formulate the policy to ensure that:  
The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully  
Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.
  - (d) Evaluate case by case before finalizing issue of Equity Shares to employees under ESOP, formulate and evaluate policies and procedures of ESOP, administer and supervise the ESOP scheme and other related activities.
  - (e) To perform such other functions as may be necessary and appropriate for the performance of its duties

#### **iii) Meeting, Attendance and Composition**

Nomination and Remuneration Committee meetings held once during the year as on 12<sup>th</sup> September 2020.

| <b>Name Of Directors</b> | <b>Category</b> | <b>12.09.2020</b> |
|--------------------------|-----------------|-------------------|
| *Mr. Deepak M. Vaishnav  | Chairman        | Yes               |
| *Mr. Bharat P. Shah      | Member          | Yes               |
| Mrs. Shilpa V Solanki    | Member          | No                |

\*As on 15.07.2020, Mr. Deepak M. Vaishnav, Independent Director was appointed as Chairman of the Committee

\*As on 15.07.2020, Mr. Bharat Shah, Independent Director was appointed as member of the Committee

### **D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

(i) Pursuant to provisions of Section 135 of the Companies Act, 2013, the Board had constituted a Corporate Social Responsibility Committee.

The Corporate Social Responsibility Committee comprising of three (3) members, including two Non-Executive independent Director and one Non-Executive Director as under :

| Sr. No. | Name of the Director(s)   | Category |
|---------|---------------------------|----------|
| 1       | Mr. Bharat P. Shah        | Chairman |
| 2       | Mr. Kanji B. Rita         | Member   |
| 3       | Mr. Kamlesh S. Limbachiya | Member   |

During the year no meeting was held of the CSR committee.

(ii) The terms of reference of the Committee inter-alia includes the followings :

- a) Formulate and recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and rules framed thereunder.
- b) Recommend the amount of expenditure to be incurred on the activities referred in Clause (a)
- c) Monitor the Corporate Social Responsibility Policy of the Company from the time to time.
- d) Prepare a transparent monitoring mechanism for ensuring implementation of the projects/programmes/activities proposed to be undertaken by the Company.

(ii) Since the CSR norms are still not applicable to the Company. Hence, the disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is not required to be made.

## **7. REMUNERATION TO DIRECTORS**

Details of remuneration, perquisites etc. and sitting fees of Directors for the financial year ended on 31<sup>st</sup> March 2021 are provided under Annexure D of Directors Report. Performance bonus of the Chairman & Managing Director is as may be approved by the Nomination & Remuneration Committee and based on criteria including achievement of performance standards as mutually set out from time to time and as per Remuneration policy of the Company.

## **8. REMUNERATION POLICY**

The Board on the recommendation of Nomination and Remuneration Committee approved Remuneration Policy for Directors, KMP and senior management employees. The policy describes various aspects and guiding factors while determining the remuneration to Directors, KMP and senior managerial personnel of the Company with intent to maintain level and composition of remuneration reasonable and sufficient to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and also create competitive advantage. Broad provisions of the Remuneration Policy are summarized hereunder.

- a. Nomination and Remuneration committee (NRC) has important role in monitoring the policy.
- b. The Board, on the recommendation of NRC approves the remuneration payable to the Managing Director of the Company. The remuneration payable to the Managing Director shall be in accordance with the applicable provisions of the Act, and the rules framed thereunder.



- c. The Board, on the recommendation of the NRC approves the remuneration payable to the Key Managerial Personnel and Senior Management Personnel. The structure of remuneration payable to Key Managerial Personnel and Senior Management Personnel will be in accordance with the compensation framework adopted for employees generally by the Human Resource department of the Company.
- d. The commission to the Non-Executive/ Independent Directors is paid as per the provisions of the Act and the rules framed thereunder.
- e. The Commission will be distributed among nonexecutive independent directors as per criteria mentioned in this Report.

#### **9. CRITERIA FOR PAYMENT TO NON-EXECUTIVE INDEPENDENT DIRECTOR**

Non-executive and Independent Directors are paid sitting fee of Rs. 25000/- for each meeting of the Board or committee thereof. The Company also reimburses expenses incurred by the directors for attending the meetings.

#### **10. COMPANY POLICIES:**

Policies of the Company as required During the year under review, the Company has adopted the following policies in line with Regulation 30(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 (wherever applicable) are displayed on the website of the Company i.e. [www.inventuregrowth.com](http://www.inventuregrowth.com)

#### **11. INDEPENDENT DIRECTORS MEETING:**

During the year under review, the Independent Directors met on 10<sup>th</sup> November 2020 inter alia,

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the independent Directors were present at the meeting.

#### **12. Subsidiary Companies**

The Company as on 31<sup>st</sup> March, 2021 has 6 subsidiary companies, which are enumerated below:

1. Inventure Finance Private Limited
2. Inventure Commodities Limited
3. Inventure Merchant Banker Services Private Limited
4. Inventure Wealth Management Limited
5. Inventure Insurance Broking Private Limited
6. Inventure Developers Private Limited

The requirements of Regulation 24 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to Subsidiary Companies have been complied with.

The Company monitors performance of Subsidiary companies, inter alia by following means:

Financial Statements, in particular investments made by the unlisted Subsidiary Companies are reviewed by the Company's Audit Committee.

Minutes of the Board Meetings of Unlisted Subsidiary Companies are placed before the Company's Board.

A Statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company's Board.

### **13. GENERAL BODY MEETINGS**

a) No Extra Ordinary General of shareholders was held during the period from 01<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021.

b) The last three Annual General Meetings were held as under:

| Year      | Venue  | Day/Date               | Time      | No. of Special Resolutions passed   |
|-----------|--|------------------------|-----------|---|
| 2019-2020 | Meeting conducted through Video conferencing   | Saturday<br>26.12.2020 | 11.00AM   | 1. To approve Reclassification of Promoter & Promoter Group of the Company.<br><br>2. To appoint Mrs. Lasha Meet Rita as Whole Time Director of the Company w.e.f 12th September 2020.  |
| 2018-2019 | 3rd Floor, Sterling Banquet Hall, Topiwala Center, Off S.V. Road, Near Station Road, Goregaon (West), Mumbai – 400 062 | Monday<br>30.09.2019   | 11.00AM   | 1. Appointment of Mrs. Lasha Rita (holding DIN: 08104505) as Director (Non-Executive Non- Independent Director) of the Company.<br>2. Re-appointment of Mr. Kamlesh S. Limbachiya (DIN: 02774663) as Executive Whole Time Director of the Company.<br>3. Re-Appointment of Mr. Ajay Khera (DIN: 00695146) as an Independent Director.<br>4. Re-Appointment of Mr. Deepak Vaishnav (DIN: 02889935) as an Independent Director.<br>5. Re-Appointment of Mr. Bharat Shah (DIN: 02360505) as an Independent Director.<br>6. Re-Appointment of Mr. Dilip Shah (DIN: 05202642) as an Independent Director.<br>7. Re-Appointment of Mrs. Shilpa Solanki (DIN: 07139092) as an Independent Director.<br>8. Approval for increase in the limit as per section 186 of the Companies Act 2013. |
| 2017-2018 | 3rd Floor, Sterling Banquet Hall,  | Thursday<br>27.09.2018 | 11.00 A.M | 1. Re-appointment of Mr. Kanji B. Rita (holding DIN: 00727470) as Managing Director   |

|  |   |  |  |  |
|--|---|--|--|--|
|  | <b>Topiwala<br/>Center, Off<br/>S.V. Road,<br/>Near Station<br/>Road,<br/>Goregaon<br/>(West),<br/>Mumbai –<br/>400 062</b> |  |  | 2. Appointment of Mr. Meet K. Rita (holding DIN: 06895249) as Director of the Company.<br>3. Appointment of Mr. Meet K. Rita (holding DIN: 06895249) as a Whole Time Director. |
|--|---|--|--|--|

For the year ended March 31, 2021, No Special Resolutions passed by the Company's Shareholders through Postal Ballot.

#### **14. DISCLOSURES**

**a. Materially Significant Related Party Transactions:**

There have been no materially significant related party transactions, pecuniary transactions or relationship between the Company and its Directors for the year ended 31.03.2021 that may have a potential conflict with the interest of the Company at large.

Related Parties and transactions with them as required under Accounting Standard (AS-18) are furnished in Notes on Accounts attached with the Financial Statements for the year ended March 31, 2021.

**b. Statutory Compliance, Penalties and Strictures:**

The Company has complied with the requirements of regulatory authorities and no instances with regards to non-compliance, penalty or otherwise occurred or was imposed on the Company by Stock Exchange or SEBI or any other statutory authority.

**c. Accounting Standards:**

The Company has applied the mandatory Accounting Standards as prescribed by the ICAI, and that there is no deviation in the accounting treatments which requires any specific disclosure.

**d. Code of Conduct for Prevention/Prohibition of Insider Trading**

The company has adopted Code of Conduct for Prevention/Prohibition of Insider Trading in lines with the **SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018**. The same is available on company's portal [www.inventuregrowth.com](http://www.inventuregrowth.com)

**e. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Compliances:**

The company has complied with all the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 compliances within time

**f. Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification:**

In terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulation 17(8) the Managing Director and the Chief Financial Officer have furnished the required certificates to the Board of Directors.

**g. web link where policy has been Disclosed:**

The Company's website ([www.inventuregrowth.com](http://www.inventuregrowth.com)) contains a separate dedicated section where Policy regarding material subsidiaries and related party transactions information is available.

## 15. Means of Communication

a. **Quarterly Results:** The quarterly unaudited and audited results of the Company were published in the Newspaper as under during the FY 2020-2021:

| Date of Meeting | Date of Publishing results in Newspapers |                             | Purpose of Meeting   |
|-----------------|--|-----------------------------|--|
|                 | Name of the Newspaper                    | Name of the Newspaper       |  |
|                 | (Marathi) Navshakti Express              | (English)Free Press Journal |  |
| 15.07.2020      | 17.07.2020                               | 17.07.2020                  | Audited Financial Results & Accounts of the Company for the Quarter & Year ended 31 <sup>st</sup> March, 2020. |
| 12.09.2020      | 14.09.2020                               | 14.09.2020                  | Unaudited Financial Results of the Company for the Quarter & Three Months ended 30 <sup>th</sup> June 2020.    |
| 10.11.2020      | 11.11.2020                               | 11.11.2020                  | Unaudited Financial Results of the Company for the Quarter & Six Months ended 30 <sup>th</sup> September 2020. |
| 12.02.2021      | 13.02.2021                               | 13.02.2021                  | Unaudited Financial Results of the Company for the Quarter & Nine Months ended 31 <sup>st</sup> December 2020. |
| 09.06.2021      | 10.06.2021                               | 10.06.2021                  | Audited Financial Results & Accounts of the Company for the Quarter & Year ended 31 <sup>st</sup> March, 2021. |

The results are also available on the Company's website [www.inventuregrowth.com](http://www.inventuregrowth.com)

**Annual results:** The copy of annual report containing the annual results of the Company along with the notes, auditor's report, director's report etc., are yearly sent to the shareholders at their registered addresses and which are also available on the Company's website [www.inventuregrowth.com](http://www.inventuregrowth.com)

## 16. General Shareholders' Information

### a. Annual General Meeting

Day and Date : Thursday, 30<sup>th</sup> September 2021  
Time : 11.00 AM  
Venue : Through Video Conferencing as mentioned in

AGM Notice

Financial Year : 01<sup>st</sup> April, 2020 - 31<sup>st</sup> March, 2021  
Date of Book Closure : 24<sup>th</sup> September 2021 to 30<sup>th</sup> September 2021  
(both days inclusive)

b. Dividend Payment : NIL

c. Listing of Shares : BSE Limited  
14<sup>th</sup> Floor, P J Towers,  
Dalai Street, Fort,

Mumbai- 400 001

National Stock Exchange of India Limited (NSE)  
Exchange Plaza,  
BandraKurla Complex,  
Bandra (E), Mumbai - 400051

d. Scrip Id/Code : 533506 - BSE  
Inventure - NSE

Corporate Identity No : L65990MH1995PLC089838

e. Registrar and Share Transfer Agents:

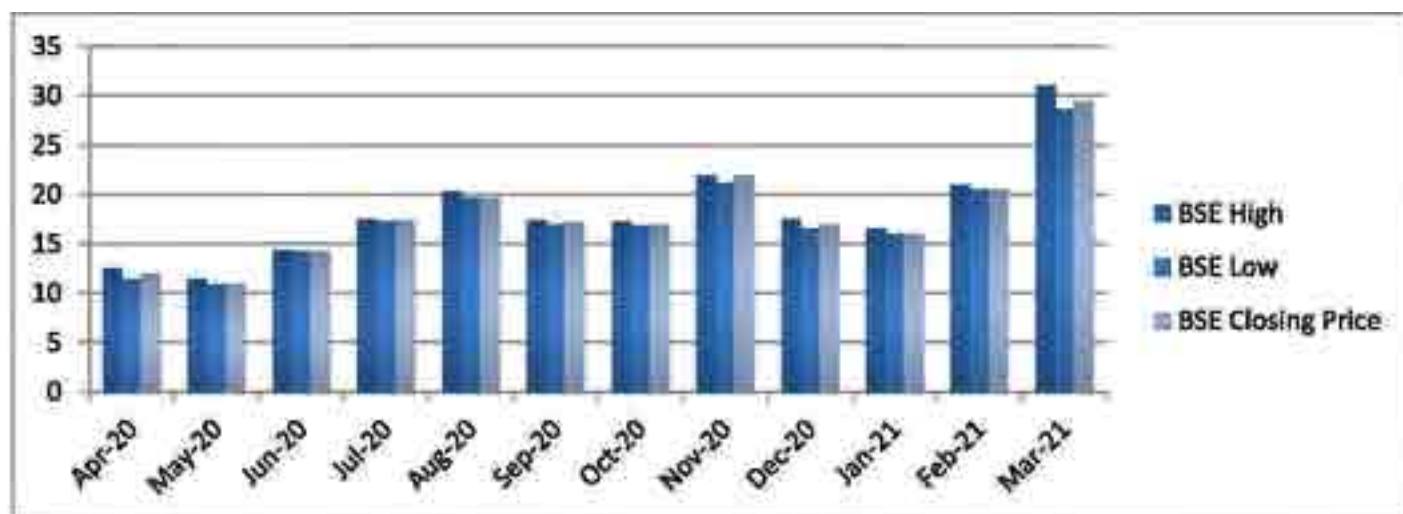
Name : Linkintime India Pvt Ltd.  
Address : C 101, 247 Park, L.B.S Marg, Vikhroli (West),  
Mumbai - 400 078,  
Tel. No : 022- 49186000  
Fax No. : 022-49186060

i) Share Price Data

Market Price Data: Stock Market price data for the financial year 2020-21. High/Low of daily month ended closing market price of the company's shares traded at BSE, NSE & MCX-SX during each month in the financial year ended 2020-21 are as under:

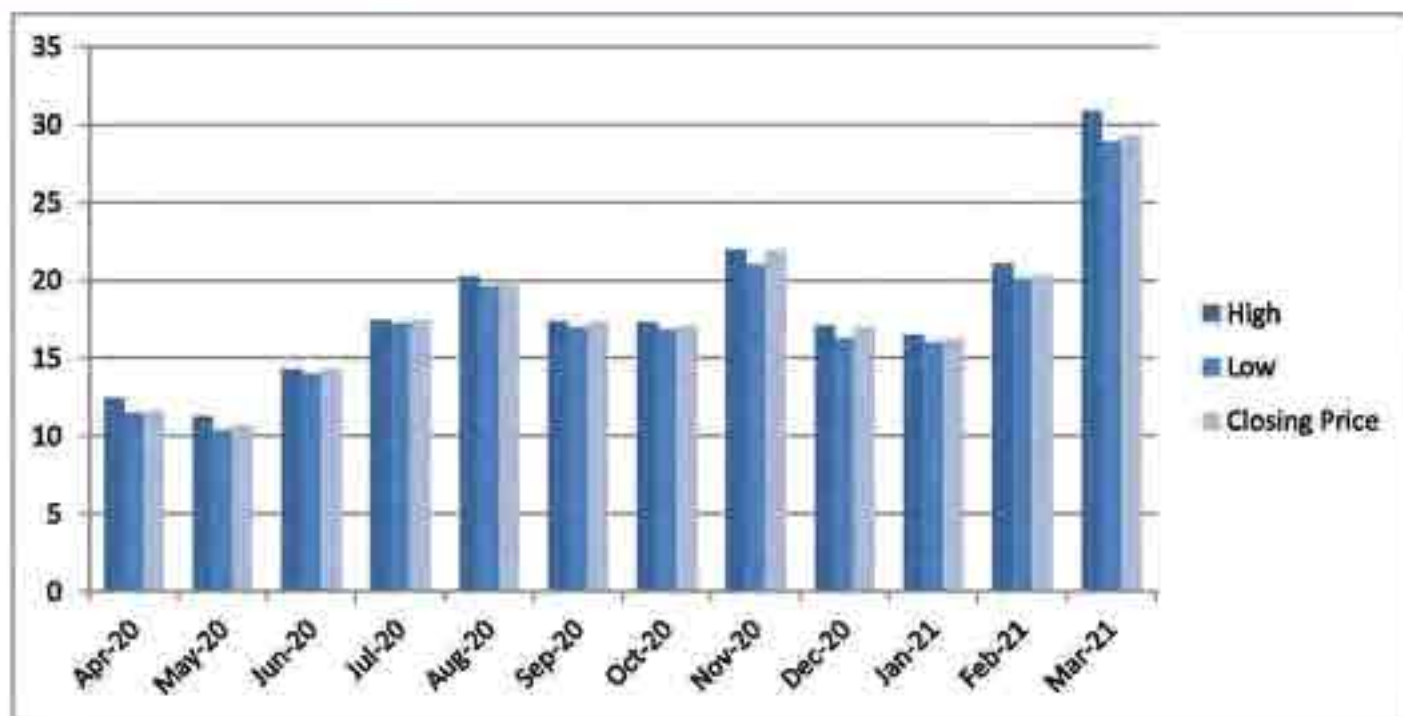
**BOMBAY STOCK EXCHANGE LIMITED**

| BSE    |       |       |               |
|--------|-------|-------|---------------|
| Month  | High  | Low   | Closing Price |
| Apr-20 | 12.5  | 11.46 | 12            |
| May-20 | 11.4  | 10.9  | 10.9          |
| Jun-20 | 14.35 | 14.25 | 14.25         |
| Jul-20 | 17.5  | 17.25 | 17.4          |
| Aug-20 | 20.3  | 19.7  | 19.7          |
| Sep-20 | 17.35 | 17    | 17.2          |
| Oct-20 | 17.3  | 16.9  | 16.95         |
| Nov-20 | 21.95 | 21.2  | 21.9          |
| Dec-20 | 17.5  | 16.5  | 17            |
| Jan-21 | 16.5  | 15.95 | 16            |
| Feb-21 | 21    | 20.5  | 20.5          |
| Mar-21 | 31.05 | 28.65 | 29.4          |



### NATIONAL STOCK EXCHANGE OF INDIA LIMITED

| NSE    |       |       |               |
|--------|-------|-------|---------------|
| Month  | High  | Low   | Closing Price |
| Apr-20 | 12.4  | 11.5  | 11.6          |
| May-20 | 11.3  | 10.4  | 10.7          |
| Jun-20 | 14.25 | 14    | 14.25         |
| Jul-20 | 17.4  | 17.25 | 17.4          |
| Aug-20 | 20.25 | 19.65 | 19.7          |
| Sep-20 | 17.35 | 16.95 | 17.3          |
| Oct-20 | 17.3  | 16.8  | 17            |
| Nov-21 | 21.95 | 21    | 21.85         |
| Dec-21 | 17.1  | 16.3  | 16.95         |
| Jan-21 | 16.5  | 16    | 16.2          |
| Feb-21 | 21.05 | 20.1  | 20.3          |
| Mar-21 | 30.85 | 28.9  | 29.25         |



j) Distribution of shareholding

| DISTRIBUTION OF SHAREHOLDING (SHARES) |              |           |                        |                         |                            |                     |
|---------------------------------------|--------------|-----------|------------------------|-------------------------|----------------------------|---------------------|
| SR. NO.                               | SHARES RANGE |           | NUMBER OF SHAREHOLDERS | % OF TOTAL SHAREHOLDERS | TOTAL SHARES FOR THE RANGE | % OF ISSUED CAPITAL |
| 1                                     | 1            | to 5000   | 2723                   | 75.2210                 | 3180750.00                 | 0.3787              |
| 2                                     | 5001         | to 10000  | 303                    | 8.3702                  | 2609300.00                 | 0.3106              |
| 3                                     | 10001        | to 20000  | 182                    | 5.0276                  | 2994070.00                 | 0.3564              |
| 4                                     | 20001        | to 30000  | 66                     | 1.8232                  | 1725940.00                 | 0.2055              |
| 5                                     | 30001        | to 40000  | 29                     | 0.8011                  | 1061100.00                 | 0.1263              |
| 6                                     | 40001        | to 50000  | 42                     | 1.1602                  | 1979420.00                 | 0.2356              |
| 7                                     | 50001        | to 100000 | 55                     | 1.5193                  | 4087210.00                 | 0.4866              |
| 8                                     | 100001       | to *****  | 220                    | 6.0773                  | 822362210.00               | 97.9003             |
| Total                                 |              |           | 2719                   | 100                     | 84000000                   | 100                 |

Shareholding pattern as on 31 March, 2021

| Category  | No of Shares | Percentage |
|---|--------------|------------|
| Promoters & Persons acting in concert           | 2,31,75,439  | 27.59      |
| Mutual Funds/FIs/Banks/Insurance Companies      | -            | -          |
| Clearing Member                                 | 1,19,620     | 0.14       |
| Bodies Corporate                                | 31,71,359    | 3.78       |
| NRI/Foreign Nationals /Foreign Bodies Corporate | 21,766       | 0.26       |
| Public and others                               | 5,75,11,816  | 68.47      |
| Total   | 8,40,00,000  | 100        |

**17 Reconciliation of Share Capital Audit Report as on 31<sup>st</sup> March, 2021**

The Company, pursuant to the provisions of the SEBI (Listing obligations and Disclosures Requirements) Regulations, 2015, at every quarter has to submit a Certificate of Reconciliation of Share Capital Audit taken from a Practicing Company Secretary to the Stock Exchanges where the shares of the Company are listed. The report certifies that the total shares held with NSDL, CDSL and those in physical, tally with the share capital issued and paid up of the Company and that the Register of Members is duly updated.

**18. Share Transfer System:**

The Company's shares held in dematerialized form are transferrable through depositories whereas those in physical form are transferred by the Registrar & Transfer Agent and placed before the Share Transfer Committee for its approval. The power to issue share certificates on re-materialization or transfer of physical share has been delegated to Mrs. Bhavi R. Gandhi

The Investor Grievance Committee meets at a regular interval to consider and approve the transfer, transmission, issuance of duplicate / consolidated / sub-divided share certificates and requests for dematerialization / re-materialization of Company's shares. The Company on half yearly basis submits to the Stock Exchanges a Certificate under Regulation 40(9) & (10) of Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015 giving details with regards to share transfer forms received and approved during the period.

**19. Dematerialization of Shares:**

The shares of the Company are compulsorily traded in electronic mode with National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited (CDSL). Out of the total Share Capital of the Company Equity Shares in Demat form, which includes the shares held by the Promoter and Promoter group, and remaining shares are held in physical mode.

**20. The Company has/has not issued any GDR/ ADR Warrants or any other convertible instruments**

**21. ADDRESS OF CORRESPONDENCE**

|  |   |
|--|---|
| <b>REGISTRAR AND SHARE TRANSFER AGENTS</b><br><b>LINK INTIME PRIVATE LIMITED</b><br>C 101, 247 Park, L.B.S Marg, Vikhroli (West),<br>Mumbai – 400 078<br>Tel: +91 022- 49186000<br>FAX: +91 22 49186060<br>E-mail: <a href="mailto:mt.helpdesk@linktime.co.in">mt.helpdesk@linktime.co.in</a><br>Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> | <b>REGISTERED OFFICE</b><br><b>INVENTURE GROWTH &amp; SECURITIES LIMITED</b><br>201, Viraj Tower, Near Landmark, W.E. Highway, Andheri (E), M-69,<br>Tel: +91 22 71148500<br>FAX: +91 22 71148510<br>Email: <a href="mailto:cs@inventuregrowth.com">cs@inventuregrowth.com</a><br>Website: <a href="http://www.inventuregrowth.com">www.inventuregrowth.com</a> |
|--|---|



## **DECLARATION BY CHIEF EXECUTIVE OFFICER**

This is to declare that as provided under Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the Directors and Senior Management for the year ended March 31, 2021.

For and on behalf of the Board of Directors

Place: Mumbai

Date: 09.06.2021

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Chief Executive Officer

**Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification  
(Issued in accordance with the provisions of Regulation 33 (2) (a) of SEBI (LODR)  
Regulations 2015**

**To the Board of Directors  
Inventure Growth & Securities Limited**

We, the undersigned, in our respective capacities as Whole Time Directors and Chief Financial Officer of the Company hereby certify that, to the best of our knowledge and belief;

A) We have reviewed the financial statements read with the cash flow statement of Inventure Growth and Securities Limited for the year ended March 31, 2020 and that to the best of our knowledge and belief, we state that;

- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that may be misleading;
- (ii) These statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.

B) There are, to the best of our knowledge and belief, no transaction entered into by the Company during the year ended March 31, 2020 which are fraudulent, illegal or in violation of the Company's code of conduct.

C) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control system of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls. If any, and steps taken or propose to be taken for rectifying these deficiencies.

D) We have indicated to the Auditors and the Audit Committee:

- I. There is no significant changes in internal control over financial reporting during the year ended March 31, 2020;
- II. There is no significant changes in accounting policies made during the year ended March 31, 2020;
- III. There is no 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.

Yours sincerely  
**Sd/-**  
**Kanji B. Rita**  
**Managing Director**

**Sd/-**  
**Arvind J. Gala**  
**Chief Financial Officer**

Place: Mumbai  
Date: 09.06.2021

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

To,  
The Members of,  
Inventure Growth and Securities Limited,  
201, 2<sup>nd</sup> Floor, Viraj Tower, Near Landmark,  
Western Express Highway, Andheri - East  
Mumbai – 400 069

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Inventure Growth and Securities Limited** having CIN L65990MH1995PLC089838 and having registered office at 201, 2<sup>nd</sup> Floor, Viraj Tower, Near Landmark, Western Express Highway, Andheri - East Mumbai - 400069 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

| SR. No. | Name of Directors                  | DIN      | Date of appointment in the Company |
|---------|------------------------------------|----------|------------------------------------|
| 1.      | Kanji Bhachubhai Rita              | 00727470 | 24/09/2015                         |
| 2.      | Kamleshkumar Shankarlal Limbachiya | 02774663 | 12/02/2014                         |
| 3.      | Lasha Rita Meet                    | 08104505 | 30/01/2019                         |
| 4.      | Shilpa Vishal Solanki              | 07139092 | 23/03/2015                         |
| 5.      | Deepak Manikant Vaishnav           | 02889935 | 24/12/2009                         |
| 6.      | Bharat Popatlal Shah               | 02360505 | 28/05/2014                         |

However, vide SEBI order dated 6<sup>th</sup> August 2018 has debarred following directors; Nagji K Rita/ Virendra D Singh/ Kanji B Rita/ Vinod K Shah/ Pravin M Gala/ Arun N Joshi/ Srinivasaiyer Jambunathan/ Harshavardhan M Gajbhiye/ Ajay Khera/ Deepak M Vaishnav to associate themselves with any listed company or company proposing to list, or any registered intermediary, in the capacity of a director, key management personnel or partner (in case of a partnership firm) for a period of 4 years, with effect from January 1, 2019. As informed by the

management, the Company and all the directors and KMP as mentioned has filed an appeal with Securities Appellate Tribunal (SAT) on 11<sup>th</sup> September 2018 against the said SEBI order dated 06/08/2018. SAT from time to time has granted interim stay on reconstitution of the Board as directed in SEBI order dated 06/08/2018. After several hearings in the matter of order dated 06.08.2018 the final SAT hearings had been completed on 22<sup>nd</sup> July 2019. The Hon'ble judges of SAT has passed the Order dated 10.10.2019 and summary of the Order passed was as under:-

- a) The Appeal filed on 11<sup>th</sup> September 2018 by the Company i.e. Inventure Growth & Securities Limited and its directors Mr. Nagji K. Rita, Mr. Virendra D. Singh, Mr. Vinod K Shah, Mr. Kanji B. Rita, Mr. Arvind J Gala and Mrs. Bhavi R Gandhi was partly allowed as follows;
  - i) The SEBI Order passed against all the Independent Directors i.e. Mr. Ajay Khera, Mr. Deepak Vaishnav, Mr. S. Jambunathan, Mr. H M Gajbhiye, Mr. Arun Joshi and Mr. Pravin Gala has been set aside.
  - ii) The restraint imposed on the Company and Executive Directors was reduced from 4 years to 3 years.
- b) The Company, Executive Directors and KMPs had filed Review Applications on 01.11.2019 against the SAT Order dated 10.10.2019. SAT hearing for Review Applications was completed on 05.02.2020 and order passed as follow;
  - i) All The review applications has been dismissed and the debarment period has been reduced from 4 years to 3 years.
- c) On 24.08.2020 the Company has filed an appeal with Supreme Court and hearing on the same is awaited.

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

**For D M Zaveri & Co.  
Company Secretary**

**Dharmesh Zaveri  
(Proprietor)  
M. No.: 5418  
CP. No.: 4363**

**Place: Mumbai  
Date: 6<sup>th</sup> August 2021**

**ICSI UDIN: F005418C000742781**

**CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
**Inventure Growth and Securities Limited**

I have examined the compliance of conditions of Corporate Governance by **Inventure Growth and Securities Limited** (□the Company□), for the Financial Year ended 31 March 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

**Management's Responsibility**

The Management is responsible for ensuring that the Company complies with the conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing regulations.

**Auditor's Responsibility**

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

**Opinion**

In my opinion and to the best of my information and according to our examination of the relevant records and the explanations given to me and the representations made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of the Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March 2021.

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

**Restriction on Use**

This certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for any events or circumstances occurring after the date of this Certificate.

For **D. M. Zaveri & Co**  
Company Secretaries  
SD/-

**Dharmesh Zaveri**  
(Proprietor)

FCS No. 5418, CP No. 4363  
Place: Mumbai, Date: 6<sup>th</sup> August 2021

ICSI UDIN: F005418C000742814

**ANNEXURE A**

**Form No AOC 1**

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

The statement containing silent features of the financial statement of subsidiaries companies is given below:

(Amount in ₹)

| Particulars   | IFPL                                     | IMBSPL  | ICL                                  | IWML                                       | IIBPL  | IDPL  |
|---|--|---|--------------------------------------|--|--|---|
| <b>Name of the subsidiary</b>   | <b>Inventure Finance Private Limited</b> | <b>Inventure Merchant Banker Services Private Limited</b> | <b>Inventure Commodities Limited</b> | <b>Inventure Wealth Management Limited</b> | <b>Inventure Insurance Broking Private Limited</b> | <b>Inventure Developers Private Limited</b> |
| The date since when subsidiary was acquired*  | 07/12/2007                               | 29/08/2011  | 19/08/2008                           | 12/06/2008                                 | 08/01/2008   | 08/06/2018                                  |
|   | 28/06/2008                               | 30/09/2020  |                                      |  |  |   |
|   | 11/03/2011                               |   |                                      |  |  |   |
|   | 04/11/2011                               |   |                                      |  |  |   |
|   |  | 12/09/2020  |                                      |  |  | 11/02/2021                                  |
| Reporting period for the subsidiary concerned, if different from the Holding Company's reporting period |  |   |                                      |  |  |   |
| Share capital   | 48,000,000                               | 16,100,000  | 21,907,000                           | 6,500,000                                  | 6,000,200  | 1,000,000                                   |
| Other equity  | 720,062,293                              | 44,026,608  | 68,815,968                           | - 419,873                                  | 714,707  | -863,578                                    |
| Total assets  | 1,108,363,973                            | 60,523,356  | 111,354,015                          | 6,107,627                                  | 6,784,696  | 161,282                                     |
| Total liabilities   | 340,301,680                              | 396,748   | 20,631,047                           | 27,500                                     | 69,789   | 24,860                                      |
| Investments   | -  | 11,415,000  | -                                    | 1,380,155                                  | 809,945  | -   |
| Turnover  | 136,977,015                              | 2,840,600   | 7,612,536                            | 351,822                                    | 564,783  | 8,129                                       |
| Profit before taxation  | 66,563,231                               | 487,266   | 908,645                              | 286,522                                    | 510,459  | -141,161                                    |
| Provision for taxation (net)  | 17,473,433                               | 148,377   | 3,173,073                            | 71,531                                     | 106,663  | -   |
| Profit after taxation   | 49,089,798                               | 338,889   | (2,264,428)                          | 214,991                                    | 403,797  | -141,161                                    |
| Proposed dividend   | -  | -   | -                                    | -  | -  | -   |
| % of shareholding   | 100%                                     | 100%  | 99.97%                               | 100%                                       | 100%   | 100%  |

**ANNEXURE B**  
**Secretarial Audit Report**  
**Form No. MR-3**

For the Financial year ended 31<sup>st</sup> March, 2021

*[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,  
**Inventure Growth and Securities Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Inventure Growth and Securities Limited** (hereinafter called '**the Company**'). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Inventure Growth and Securities Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended on 31<sup>st</sup> March, 2021, 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 read with our letter of even date annexed as Annexure A which form an integral part of this report.

I 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, 2021 according to the provisions of:

- (i) The Companies Act, 2013(the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and the Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder (Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company during the audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('The SEBI'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not relevant / applicable during the year under review)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not relevant / applicable during the year under review)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not relevant / applicable during the year under review)**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not relevant / applicable during the year under review)**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Other law applicable specifically to the Company as per the representation given by the management of the Company is SEBI (Stock Brokers and Sub-brokers) Regulations, 1992.

I have also examined compliance with the applicable clauses to the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Government of India, as applicable under the Companies Act 2013;
- (ii) The uniform listing agreements entered with BSE, NSE and MCX-SX in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above *except as follows*;

- a) *There was delay to comply with Regulation 30 to be read with Schedule III Part A(a)(4)(h) w.r.t. filing of Audited Financial Statements of the Company for the year ended 31/03/2020 by 1 min. with BSE and 9 min. with NSE for filing of outcome of the board meeting required to be submitted with Stock Exchange's within 30 minutes from the conclusion of such board meeting held on 15/07/2020.*
- b) *There was delay to comply with Regulation 30 to be read with Schedule III Part A(a)(4)(h) w.r.t. filing of un-audited Financial Statements of the Company for the quarter ended 30/06/2020, by 18 hrs and 44 min. at NSE in filing of outcome of the board meeting required to be submitted with Stock Exchange's within 30 minutes from the conclusion of such board meeting held on 12/09/2020.*
- c) *There was a delay of one day to comply with Regulation 31(1)(b) w.r.t. filing of Shareholding pattern for the quarter ended 30.09.2020.*

**I further report that,** the Board of Directors of the Company is duly constituted with proper balance of Executive, 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.

*However, vide SEBI order dated 6<sup>th</sup> August 2018 has debarred following directors; Nagji K Rita/ Virendra D Singh/ Kanji B Rita/ Vinod K Shah/ Pravin M Gala/ Arun N Joshi/*



*Srinivasaiyer Jambunathan/ Harshavardhan M Gajbhiye/ Ajay Khera/ Deepak M Vaishnav to associate themselves with any listed company or company proposing to list, or any registered intermediary, in the capacity of a director, key management personnel or partner (in case of a partnership firm) for a period of 4 years, with effect from January 1, 2019. As informed by the management, the Company and all the directors and KMP as mentioned has filed an appeal with Securities Appellate Tribunal (SAT) on 11<sup>th</sup> September 2018 against the said SEBI order dated 06/08/2018. SAT from time to time has granted interim stay on reconstitution of the Board as directed in SEBI order dated 06/08/2018. After several hearings in the matter of order dated 06.08.2018 the final SAT hearings had been completed on 22<sup>nd</sup> July 2019. The Hon'ble judges of SAT has passed the Order dated 10.10.2019 and summary of the Order passed was as under:-*

- a) *The Appeal filed on 11<sup>th</sup> September 2018 by the Company i.e. Inventure Growth & Securities Limited and its directors Mr. Nagji K. Rita, Mr. Virendra D. Singh, Mr. Vinod K Shah, Mr. Kanji B. Rita, Mr. Arvind J Gala and Mrs. Bhavi R Gandhi was partly allowed as follows;*
  - i) *The SEBI Order passed against all the Independent Directors i.e. Mr. Ajay Khera, Mr. Deepak Vaishnav, Mr. S. Jambunathan, Mr. H M Gajbhiye, Mr. Arun Joshi and Mr. Pravin Gala has been set aside.*
  - ii) *The restraint imposed on the Company and Executive Directors was reduced from 4 years to 3 years.*
- b) *The Company, Executive Directors and KMPs had filed Review Applications on 01.11.2019 against the SAT Order dated 10.10.2019. SAT hearing for Review Applications was completed on 05.02.2020 and order passed as follow;*
  - i) *All The review applications has been dismissed and the debarment period has been reduced from 4 years to 3 years.*
- c) *On 24.08.2020 the Company has filed an appeal with Supreme Court and hearing on the same is awaited.*

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

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

**I 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.

**I further report that** the Company had received a Show Cause Notice under Section 11(1), 11(4), 11A and 11B of SEBI Act, 1992 in the matter relating to public issue of the Company which was duly replied with requisite explanation for the queries raised by SEBI.

**I further report that** during the audit period;

- a) There was no further development in respect of letter dated 06/06/2018 received by the Company from Registrar of Companies (ROC) under section 206(4) of the Companies

Act, 2013 for furnishing of information in respect of Initial Public offer and detailed submission of the same was filed by Company on 21/06/2018.

- b) In respect of Show Cause Notice received from SEBI dated 30/06/2016 under Section 11(1), 11(4), 11A and 11B of SEBI Act, 1992 in the matter relating to public issue of the Company. The SEBI has passed order dated 6<sup>th</sup> August 2018 U/s 11, 11(4), & 11B of SEBI Act, 1992 wherein it has directed that; the Company and its following Directors/ KMPs; Nagji K Rita/ Virendra D Singh/ Kanji B Rita/ Vinod K Shah/ Pravin M Gala/ Arun N Joshi/ Srinivasaiyer Jambunathan/ Harshavardhan M Gajbhiye/ Ajay Khera/ Deepak M Vaishnav/ Arvind Gala (CFO)/ Bhavi Gandhi (CS) shall not access the securities market or buy, sell or otherwise deal in the securities market, either directly or indirectly for a period of 4 years from the date of this order.

All the directors as mentioned above shall not associate themselves with any listed company or company proposing to list, or any registered intermediary, in the capacity of a director, key management personnel or partner (in case of a partnership firm) for a period of 4 years, with effect from January 1, 2019.

The Company shall ensure that the board of directors is reconstituted to give effect to the aforesaid directions in order to ensure the smooth functioning of the Company.

CFO & CS were warned/ cautioned to exercise due care & diligence, in future.

SEBI vide its order dated 9<sup>th</sup> August 2018 has allowed the Company from closing their respective open position at the earliest without any further roll-over but fresh positions shall not be allowed to be opened.

*All such non compliances in respect of misutilisation of IPO proceeds and making false and inadequate disclosures in RHP/ Prospectus are pertaining to period earlier than the reporting period of our report. As informed by the management, the Company and all the directors and KMP as mentioned has filed an appeal with Securities Appellate Tribunal (SAT) on 11<sup>th</sup> September 2018 against the said SEBI order dated 06/08/2018. SAT from time to time has granted interim stay on reconstitution of the Board as directed in SEBI order dated 06/08/2018.*

*The Company and all the directors and KMP (except Nagji K Rita, Virendra D Singh & Vinod K Shah) had filed an application for settlement on 19<sup>th</sup> November 2018 with SEBI wherein on 16<sup>th</sup> January 2019, SEBI has rejected the settlement application filed by Company due to technical reason. Further settlement application filed by such directors and KMP(s) has been withdrawn by them.*

*After several hearings in the matter of order dated 06.08.2018 the final SAT hearings had been completed on 22nd July 2019 and the Hon'ble judges of SAT has passed the Order dated 10.10.2019 and summary of the Order passed was as under:*

- i) The Appeal filed on 11<sup>th</sup> September 2018 by the Company i.e. Inventure Growth & Securities Limited and its directors Mr. Nagji K. Rita, Mr. Virendra D. Singh, Mr. Vinod K Shah, Mr. Kanji B. Rita, Mr. Arvind J Gala and Mrs. Bhavi R Gandhi was partly allowed as follows;*
- ii) The SEBI Order passed against all the Independent Directors i.e. Mr. Ajay Khera, Mr. Deepak Vaishnav, Mr. S. Jambunathan, Mr. H M Gajbhiye, Mr. Arun Joshi and Mr. Pravin Gala has been set aside.*
- iii) The restraint imposed on the Company and Executive Directors was reduced from 4 years to 3 years.*

iv) The Company, Executive Directors and KMPs had filed Review Applications on 01.11.2019 against the SAT Order dated 10.10.2019. The SAT hearing for Review Applications was completed on 05.02.2020 and order passed as follow;  
All The review applications has been dismissed and the debarment period has been reduced from 4 years to 3 years

c) SEBI has conducted hearing on 25/03/2019 for adjudication proceeding against the Company for the above mentioned matter. The Company has received final order dated 30<sup>th</sup> August 2019 issued by Adjudication Officer from SEBI. In the impugned order, SEBI has levied Penalty as mentioned in below in tabular form;

| Sl. No | Name of the Noticee                                     | Penalty amount in *                            | Reference of provisions violated   | Penal provisions under SEBI Act |
|--------|---|--|--|---------------------------------|
| 1      | Inventure Growth & Securities Ltd.                      | 50,00,000/-<br>(Rupees Fifty Lakhs only)       | Section 12 A (a), (b), (c) of SEBI Act,1992 and Regulations 3(b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations               | Section 15HA                    |
|        |   | 25,00,000/-<br>(Rupees Twenty Five Lakhs only) | Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G)and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations. | Section 15HB                    |
| 2      | Nagji Keshavji Rita<br>(Resigned w.e.f. 0408.2018)      | 10,00,000/-<br>(Rupees Ten Lakhs only)         | Section 12 A (a), (b), (c) of SEBI Act,1992 and Regulations3 (b), (c), (d), 4(1), 4(2)(f), (k)and (r) of the SEBI (PFUTP) Regulations                | Section 15HA                    |
|        |   | 5,00,000/-<br>(Rupees Five Lakhs only)         | Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G)and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations. | Section 15HB                    |
| 3      | Virendra Dudhnath Singh<br>(Resigned w.e.f. 10.08.2016) | 10,00,000/-<br>(Rupees Ten Lakhs only)         | Section 12 A (a), (b), (c) of SEBI Act,1992 and Regulations3 (b), (c), (d), 4(1), 4(2)(f), (k)and (r) of the SEBI (PFUTP) Regulations                | Section 15HA                    |
|        |   | 5,00,000/-<br>(Rupees Five Lakhs only)         | Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G)and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations. | Section 15HB                    |
| 4      | Kanji Bhachubhai Rita                                   | 10,00,000/-<br>(Rupees Ten Lakhs only)         | Section 12 A (a), (b), (c) ofSEBI Act,1992 and Regulations3 (b), (c), (d), 4(1), 4(2)(f), (k)and (r) of the SEBI (PFUTP) Regulations                 | Section 15HA                    |
|        |   | 5,00,000/-<br>(Rupees                          | Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G)and   | Section 15HB                    |

| Sl. No | Name of the Noticee                                       | Penalty amount in *                     | Reference of provisions violated   | Penal provisions under SEBI Act |
|--------|---|---|--|---------------------------------|
|        |   | Five Lakhs only                         | (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations.  |                                 |
| 5      | Vinod Kanji Shah<br>(Resigned w.e.f. 30.01.2014)          | 10,00,000/-<br>(Rupees Ten Lakhs only)  | Section 12 A (a), (b), (c) of SEBI Act,1992 and Regulations3 (b), (c), (d), 4(1), 4(2)(f), (k)and (r) of the SEBI (PFUTP) Regulations                | Section 15HA                    |
|        |   | 5,00,000/-<br>(Rupees Five Lakhs only)  | Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G)and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations. | Section 15HB                    |
| 6      | Pravin Nanji Gala<br>(Resigned w.e.f. 26.09.2013)         | 10,00,000/-<br>(Rupees Ten Lakhs only)  | Section 12 A (a), (b), (c) ofSEBI Act,1992 and Regulations3 (b), (c), (d), 4(1), 4(2)(f), (k)and (r) of the SEBI (PFUTP) Regulations                 | Section 15HA                    |
|        |   | 5,00,000/-<br>(Rupees Five Lakhs only)  | Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G)and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations. | Section 15HB                    |
| 7      | Arun Narayan Joshi<br>(Resigned w.e.f. 02.07.2013)        | 3,00,000/-<br>(Rupees Three Lakhs only) | Section 12 A (a), (b), (c) of SEBI Act,1992 and Regulations3 (b), (c), (d), 4(1), 4(2)(f), (k)and (r) of the SEBI (PFUTP) Regulations                | Section 15HA                    |
|        |   | 2,00,000/-<br>(Rupees Two Lakhs only)   | Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G)and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations  | Section 15HB                    |
| 8      | Jambunathan Srinivasaiyer<br>(Resigned w.e.f. 05.10.2013) | 3,00,000/-<br>(Rupees Three Lakhs only) | Section 12 A (a), (b), (c) of SEBI Act,1992 and Regulations3 (b), (c), (d), 4(1), 4(2)(f), (k)and (r) of the SEBI (PFUTP) Regulations                | Section 15HA                    |
|        |   | 2,00,000/-<br>(Rupees Two Lakhs only)   | Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G)and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations  | Section 15HB                    |
| 9      | Harshavardhan M Gajbhiye<br>(Resigned w.e.f. 26.9.2013)   | 3,00,000/-<br>(Rupees Three Lakhs only) | Section 12 A (a), (b), (c) of SEBI Act,1992 and Regulations3 (b), (c), (d), 4(1), 4(2)(f), (k)and (r) of the SEBI (PFUTP) Regulations                | Section 15HA                    |

| Sl. No | Name of the Noticee | Penalty amount in *                     | Reference of provisions violated  | Penal provisions under SEBI Act |
|--------|---------------------|---|---|---------------------------------|
|        |                     | 2,00,000/-<br>(Rupees Two Lakhs only)   | Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations  | Section 15HB                    |
| 10     | Ajay Khera          | 3,00,000/-<br>(Rupees Three Lakhs only) | Section 12 A (a), (b), (c) of SEBI Act, 1992 and Regulations 3 (b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations              | Section 15HA                    |
|        |                     | 2,00,000/-<br>(Rupees Two Lakhs only)   | Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations  | Section 15HB                    |
| 11     | Deepak M Vaishnav   | 3,00,000/-<br>(Rupees Three Lakhs only) | Section 12 A (a), (b), (c) of SEBI Act, 1992 and Regulations 3 (b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations              | Section 15HA                    |
|        |                     | 2,00,000/-<br>(Rupees Two Lakhs only)   | Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations  | Section 15HB                    |
| 12     | Arvind Jethlal Gala | 2,00,000/-<br>(Rupees Two Lakhs only)   | Section 12 A (a), (b), (c) of SEBI Act, 1992 and Regulations 3 (b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations              | Section 15HA                    |
|        |                     | 1,00,000/-<br>(Rupees One Lakh only)    | Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations. | Section 15HB                    |
| 13     | Bhavi Rahul Gandhi  | 2,00,000/-<br>(Rupees Two Lakhs only)   | Section 12 A (a), (b), (c) of SEBI Act, 1992 and Regulations 3 (b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations              | Section 15HA                    |
|        |                     | 1,00,000/-<br>(Rupees One Lakh only)    | Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations. | Section 15HB                    |

As informed by the management, the Company and all the Directors and KMP who were penalised has filed an appeal with Securities Appellate Tribunal (SAT) on 4<sup>th</sup> November

2019 against the said SEBI Adjudication order dated 30<sup>th</sup> August 2019. The Hon'ble SAT has granted interim stay on 26<sup>th</sup> November 2019 for recovery of Penalties levied by SEBI. After several hearings in the matter of order dated 30<sup>th</sup> August 2019 the final SAT hearings had been completed on 26<sup>th</sup> February 2020 and the Hon'ble judges of SAT has passed the Order dated 26<sup>th</sup> February 2020 and summary of the order passed as follows; The Hon'ble SAT has instructed Adjudication Officer of SEBI to decide the matter fresh in light of the SAT Order dated 10<sup>th</sup> October 2019 and set aside the order passed by AO of SEBI. There is no further update on the matter during the period under review.

- d) The SEBI vide its Order dated 23.06.2020 passed under Sections 11, 11(4) and 11B read with Section 19 of the SEBI Act, 1992 prohibited the Company from buying, selling or otherwise dealing in securities in any manner whatsoever, either directly or indirectly, for a period of 02 (Two) years from the date of coming into force of this Order in relation to show cause notice dated April 30, 2015 which was issued after a lapse of 7 years for the alleged trading during the investigation period of 01.06.2008 to 20.12.2008.

*As informed by the management, the Company got restrained for accessing Securities Market for the period of Two years from the date of the said Order.*

- e) The SEBI vide its email dated 01.07.2020 and 02.07.2020 imposed a restriction under Sections 11, 11(4) and 11B read with Section 19 of the SEBI Act, 1992 by restraining from accessing security market as an Intermediary as well for a period of Two Years from the date of the Order and issued Directions to immediately Square off the F & O Position of Clients in relation to show cause notice dated April 30, 2015 which was issued after a lapse of 7 years for the alleged trading during the investigation period of 01.06.2008 to 20.12.2008.

*As informed by the Management, On receipt of email dtd 01.07.2020 and 02.07.2020, the Company had filed an Appeal at Securities Appellate Tribunal (SAT) against the order and filed Miscellaneous Application for Stay on Order as well as against the directions issued by Assistant Manager of SEBI vide his email dated 01.07.2020 and 02.07.2020. On filing of Appeal, the SAT has passed an Order as on 03.07.2020 which was as follows:*

- i) *The Hon'ble SAT had find that the appellant i.e. Inventure Growth & Securities Limited has been debarred from accessing the securities market for a period of two years for the trades done in the year 2008, further Hon'ble SAT also found that prima-facie the Impugned order only relates to the trading account of the proprietary trading of the appellant and does not relate to the appellant's trading of its client as a registered trading member. At this stage, restraining the appellants in the intermediary trading in the stock market would not be in the interest of the investors nor in the interest of the 2500 shareholders of the appellant company\*.*
- ii) *Hon'ble SAT has granted six week time to the respondent SEBI to file a reply. Three weeks thereafter to the appellant to file a rejoinder and listed this matter for final disposal on 21.09.2020.*
- iii) *In the meanwhile, Hon'ble SAT direct that directions issued by the Assistant Manager of SEBI vide his e-mail dated July 1, 2020 and July 2, 2020 will not be acted upon and further make it clear that the restraint order passed by the WTM restraining the appellant from accessing the securities market for two years shall be confined only to the proprietary trading account.*
- iv) *The hearing related to matter at Sr. no 3 as well as Sr. No. 4 were listed on various dates and at every such dates the matter was further adjourned to various dates as mentioned below; 21.09.2020, 09.11.2020, 07.12.2020, 22.12.2020, 22.01.2021,*

01.03.2021, 16.04.2021, 21.05.2021 and finally now matter is listed for hearing on 14.07.2021.

- f) The SEBI vide its Show cause Notice-Ref. EAD-9/ ADJ/ VKV/ HKS/ OW/P/ 10349/ 1/ 2020 dt. 21.04.20 received on 26.08.2020 under Reg. 25(1) of SEBI (Intermediaries) Regulation, 2008 for inspection of the Company as Stock Broker and Depository Participant has passed a final order by levied penalty of Rs. 10 lakh vide its order dated 17.11.2020 and Company has paid the said penalty amount on 18.12.2020.
- g) The SEBI vide its Show cause Notice-Ref. EAD-9/ ENQ/ VKV/ HKS/ OW/ P/ 10350/ 1/ 2020 dt. 21.04.20 received on 26.08.20 under Rule 4 of the Securities Contracts (Regulation) Procedure for Holding Inquiry and Imposing Penalties) Rules, 2005 read with Section 23-1 of the Securities Contracts (Regulation) Act, 1956 and under Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 read with Section 15-1 of the Securities and Exchange Board of India Act, 1992. for inspection of the Company as Stock Broker and Depository Participant has issued enquiry report dated 28/10/2020. *As informed by the Management, the Company has filed various reply dated 09/10/2020, 20/10/2020 & 30/10/2020 with SEBI and based on replied filed by the Company SEBI has issued enquiry report dated 28/10/2020 wherein it has issued warning and advised for strict compliance.*
- h) Adjudication Officer of SEBI issued Notice by vide letter No. EAD-7/ ADJ/ KS/ AS/ OW/ 3851/ 1/ 2021 dt. 09.02.2021 recd. On 11.02.2021 under Rule 4 of SEBI (Procedure for Holding Inquiry and imposing penalties) Rules, 1995 read with Section 15-1 of the Securities Contracts (Regulation) (Procedure for Holding Inquiry and imposing penalties), Rules 2005 read with Section 23-1 of the Securities Contracts (Regulation) Act, 1956 for inspection of books of Accounts and other records of the Company for the FY-2014-15. *As informed by the Management, the Company has filed its reply dated 25.05.21 with SEBI and final hearing/ order is awaited for the same.*
- i) The SEBI vide its Show cause Notice No. EFD1/ MIRSD/ ENQ/ DRA2/ 04/ 20-21/ 3613/ 1/ 2021 dt. 27.01.2021 recd. On 15.02.2021 under Rule 27(1) of the SEBI (Intermediaries) Regulations, 2008 for conducting enquiry. *As informed by the Management, The Company has filed its reply dated 31.05.21 with SEBI and final hearing/ order is awaited for the same.*

**For D. M. Zaveri & Co  
Company Secretaries**

SD/-  
Dharmesh Zaveri  
(Proprietor)

FCS. No.: 5418  
CP No.: 4363

Place: Mumbai  
Date: 6<sup>th</sup> August 2021  
ICSI UDIN: F005418C000742649

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

## **Annexure A**

To,  
The Members,  
**Inventure Growth and Securities Limited**

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedure 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.
7. Due to the pandemic caused by Covid-19 and prevailing lockdowns/restrictions on movement of people imposed by the Government, for the purpose of issuing this report, we have conducted our audit remotely based on the records and information made available to us by the Company electronically.

**For D. M. Zaverl & Co**  
**Company Secretaries**

SD/-  
Dharmesh Zaverl  
(Proprietor)

**FCS. No.: 5418**  
**CP No.: 4363**

**Place: Mumbai**  
**Date: 6<sup>th</sup> August 2021**  
**ICSI UDIN: F005418C000742649**



**ANNEXURE- C**  
**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITY**

|   |  |  |
|---|--|--|
| 1 | A brief outline on CSR Policy of the Company | Pursuant to Section 135(1) of the Companies Act, 2013 read with companies (Corporate Social Responsibility) Rules, 2014, the Board of Director has constituted a CSR Committee. The Board also framed a CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013. The said policy is placed on the website and is available on the following web link <a href="http://www.inventuregrowth.com">www.inventuregrowth.com</a> |
|---|--|--|

**2. Composition of CSR Committee:**

| Sr. No. | Name of Director              | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|-------------------------------|--------------------------------------|--|--|
| 1.      | Bharat P. Shah, Chairman      | Independent Director                 | -  | -  |
| 2.      | Kanji B. Rita, Member         | Whole time Director                  | -  | -  |
| 3.      | Kamlesh S. Limbachiya, Member | Whole time Director                  | -  | -  |

3. The Company confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company. The same is available on the website of the Company i.e. [www.inventuregrowth.com](http://www.inventuregrowth.com)

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable

6. Average net profit of the company as per section 135(5).- Not Applicable

7. (a) Two percent of average net profit of the company as per section 135(5)- Not Applicable

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.- Not Applicable

(c) Amount required to be set off for the financial year, if any- Not Applicable

(d) Total CSR obligation for the financial year - Not Applicable

8. (a) CSR amount spent or unspent for the financial year: Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(c) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(d) Amount spent in Administrative overheads Not Applicable

- (e) Amount spent on Impact Assessment, if applicable Not Applicable
- (f) Total amount spent for the Financial Year Not Applicable
- (g) Excess amount for set off, if any Not Applicable
- (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year : Not Applicable
- (asset-wise details).
- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable
12. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): No amount has been spent on creation or acquisition of capital assets after the notification of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 on January 22, 2021: Not Applicable
- (a) Date of creation or acquisition of the capital asset(s): Not Applicable
- (b) Amount of CSR spent for creation or acquisition of capital asset: Not Applicable
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable
- (d) Details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable
13. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

**For Inventure Growth & Securities Limited**

sd/-  
**Kanji B. Rita**  
(Managing Director)

sd/-  
**Kamlesh S Limbachiya**  
(Whole -Time Director)

Place: Mumbai  
Date: 06.08.2021

## **Annexure –D**

### **Policy regarding Appointment of Directors and payment of remuneration to Managerial Personnel**

#### **REMUNERATION POLICY:**

In accordance with the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee recommended the following remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel, Non-Executive Directors and other employees, which was approved and adopted by the Board.

#### **I. PREAMBLE:**

This Remuneration Policy is formulated in compliance with Section 178 of the Companies Act, 2013, read with the applicable Rules thereto and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy has been formulated by the Nomination and Remuneration Committee (NRC) and has been approved by the Board of Directors based on the recommendations of the NRC.

#### **II. OBJECTIVE:**

The objective of the Policy is to ensure that:

- (i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

#### **III. COMPLIANCE WITH APPLICABLE LAWS:**

The procedure and limits for payment of remuneration under this policy shall be in accordance with provisions of (a) the Companies Act, 2013 read with Rules framed there under, (b) Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (c) Articles of Association of the Company and (d) any other applicable law or regulations. In the absence of any of the above provisions, the procedure and limits shall be governed by the prevailing HR Policy of the Company.

#### **IV. REMUNERATION OF MANAGING DIRECTOR/WHOLE TIME DIRECTOR:**

The Board, on the recommendation of the Nomination and Remuneration Committee approves the remuneration payable to the Managing Director/Whole Time Director of the Company. The remuneration payable to the Managing Director/Whole Time Director shall be in accordance with the conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules framed there under. The remuneration payable to the Managing Director/Whole Time Director shall comprise of fixed pay, perquisites and a variable salary determined as a percentage of fixed salary & payable annually, linked to achievement against pre-agreed annual performance parameters. The Managing Director/Whole Time Director will be eligible for any bonus/commission linked to profits of the Company. Notwithstanding that in any financial

year the Company has no profits or its profits are inadequate, the Company shall pay remuneration as aforesaid to its Managing Director/Whole Time Director in accordance with the provisions of Schedule V of the Companies Act, 2013, and with the prior approval of the Central Government, wherever necessary.

#### **V. REMUNERATION TO NON-EXECUTIVE DIRECTORS:**

Sitting fees within the limits prescribed under the Companies Act, 2013 and rules framed there under for attending meetings of the Board and Committees thereof (ii) Commission up to limit prescribed under the act of net profit as may be decided by the Board (iii) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.

#### **VI. REMUNERATION TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

The Board, on the recommendation of the Nomination and Remuneration Committee approves the remuneration payable to the Key Managerial Personnel and Senior Management. The structure of remuneration payable to Key Managerial personnel and Senior Management Personnel will be in accordance with the compensation framework adopted for employees generally by the Human Resource department of the Company. Such compensation framework adopted for the employees by the Human Resource department will be framed taking into account factors it deems relevant, including but not limited to market conditions, job description, business needs and practices in comparable companies and having regard to financial position of the Company as well as prevailing laws and government/other guidelines.

#### **VII. REMUNERATION TO OTHER EMPLOYEES**

Basic Salary, allowances, Retirement Benefits, such other perquisites and/or incentives and/or bonus and/or variable Pay based on factors as above, as may be decided by the Management from time to time as per HR Policy.

#### **CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS DIRECTORS AND IN SENIOR MANAGEMENT:**

In accordance with the provisions of Section 178(3) of the Act read with Clause 49 of the Listing Agreement, the Nomination and Remuneration Committee is required to formulate the criteria for determining qualifications, positive attributes and independence of a Director. The criteria adopted by the Nomination and Remuneration Committee for the aforesaid purposes are as under:

**Criteria for determining qualifications, positive attributes and independence of a director:**

#### **I. QUALIFICATIONS:**

(a) He / She should possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.

(b) Such qualifications as may be prescribed under the Companies Act, 2013 read with rules framed there under and the Listing Agreement with Stock Exchanges.

## **II. POSITIVE ATTRIBUTES:**

- (a) He / She should be a person of integrity, with high ethical standard.
- (b) He / She should be able to commit to his/her responsibilities and devote sufficient time and attention to his/her professional obligation as a director.
- (c) He / She should be having courtesy, humility and positive thinking.
- (d) He / She should be knowledgeable and diligent in updating his/her knowledge.
- (e) He / She should have skills, experience and expertise by which the Company can benefit.
- (f) In respect of Executive/Whole time Director/ Managing Director, in addition to I (a) & (b) and II (a) to (e) above, he/she should have strong quality of leadership and team mentoring, recognition, management skills, vision, ability to steer the organization even in adverse conditions, innovative thinking, result oriented and ability to enhance reputation of the organization.

## **III. INDEPENDENCE:**

In respect of an Independent director, in addition to I (a) & (b) and II (a) to (e) above, he/she should fulfill the criteria for being appointed as an Independent Director prescribed under Section 149 of the Companies Act, 2013 read with Schedule IV to the said Act and the provisions of Clause 49 of the Listing Agreement as amended from time to time.

**For Inventure Growth & Securities Limited**

**Kanji B. Rita**  
**(Managing Director)(Whole -Time Director)**  
**Place: Mumbai, Date: 06.08.2021**

**Kamlesh S Limbachiya**

### ANNEXURE – E

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is as under:

| Sr. No. | Disclosure Requirement   | Disclosure Details    |                         |       |
|---------|--|-----------------------|-------------------------|-------|
|         |  | Director/ Employee    | Title                   | Ratio |
| 1       | Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year | Kanji B. Rita         | Managing Director       | 7.89  |
|         |  | Kamlesh S. Limbachiya | Whole Time Director     | 5.28  |
|         |  | Arvind Gala           | Chief Financial Officer | 2.62  |
|         |  | Bhavi Gandhi          | Company Secretary       | 1.99  |
|         |  | Mitul Radadiya        | Accounts Head           | 1.68  |
|         |  | Vishal Parekh         | Compliance Manager      | 1.35  |

| Sr. No. | Requirements  | Disclosure  |                         |                            |
|---------|---|---|-------------------------|----------------------------|
|         |   | Directors/KMP's   | Title                   | % Increase in remuneration |
| 1       | Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year   | Mr. Arvind J. Gala  | Chief Financial Officer | -                          |
|         |   | Mr. Bhavi R. Gandhi   | Company Secretary       | -                          |
|         |   | 113 employees as on 31 <sup>st</sup> March, 2021  |                         |                            |
| 2       | The Number of permanent employees on the rolls of the Company   | 113 employees as on 31 <sup>st</sup> March, 2021  |                         |                            |
| 3       | 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 exception circumstance for increase in the managerial remuneration | There was/ was no exceptional circumstance or increase for managerial personnel in the last financial year. The percentile increase process and policy was same for them and all the other employees. |                         |                            |
|         | affirmation that the remuneration is as per the remuneration policy of the company  | Yes   |                         |                            |

**For Inventure Growth & Securities Limited**

**Kanji B. Rita**  
**(Managing Director)(Whole -Time Director)**  
**Place: Mumbai, Date: 06.08.2021**

**Kamlesh S Limbachiya**

## **STANDALONE FINANCIAL STATEMENTS**

## INDEPENDENT AUDITOR REPORT

To the Members of Inventure Growth & Securities Limited

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

#### Opinion

We have audited the standalone financial statements of Inventure Growth & Securities Limited ("the Company"), which comprise the Balance sheet as at 31<sup>st</sup> March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 opinion.



**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the key audit matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

| Key audit matters   | How our audit addressed the key audit matter  |
|---|---|
| <p><b><u>IT systems and controls</u></b></p> <p>The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. Hence, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.</p> | <p>We have performed the following procedures assisted by specialized IT auditors on the IT infrastructure and applications pertaining to financial reporting:</p> <p>Obtained an understanding of the IT environment and operating effectiveness of IT controls over information systems that are important to financial reporting and various interfaces.</p> <p>Tested IT controls, including testing and reviewing authorisation of request for access to systems, change to systems.</p> <p>Tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over financial reporting.</p> <p>Identified and tested IT applications, databases and operating systems relevant to our audit.</p> |

## **Other information**

The Company's Board of Directors is responsible for the other information. The other information comprises of the Annual Report but does not include the standalone Ind AS financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read such other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audited financial statements. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the

financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether

the company has adequate internal financial controls 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 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 standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 Ind AS financial statements for the financial year ended 31 March 2021 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 Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 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 these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in Annexure B to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and according to the explanations given to us, the managerial remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act;
- (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 Ind AS financial statements – Refer Note 40 to the said 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 PPV & CO**

Chartered Accountants

Firm Registration No.153929W

**Priyanshi Vakharia**

Proprietor

Membership No.: 181834

UDIN: 21181834AAAAAP5171

Mumbai

09 June 2021

#### **Annexure A**

**Referred to in paragraph 1 under Report on Other Legal and Regulatory Requirements section of our Independent Auditors Report of even date to the members of Inventure Growth & Securities Limited on the standalone Ind AS financial statements for the year ended March 31, 2021:**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.  
(c) According to the information and explanations given to us, the title deeds of immovable property disclosed in standalone Ind AS financial statements, are held in the name of the Company.
- (ii) The inventory being stock-in-trade of securities held in dematerialized form has been verified during the year by the management with the holding certificates from the respective depository. In our opinion, the frequency of verification is reasonable. No discrepancies were noticed on verification between the depository certificates and the book records.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 (□the Act□) except loan to subsidiaries, the terms and conditions of grant thereof are not prejudicial to the Company□s interest. The loans are repayable on demand and interest is received as per agreed terms. No amount of such loans is overdue.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction of granting of loans or making of investments or providing guarantees or security to any person except loans granted to, investments made in and security provided for, its subsidiary/wholly owned subsidiary, and in respect thereof, the Company has complied with provisions of Section 185 and Section 186 of the Act.



(v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits. Hence, the question of compliance with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder does not arise. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of Cost records under Section 148(1) of the Act.

(vii) In respect of statutory dues:

(a) According to the records of the Company, undisputed statutory dues including Income Tax, Service Tax, Goods and Service Tax (GST), Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues for a period of more than six months from the date of they becoming payable and outstanding on March 31, 2021.

(b) There are no dues of income tax, sales tax, service tax or duty of custom or duty of excise or value added tax or GST which have not been deposited as on March 31, 2021, on account of disputes, except the following dues relating to income tax which have not been deposited on account of dispute:

| Name of Statute | Assessment Year | Dispute Forum | Amount (Rs) |
|-----------------|-----------------|---------------|-------------|
| Income Tax      | 2011-12         | CIT-(A)       | 1,36,92,730 |
| Income Tax      | 2014-15         | CIT-(A)       | 94,28,320   |

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of borrowings to the banks. The Company does not have any loans or borrowings from financial institutions or government and has not issued any debentures.

- (ix) The Company did not have any term loans outstanding during the year. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanation given to us, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with sections 177 and 188 of the Act, where applicable, for all transactions with the related parties and details of related party transactions have been disclosed in the standalone Ind AS 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. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

**For PPV & CO**

Chartered Accountants

Firm Registration No. 153929W

**Priyanshi Vakharia**

Proprietor

Membership No.: 181834

UDIN: 21181834AAAAAP5171

Mumbai

09 June 2021

## **Annexure B**

**Referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our Independent Auditors' Report of even date to the members of Inventure Growth & Securities Limited on the standalone Ind AS financial statements for the year ended March 31, 2021.**

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

We have audited the internal financial controls over financial reporting of Inventure Growth & Securities Limited ("the Company") as at March 31, 2021, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable

assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls with reference to these Standalone Ind AS Financial Statements**

A Company's internal financial control over financial reporting with reference to these standalone Ind AS 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 over financial reporting with reference to these standalone Ind AS financial statements includes those policies and procedures that:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (b) 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
- (c) 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 these Standalone Ind AS Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS 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 Company has, in all material respects, adequate internal financial controls with reference to these standalone Ind AS financial statements and such internal financial controls with reference to these standalone financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

### **For PPV & CO**

Chartered Accountants

Firm Registration No.153929W

### **Priyanshi Vakharia**

Proprietor

Membership No.: 181834

UDIN: 21181834AAAAAP5171

Mumbai

09 June 2021

**INVENTURE GROWTH & SECURITIES LIMITED**  
STANDALONE BALANCE SHEET AS AT 31 MARCH 2021

(Amount in ₹)

| Particulars   | Note No. | As at March 31, 2021 | As at March 31, 2020 |
|---|----------|----------------------|----------------------|
| <b>ASSETS</b>   |          |                      |                      |
| <b>1 Financial Assets</b>   |          |                      |                      |
| (a) Cash and cash equivalents   | 5        | 168,427,611          | 122,199,546          |
| (b) Bank balance other than (a) above   | 6        | 801,741,610          | 438,303,923          |
| (c) Stock in trade  | 7        | 9,584,167            | 9,760,780            |
| (d) Receivables   |          |                      |                      |
| I Trade receivables   | 8        | 56,824,292           | 57,480,491           |
| II Other receivables  |          | -                    | -                    |
| (e) Loans   | 9        | 163,111,407          | 325,097,001          |
| (f) Investments   | 10       | 664,338,035          | 643,207,349          |
| (g) Other financial assets  | 11       | 35,886,924           | 92,904,220           |
|   |          | 1,907,914,046        | 1,628,953,310        |
| <b>2 Non-Financial Assets</b>   |          |                      |                      |
| (a) Current tax assets (net)  | 12       | 30,153,773           | 33,112,898           |
| (b) Deferred tax assets (net)   | 13       | 10,831,607           | 27,880,396           |
| (c) Investment property   | 14       | 25,335,483           | 25,335,483           |
| (d) Property, plant and equipment   | 15       | 65,324,412           | 67,921,372           |
| (e) Other intangible assets   | 15A      | 846,923              | 682,723              |
| (f) Other non-financial assets  | 16       | 6,354,008            | 5,706,257            |
|   |          | 138,846,207          | 160,639,129          |
| <b>Total Assets</b>   |          | <b>2,046,760,253</b> | <b>1,789,592,439</b> |
| <b>LIABILITIES AND EQUITY</b>   |          |                      |                      |
| <b>Liabilities</b>  |          |                      |                      |
| <b>1 Financial Liabilities</b>  |          |                      |                      |
| (a) Payables  |          |                      |                      |
| (I) Trade payables  | 17       |                      |                      |
| (i) total outstanding dues of Micro and Small enterprises                       |          | -                    | -                    |
| (ii) total outstanding dues of creditors other than Micro and Small enterprises |          | 353,664,036          | 273,116,180          |
| (II) Other Payables   |          |                      |                      |
| (i) total outstanding dues of Micro and Small enterprises                       |          | -                    | -                    |
| (ii) total outstanding dues of creditors other than Micro and Small enterprises |          | -                    | -                    |
| (b) Borrowings  | 18       | 80,634,308           | 307,407              |
| (c) Deposits  | 19       | 90,292,139           | 12,388,353           |
| (d) Other financial liabilities   | 20       | 6,177,147            | 2,305,746            |
|   |          | 470,767,630          | 288,117,686          |
| <b>2 Non-Financial Liabilities</b>  |          |                      |                      |
| (a) Current tax liabilities (net)   |          | -                    | -                    |
| (b) Provisions  | 21       | -                    | 9,712,766            |
| (c) Other non financial liabilities   | 22       | 2,100,000            | 2,100,000            |
|   |          | 2,100,000            | 11,812,766           |
| <b>3 Equity</b>   |          |                      |                      |
| (a) Equity share capital  | 23       | 840,000,000          | 840,000,000          |
| (b) Other equity  | 24       | 727,892,623          | 649,661,987          |
|   |          | 1,567,892,623        | 1,489,661,987        |
| <b>Total Liabilities and Equity</b>   |          | <b>2,046,760,253</b> | <b>1,789,592,439</b> |

The accompanying notes are an integral part of the financial statements

As per our report of even date

For PFV & CO  
Chartered Accountants  
Firm Registration No. 153929W

Priyanshi Vakharia  
Proprietor  
Membership No. 181834

Place : Mumbai  
Date : 09 June 2021

For and on behalf of the Board of Directors

sd/-  
Kanji B. Rita  
(DIN 00727470)  
Managing Director

sd/-  
Lasha M. Rita  
(DIN 08104305)  
Wholtime Director

sd/-  
Kamlesh S. Limbachiya  
(DIN 02774663)  
Wholtime Director

sd/-  
Arvind J. Gals  
Chief Financial Officer

sd/-  
Bhavi R. Gandhi  
Company Secretary

**INVENTURE GROWTH & SECURITIES LIMITED**  
**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021**

(Amount in ₹)

| Particulars   | Note No. | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|----------|----------------------------------|----------------------------------|
| <b>Revenue from operations</b>  |          |                                  |                                  |
| (i) Interest income   | 25       | 41,424,047                       | 34,386,128                       |
| (ii) Dividend income  | 26       | 58,788                           | 73,745                           |
| (iii) Fees and commission income  | 27       | 193,786,665                      | 102,663,286                      |
| (iii) Sale of shares  |          | -                                | -                                |
| (iv) Other operating income   | 28       | 18,895,729                       | 15,932,785                       |
| <b>(I) Total revenue from operations</b>                                  |          | <b>254,165,229</b>               | <b>153,257,944</b>               |
| (ii) Other income   | 29       | 59,673,139                       | 70,112,049                       |
| <b>(III) Total income (I+II)</b>  |          | <b>313,838,368</b>               | <b>223,369,993</b>               |
| <b>Expenses</b>   |          |                                  |                                  |
| (i) Finance costs   | 30       | 1,585,368                        | 12,011,499                       |
| (ii) Fees and commission expense  | 31       | 93,164,867                       | 33,523,455                       |
| (iii) Impairment on financial instruments                                 | 32       | 4,310,885                        | 1,511,719                        |
| (iv) Purchases of stock-in-trade  |          | -                                | -                                |
| (v) Changes in stock-in-trade   | 33       | 176,613                          | 1,611,324                        |
| (vi) Employee benefits expenses   | 34       | 47,163,253                       | 57,093,662                       |
| (vii) Depreciation and amortization expense                               | 13       | 3,739,400                        | 4,227,585                        |
| (viii) Other expenses   | 35       | 52,316,193                       | 46,839,712                       |
| <b>(IV) Total expenses</b>  |          | <b>202,456,579</b>               | <b>176,820,956</b>               |
| <b>(V) Profit/(loss) before exceptional item and tax (III-IV)</b>         |          | <b>111,381,789</b>               | <b>46,549,037</b>                |
| (VI) Exceptional items  |          | -                                | -                                |
| <b>(VII) Profit/(loss) before tax (V-VI)</b>                              |          | <b>111,381,789</b>               | <b>46,549,037</b>                |
| <b>(VIII) Tax expense</b>   |          |                                  |                                  |
| (i) Current tax   |          | 16,689,430                       | 4,385,620                        |
| (ii) Deferred tax   |          | 17,833,925                       | (1,085,164)                      |
| <b>Total tax expenses (VIII)</b>  |          | <b>34,543,355</b>                | <b>3,300,456</b>                 |
| <b>(IX) Profit/(loss) after tax (VII - VIII)</b>                          |          | <b>76,838,434</b>                | <b>43,248,581</b>                |
| <b>(X) Other comprehensive income</b>                                     |          |                                  |                                  |
| Items that will not be reclassified to Profit or Loss:                    |          |                                  |                                  |
| (i) Change in fair value of financial assets                              |          | 290,815                          | (264,368)                        |
| (ii) Remeasurements of net defined plans                                  |          | 1,612,032                        | (125,940)                        |
| (iii) Tax effect of above   |          | (480,645)                        | 35,037                           |
| <b>Other comprehensive income/(loss) (X)</b>                              |          | <b>1,392,202</b>                 | <b>(355,271)</b>                 |
| <b>(XI) Total comprehensive income for the year (IX + X)</b>              |          | <b>78,230,636</b>                | <b>42,893,310</b>                |
| <b>(XII) Earnings per equity share (Face value of Rs. 10/- per share)</b> |          |                                  |                                  |
| Basic (in ₹)  |          | 0.91                             | 0.51                             |
| Diluted (in ₹)  |          | 0.91                             | 0.51                             |

The accompanying notes are an integral part of the financial statements

As per our attested report of even date

For PPV & CO  
Chartered Accountants  
Firm Registration No. 153929W

Priyanshi Vakharia  
Proprietor  
Membership No. 181834

Place : Mumbai  
Date : 09 June 2021

For and on behalf of the Board of Directors

sd/-  
Kanji B. Rita  
(DIN 00727470)  
Managing Director

sd/-  
Kamlesh S. Limbachiyas  
(DIN 02774663)  
Whole-time Director

sd/-  
Arvind J. Gala  
Chief Financial Officer

sd/-  
Bhavi R. Gandhi  
Company Secretary



INVENTURE GROWTH & SECURITIES LIMITED  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

(A) EQUITY SHARE CAPITAL

(Amount in ₹)

| Particulars                                    | As at         | As at         |
|--|---------------|---------------|
|  | 31 March 2021 | 31 March 2020 |
|  | ₹             | ₹             |
| Balance at the beginning of the reporting year | 840,000,000   | 840,000,000   |
| Change in equity share capital during the year | -             | -             |
| Balance at the end of the reporting year       | 840,000,000   | 840,000,000   |

(B) OTHER EQUITY

(Amount in ₹)

| Particulars   | Reserves and Surplus |                            |                  |                 |                   | Equity Instruments through Other Comprehensive Income | Other Items of Other Comprehensive Income | Total       |
|---|----------------------|----------------------------|------------------|-----------------|-------------------|---|---|-------------|
|   | Capital Reserve      | Securities Premium Reserve | Taxation Reserve | General Reserve | Retained Earnings |   |   |             |
| Opening balance as on 1st April 2019                | 2,025,000            | 71,510,581                 | 12,500,000       | 464,821,877     | 77,837,934        | 513,849   | (1,070,484)                               | 628,138,737 |
| Addition during the year:                           |                      |                            |                  |                 |                   |   |   |             |
| Profit / (loss) for the year                        | -                    | -                          | -                | -               | 43,248,581        | -   | -   | 43,248,581  |
| Other comprehensive income :                        |                      |                            |                  |                 |                   |   |   |             |
| Remeasurement of defined benefit plans              | -                    | -                          | -                | -               | -                 | -   | (90,903)                                  | (90,903)    |
| Net change in fair value of investments             | -                    | -                          | -                | -               | -                 | (264,368)   | -   | (264,368)   |
| Total Comprehensive Income for the year 2019-20 (A) | -                    | -                          | -                | -               | 43,248,581        | (264,368)   | (90,903)                                  | 42,893,310  |
| Reductions during the year:                         |                      |                            |                  |                 |                   |   |   |             |
| Dividend  | -                    | -                          | -                | -               | 21,000,000        | -   | -   | 21,000,000  |
| Dividend distribution tax                           | -                    | -                          | -                | -               | 370,080           | -   | -   | 370,080     |
| Total reduction during the year (B)                 | -                    | -                          | -                | -               | 21,370,080        | -   | -   | 21,370,080  |
| Balance as at March 31, 2020 C = (A+B)              | 2,025,000            | 71,510,581                 | 12,500,000       | 464,821,877     | 99,716,435        | 349,481   | (1,161,387)                               | 648,661,987 |
| Addition during the year:                           |                      |                            |                  |                 |                   |   |   |             |
| Profit / (loss) for the year                        | -                    | -                          | -                | -               | 76,838,434        | -   | -   | 76,838,434  |
| Other comprehensive income :                        |                      |                            |                  |                 |                   |   |   |             |
| Remeasurement of defined benefit plans              | -                    | -                          | -                | -               | -                 | -   | 1,161,387                                 | 1,161,387   |
| Net change in fair value of investments             | -                    | -                          | -                | -               | -                 | 230,815   | -   | 230,815     |
| Total Comprehensive Income for the year 2020-21 (D) | -                    | -                          | -                | -               | 76,838,434        | 230,815   | 1,161,387                                 | 78,230,636  |
| Balance as at March 31, 2021 E = (C + D)            | 2,025,000            | 71,510,581                 | 12,500,000       | 464,821,877     | 176,554,869       | 680,296   | -   | 727,892,623 |

As per our attached report of even date:

For PPV & CO  
Chartered Accountants  
Firm Registration No. 153929W

char

Wholetime Director

Priyanshi Vaidharia  
Proprietor  
Membership No. 181834

Place : Mumbai  
Date : 09 June 2021

For and on behalf of the Board of Directors

sd/-  
Kanji B. Rits  
(DIN 00727479)  
Managing Director

sd/-  
Lasha M. Rits  
(DIN 08104505)  
Managing Director

sd/-  
Kamlesh S. Limbachiya  
(DIN 02774663)  
Managing Director

sd/-  
Arvind J. Gala  
Chief Financial Officer

sd/-  
Bhavi R. Gandhi  
Company Secretary

Place : Mumbai  
Date : 09 June 2021



**INVENTURE GROWTH & SECURITIES LIMITED**  
**Standalone Cash Flow Statement for the year ended, 31 March 2021**

(Amount in ₹)

| Particulars   | For the year ended<br>31 March 2021 |               | For the year ended<br>31 March 2020 |               |
|---|-------------------------------------|---------------|-------------------------------------|---------------|
|   | ₹                                   | ₹             | ₹                                   | ₹             |
| <b>A. Cash Flow from Operating Activities</b>                                       |                                     |               |                                     |               |
| Net Profit before tax, exceptional/non-recurring items                              |                                     | 111,581,799   |                                     | 66,548,037    |
| Adjustments for:  |                                     |               |                                     |               |
| Depreciation and amortisation   | 3,792,400                           |               | 3,227,586                           |               |
| Finance costs   | 1,985,568                           |               | 13,011,499                          |               |
| Interest income   | (87,679,720)                        |               | (89,704,796)                        |               |
| Dividend income   |                                     |               | (19,200,000)                        |               |
| Provision for employee benefits   | 8,748,642                           |               | 1,498,589                           |               |
| Impairment on financial instruments (net)   | 4,303,885                           |               | 1,311,779                           |               |
|   |                                     | (99,291,425)  |                                     | (89,665,814)  |
| Operating profit before working capital changes                                     |                                     | 72,087,204    |                                     | (2,316,777)   |
| Adjustments for:  |                                     |               |                                     |               |
| (Increase)/decrease in trade receivables  | (5,534,860)                         |               | (22,065,887)                        |               |
| (Increase)/decrease in inventories (held as stock in trade)                         | 179,615                             |               | 1,611,334                           |               |
| Increase/(decrease) in loans  | (27,348,950)                        |               | 7,087,341                           |               |
| (Increase)/decrease in other non-financial assets                                   | (2,982,704)                         |               | 7,819,191                           |               |
| (Decrease)/decrease in other non-financial assets                                   | (647,751)                           |               | 141,031                             |               |
| Increase/(decrease) in trade payables   | 80,947,266                          |               | 135,009,230                         |               |
| Increase/(decrease) in other financial liabilities                                  | 3,871,401                           |               | 149,030                             |               |
| Increase/(decrease) in other non-financial liability                                | -                                   |               | 2,132,000                           |               |
| Term deposits with banks with original maturity of more than three months - placed  | (80,113,031)                        |               | (87,109,274)                        |               |
| Term deposits with banks with original maturity of more than three months - matured | 130,813,967                         |               | 323,675,987                         |               |
|   |                                     | (314,539,667) |                                     | (136,417,378) |
| Cash generated from operations  |                                     | (242,552,463) |                                     | (136,371,801) |
| Direct Taxes paid (net of refunds)  |                                     | (14,187,083)  |                                     | (10,428,708)  |
| Net cash flow from/(used in) operating activities (A)                               |                                     | (256,739,546) |                                     | (146,800,509) |
| <b>B. Cash Flow from Investing Activities</b>                                       |                                     |               |                                     |               |
| Purchase of property plant and equipment  | (1,306,635)                         |               | (1,004,997)                         |               |
| Term deposits with banks with original maturity of more than three months - placed  | (120,499,000)                       |               | -                                   |               |
| Term deposits with banks with original maturity of more than three months - matured | 120,095,771                         |               | 243,174,030                         |               |
| Investment in subsidiary  | (20,900,000)                        |               | -                                   |               |
| Dividend income   | -                                   |               | 19,200,000                          |               |
| Interest received   | 3,015,232                           |               | 13,558,297                          |               |
| Net cash flow from/(used in) investing activities (B)                               |                                     | (19,595,632)  |                                     | 175,889,118   |
| <b>C. Cash Flow from Financing Activities</b>                                       |                                     |               |                                     |               |
| Proceeds/(Repayment) of bank overdraft  | 80,329,901                          |               | (30,948,888)                        |               |
| Finance costs   | (1,985,568)                         |               | (12,011,499)                        |               |
| Interest received on loans  | 54,663,288                          |               | 56,702,263                          |               |
| Loans/(repayment) to/from subsidiaries (net)  | 189,156,862                         |               | (309,136,862)                       |               |
| Dividend and Dividend Distribution Tax paid   | -                                   |               | (21,270,080)                        |               |
| Net cash flow from/(used in) financing activities (C)                               |                                     | 322,064,783   |                                     | (136,686,664) |
| Net increase/(decrease) in cash and cash equivalents (A+B+C)                        |                                     | 45,729,605    |                                     | 62,888,644    |
| Cash and cash equivalents at the beginning of the period                            |                                     | 122,199,546   |                                     | 60,190,702    |
| Cash and cash equivalents at the end of the year                                    |                                     | 167,929,151   |                                     | 123,079,346   |

**Notes:**

1. Cash and Cash Equivalents are as under:

| Particulars                            | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|-------------------------------------|-------------------------------------|
|  | ₹                                   | ₹                                   |
| Cash on hand                           | 19,193                              | 61,323                              |
| Balance with banks in current accounts | 168,009,958                         | 122,738,223                         |
|  | <b>168,029,151</b>                  | <b>122,799,546</b>                  |

2. The above Cash Flow Statement has been prepared under the Indirect Method as set out in Indian Accounting Standard - 7 on "Cash Flow Statements" as prescribed by the Central Government in the Companies (Accounting Standards) Rules, 2015, as amended.
3. Previous year's figures have been regrouped/rearranged wherever necessary in order to be consistent with the current year's presentation.

As per our attached report of even date

For and on behalf of the Board of Directors

For PTV & CO  
 Chartered Accountants  
 Firm Registration No. 339699W

₹/-  
 Keshu K. Rite  
 (DIN: 00727478)  
 Managing Director

₹/-  
 Laxmi M. Rite  
 (DIN: 00104330)  
 Wholetime Director

Priyanshi Vakharia  
 Proprietor  
 Membership No. 18184

₹/-  
 Kashiob S. Lishchhaya  
 (DIN: 02778663)  
 Wholetime Director

₹/-  
 Arvind J. Gole  
 Chief Financial Officer

Place: Mumbai  
 Date: 09 June 2021

Place: Mumbai  
 Date: 09 June 2021

₹/-  
 Shweta B. Gandhi  
 Company Secretary

## **INVENTURE GROWTH & SECURITIES LIMITED**

**Notes forming part of the standalone financial statements for the year ended 31 March 2021**

### **Note 1: Corporate Information**

Inventure Growth & Securities Limited. (‘the Company’/‘IGSL’) is a company limited by shares, incorporated on 22 June 1995 and domiciled in India. IGSL is listed on BSE, NSE and MSEI. The Company is engaged in the business of providing stock broking services and depository participant services. The Company’s registered office is at 201, Viraj Tower, Near Landmark Building, Western Express Highway, Andheri(E), Mumbai-400069.

### **Note 2: Basis of preparation**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act. The Company uses accrual basis of accounting. The financial statements are presented in Indian Rupee (INR) which is also the functional currency of the Company.

The financial statements have been prepared on a historical cost basis, except for financial assets which have been measured at fair value. The preparation of financial statements requires the management to make judgments, accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on 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 amounts of assets or liabilities in future periods.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. The outbreak of COVID-19 has not affected the going concern assumption of the Company.

### **2.1 Presentation of financial statements**

The Company presents its Balance Sheet in order of liquidity. The Company prepares and presents its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 ‘Statement of Cash Flows’. The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional

legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

#### **Critical accounting estimates and judgments**

The preparation of the Company’s financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent

## INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the standalone financial statements for the year ended 31 March 2021

financial years could differ from those based on Management's estimates. Accounting estimates and judgments are used in various items in the financial statements for e.g.:

- Business model assessment
- Fair value of financial instruments
- Effective interest rate (EIR)
- Impairment of financial assets
- Provisions and contingent liabilities
- Provision for tax expenses
- Residual value, useful life and indicators of recoverable value of property, plant and equipment

### Estimation of impairment allowance on financial assets amidst COVID-19 pandemic

Estimates and associated assumptions, especially for determining the impairment allowance for Company's financial assets, are based on historical experience and other emerging factors on account of the pandemic which may also have an effect on the expected credit loss. The Company believes that the factors considered are reasonable under the current circumstances.

### **Note 3: Statement of compliance**

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

### **Note 4: Summary of significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **4.1. Income**

##### Revenue recognition

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) based on Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at the fair value of the consideration received or receivable.

The revenue includes the following:

##### **(i) Brokerage fee income**

Revenue from contract with customer is recognised when performance obligation is completed i.e. when the trade is executed. These include brokerage fees charged per transaction executed on behalf of the clients as per the contractually agreed rate.

## **INVENTURE GROWTH & SECURITIES LIMITED**

**Notes forming part of the standalone financial statements for the year ended 31 March 2021**

**(ii) Interest income**

The Company recognises interest income using effective interest rate (EIR) on all financial assets subsequently measured under amortised cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability. The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets, the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

**(iii) Dividend income**

Dividend income on equity shares is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

**(iv) Fees and commission income**

Fees and commission income includes:

- a) Income from depository operations is accounted when performance obligation is completed
- b) Advisory fees income is recognised when the performance obligation is satisfied by rendering the services to the client.
- c) Distribution income is earned by distribution of services and products of other entities under distribution arrangements. The income so earned is recognised on successful distribution on behalf of other entities subject to there being no significant uncertainty of its recovery.

**(v) Net gain on fair value changes**

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains on fair value change of financial assets measured at FVOCI and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

**(vi) Recoveries of financial assets written off**

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

**(vii) Taxes**

Incomes are recognised net of the goods and services tax, wherever applicable.

## **INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the standalone financial statements for the year ended 31 March 2021

### **4.2. Expenditures**

(i) Finance costs

Borrowing costs on financial liabilities are recognised using the EIR.

(ii) Fees and commission expenses

Fees and commission expenses which are not directly linked to the sourcing of financial assets, such as commission/incentive incurred on provision of services and products distribution, recovery charges etc., are recognised in the Statement of Profit and Loss on an accrual basis.

(iii) Taxes

Expenses are recognised net of the Goods and Services Tax/Service Tax, except where credit for the input tax is not statutorily permitted.

### **4.3 Cash and cash equivalents**

Cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value

### **4.4 Financial instruments**

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments.

All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognises the financial instruments on trade date.

(i) **Financial assets**

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

Investment in subsidiaries

Investment in subsidiaries is recognised at cost and is not adjusted to fair value at the end of each reporting period. Cost of investment represents amount paid for acquisition of the said investment.

The Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

## **INVENTURE GROWTH & SECURITIES LIMITED**

**Notes forming part of the standalone financial statements for the year ended 31 March 2021**

### Financial Assets (other than investment in subsidiaries)

#### Initial measurement

All financial assets are recognised initially at fair value including transaction costs that are attributable to the acquisition of financial assets except in the case of financial assets recorded at FVTPL where the transaction costs are charged to profit or loss.

#### Subsequent measurement

All equity investments in scope of Ind AS 109 "Financial Instruments" are measured at fair value.

All fair value changes of the equity instruments designated as FVTPL are recognised in statement of profit and loss.

All fair value changes, excluding dividends, of the equity instruments designated as FVOCI are recognised in Other Comprehensive Income, and not available for reclassification to profit or loss, even on sale of investments. Equity instruments at FVOCI are not subject to an impairment assessment.

### Derecognition of Financial Assets

The Company derecognises a financial asset (or, where applicable, a part of a financial asset) when:

The right to receive cash flows from the asset have expired; or

The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement and the Company has transferred substantially all the risks and rewards of the asset. Once the asset is derecognised, the Company does not have any continuing involvement in the same.

On derecognition of a financial asset in its entirety, the difference between:

the carrying amount (measured at the date of derecognition) and

the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

### Impairment of financial assets

#### Expected Credit Loss (ECL) principles

The Company recognises loss allowances (provisions) for expected credit losses on its financial assets (including non-fund exposures) that are measured at amortised costs.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months expected credit loss. Lifetime ECL are the expected credit losses resulting from all

## **INVENTURE GROWTH & SECURITIES LIMITED**

**Notes forming part of the standalone financial statements for the year ended 31 March 2021**

possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

### **The mechanics of ECL**

The Company calculates ECLs based on probability weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive. The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

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

**Exposure at default (EAD)** - The exposure at default is an estimate of the exposure at a future default date.

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

### **Trade Receivables**

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

### **Collateral Valuation**

To mitigate its credit risks on financial assets, the Company seeks to use collateral, wherever possible. The collateral comes in various forms, such as equity shares, fixed deposits, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models.

### **Write-offs**

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the client or borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.



## **INVENTURE GROWTH & SECURITIES LIMITED**

**Notes forming part of the standalone financial statements for the year ended 31 March 2021**

### **Financial liabilities**

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial assets to another entity, or a contract that may or will be settled in the entities own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings and subordinated debts.

### **Initial measurement**

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, other payables and other borrowings.

### **Subsequent measurement**

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR. Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

### **Derecognition**

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet only if there is an enforceable legal right to offset the recognised amounts with an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

## **4.5 Taxes**

### Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax

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

## INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the standalone financial statements for the year ended 31 March 2021

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity.

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

### Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

### **4.6 Property, plant and equipment**

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, consistent with the criteria specified in Ind AS 16 □Property, Plant and Equipment□.

#### **Depreciation on property, plant and equipment**

- (a) Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets.
- (b) Useful lives of assets are determined by the Management by an internal technical assessment.
- (c) Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.

## INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the standalone financial statements for the year ended 31 March 2021

- (d) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other income in the Statement of Profit and Loss when the asset is derecognised.
- (e) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

| Particulars                             | Useful life prescribed by Schedule II of the Companies Act, 2013 (in years) | Useful life estimated by Company (in years) |
|---|---|---|
| Office Premises                         | 60  | 60  |
| <u>Computer &amp; Data Processing</u>   |   |   |
| Servers and networks                    | 6   | 6   |
| End user devices (laptop, desktop etc.) | 3   | 3   |
| Furniture & Fixtures                    | 10  | 10  |
| Office Equipments                       | 5   | 5   |
| Air Conditioners                        | 5   | 5   |

#### 4.7 Intangible assets and amortisation thereof

Intangible assets are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment. The intangible assets are amortised using the straight line method over a period of their useful lives estimated by the management. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### 4.8 Impairment of non-financial assets

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

#### 4.9 Provisions and contingent liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

## INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the standalone financial statements for the year ended 31 March 2021

### 4.3 Retirement and other employee benefits

(i) Gratuity

The employees of the Company are eligible for gratuity in accordance with the Payment of Gratuity Act. Retirement benefits in the form of gratuity is considered as defined benefit obligation. The above benefit is funded and the present value of the obligation under such defined benefit plan is determined based on actuarial valuation. The valuation has been carried out using the project Unit Credit Method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset celling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

(ii) Provident fund

The Company contributes to a recognized provident fund which is a Defined Contribution Scheme. The contributions are accounted for on an accrual basis and recognized in the Statement of Profit and Loss.

(iii) Compensated absences

Unutilized leave of staff lapses as at the year end and is not encashable. Accordingly, no provision is made for compensated absences.

### 4.4 Fair value measurement

The Company measures its qualifying financial instruments at fair value on each Balance Sheet date.

Fair value is the price that would be received against sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the accessible principal market or the most advantageous accessible market as applicable.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into Level I, Level II and Level III based on the lowest level input that is significant to the fair value measurement as a whole.

For assets and liabilities that are fair valued in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the standalone financial statements as at 31 March 2021

**Note 5 Cash and cash equivalents**

| Particulars                            | As at<br>31 March 2021 | As at<br>31 March 2020 |
|--|------------------------|------------------------|
| Cash on hand                           | 19,393                 | 61,323                 |
| Balance with banks in current accounts | 168,408,218            | 122,138,223            |
| <b>Total</b>                           | <b>168,427,611</b>     | <b>122,199,546</b>     |

**Note 6 Bank balance other than cash and cash equivalents**

| Particulars   | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| Term deposits with banks with more than three months maturity under lien: |                        |                        |
| <u>With stock exchanges towards:</u>                                      |                        |                        |
| - Base Capital  | 387,974,999            | 206,688,966            |
| - Collateral security towards bank guarantees                             | -                      | -                      |
| - Client fixed deposit margin   | 69,904,175             | 68,387,745             |
| <u>With banks</u>   |                        |                        |
| - Collateral security against bank overdraft facility                     | 338,894,372            | 134,095,771            |
| <u>Others</u>   | 1,000,000              | 26,000,000             |
| Interest accrued on term deposits with banks                              | 3,968,064              | 3,131,441              |
| <b>Total</b>  | <b>801,741,610</b>     | <b>438,303,923</b>     |

**Note 7 Stock in trade**

| Particulars                            | As at<br>31 March 2021 | As at<br>31 March 2020 |
|--|------------------------|------------------------|
| At fair value through profit and loss  |                        |                        |
| Shares and Securities held for trading | 9,584,167              | 9,760,780              |
| <b>Total</b>                           | <b>9,584,167</b>       | <b>9,760,780</b>       |

**Note 8 Trade receivables**

| Particulars                              | As at<br>31 March 2021 | As at<br>31 March 2020 |
|--|------------------------|------------------------|
| Receivables considered good - Unsecured* | 58,824,292             | 57,480,491             |
| Receivables - Credit impaired            | 23,849,384             | 77,908,907             |
|  | <b>82,673,676</b>      | <b>135,389,398</b>     |
| Less: Impairment loss allowance          | (23,849,384)           | (77,908,907)           |
| <b>Total</b>                             | <b>58,824,292</b>      | <b>57,480,491</b>      |
| *Includes amount due from directors      | 354                    | 1,171                  |

**INVENTURE GROWTH & SECURITIES LIMITED**  
Notes forming part of the standalone financial statements as at 31 March 2021

**Note 9 Loans**

| Particulars  | As at<br>31 March 2021 | As at<br>31 March 2020 |
|--|------------------------|------------------------|
| <b>(A) At Amortised cost</b>                               |                        |                        |
| Margin trade funding (MTF)                                 | 43,227,684             | 15,831,731             |
| Loan to related parties (subsidiaries) repayable on demand | 120,000,000            | 309,158,862            |
| Loan to employees  | 316,000                | 363,000                |
| Less: Impairment loss allowance                            | (432,277)              | 254,592                |
| <b>Total (A) Net</b>                                       | <b>163,111,407</b>     | <b>325,097,001</b>     |
| <b>(B) Secured/Unsecured</b>                               |                        |                        |
| Secured  | 43,227,684             | 15,831,731             |
| Unsecured:   | 120,316,000            | 309,319,862            |
| Less: Impairment loss allowance                            | (432,277)              | 254,592                |
| <b>Total (B) Net</b>                                       | <b>163,111,407</b>     | <b>325,097,001</b>     |
| <b>(C) Loans in India</b>                                  |                        |                        |
| Loans granted  | 163,543,684            | 325,351,593            |
| Less: Impairment loss allowance                            | (432,277)              | 254,592                |
| <b>Total (C) Net</b>                                       | <b>163,111,407</b>     | <b>325,097,001</b>     |

**Note 10 Investments**

| Particulars  | As at<br>31 March 2021 | As at<br>31 March 2020 |
|--|------------------------|------------------------|
| <b>(A1) At Amortised cost</b>  |                        |                        |
| In Equity Instruments of subsidiary companies-                             |                        |                        |
| Equity Shares of Inventure Finance Private Limited                         | 551,129,000            | 551,129,000            |
| Equity Shares of Inventure Commodities Limited                             | 21,901,000             | 21,901,000             |
| Equity Shares of Inventure Wealth Management Limited                       | 5,727,740              | 5,727,740              |
| Equity Shares of Inventure Insurance Broking Private Limited               | 4,000,000              | 4,000,000              |
| Equity Shares of Inventure Merchant Banker Services Private Limited        | 80,100,000             | 80,100,000             |
| Equity Shares of Inventure Developers Private Limited                      | 1,000,000              | 100,000                |
| <b>Total investments in equity instruments of subsidiary companies (I)</b> | <b>663,857,740</b>     | <b>642,957,740</b>     |
| <b>(A2) At Amortised cost</b>  |                        |                        |
| In Equity instrument of other company                                      | 15,145,067             | 15,145,067             |
| Less: Impairment loss allowance  | (15,145,067)           | (15,145,067)           |
| <b>Total investment in equity instrument of other companies (II)</b>       | <b>-</b>               | <b>-</b>               |
| <b>(B) At Fair value through Other Comprehensive Income</b>                |                        |                        |
| In quoted equity instruments   | 480,295                | 249,609                |
| <b>Total investments in quoted equity instruments (III)</b>                | <b>480,295</b>         | <b>249,609</b>         |
| <b>Total investments in equity instruments (I+II+ III)</b>                 | <b>664,338,035</b>     | <b>643,207,349</b>     |

**Note 11 Other financial assets**

| Particulars                               | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| Deposits with stock exchanges             | 31,078,821             | 28,578,821             |
| Deposit with professional clearing member | 2,550,000              | 2,500,000              |
| Deposit with depository                   | 250,000                | 250,000                |
| Other deposits                            | 1,455,999              | 1,575,399              |
| Recoverable from subsidiaries             | 552,104                | -                      |
| <b>Total</b>                              | <b>35,886,924</b>      | <b>32,904,220</b>      |

**INVENTURE GROWTH & SECURITIES LIMITED**  
Notes forming part of the standalone financial statements as at 31 March 2021

**Note 12 Current tax assets (net)**

| Particulars                                | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--|-----------------------------|-----------------------------|
| Income tax paid (net of provision for tax) | 30,153,773                  | 33,112,898                  |
| <b>Total</b>                               | <b>30,153,773</b>           | <b>33,112,898</b>           |

**Note 13 Deferred tax assets (net)**

| Particulars   | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|---|-----------------------------|-----------------------------|
| <b>Deferred tax liabilities:</b>                      |                             |                             |
| Property, plant & equipment & other intangible assets | 13,231,246                  | 12,814,482                  |
| <b>Total</b>  | <b>13,231,246</b>           | <b>12,814,482</b>           |
| <b>Deferred tax assets:</b>                           |                             |                             |
| Provision for gratuity                                | -                           | 2,253,624                   |
| Expected credit loss/provisions                       | 6,944,941                   | 21,745,085                  |
| Remeasurements of net defined benefit expenses        | 927,938                     | 962,975                     |
| MAT credit entitlement                                | 16,189,974                  | 15,733,194                  |
| <b>Total</b>  | <b>24,062,853</b>           | <b>40,694,878</b>           |
| <b>Net Deferred tax asset</b>                         | <b>10,831,607</b>           | <b>27,880,396</b>           |

**Note 14 Investment property**

| Particulars              | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--------------------------|-----------------------------|-----------------------------|
| <b>At Amortised cost</b> |                             |                             |
| Investment Property      | 25,335,483                  | 25,335,483                  |
| <b>Total</b>             | <b>25,335,483</b>           | <b>25,335,483</b>           |

**INVENTURE GROWTH & SECURITIES LIMITED**  
Notes forming part of the standalone financial statements as at 31 March 2021

Note 15 Property, plant and equipment (Current Year)

(Amount in ₹)

| Particulars                                    | Gross Block        |                |                   | Accumulated Depreciation / Amortisation |                    |                  |                          | Net Block           |                     |                     |
|--|--------------------|----------------|-------------------|---|--------------------|------------------|--------------------------|---------------------|---------------------|---------------------|
|  | As at 1 April 2020 | Additions      | Deductions        | As at 31 March 2021                     | As at 1 April 2020 | For the period   | On disposal/ Adjustments | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2020 |
| <b>Property, plant and equipment</b>           |                    |                |                   |   |                    |                  |                          |                     |                     |                     |
| <b>Own Assets:</b>                             |                    |                |                   |   |                    |                  |                          |                     |                     |                     |
| Office Premises                                | 77,671,209         | -              | -                 | 77,671,209                              | 16,125,252         | 1,294,519        | -                        | 17,419,771          | 60,251,438          | 61,545,957          |
| Furniture and Fixtures                         | 34,024,987         | -              | -                 | 34,024,987                              | 22,803,714         | 1,184,372        | -                        | 30,988,086          | 3,526,901           | 4,721,273           |
| Vehicles                                       | 8,986,476          | -              | -                 | 8,986,476                               | 8,986,476          | -                | -                        | 8,986,476           | -                   | -                   |
| Office Equipment                               | 10,639,516         | 362,800        | -                 | 11,002,316                              | 10,150,091         | 253,746          | -                        | 10,403,637          | 596,479             | 489,425             |
| Air Conditioners                               | 4,620,298          | -              | -                 | 4,620,298                               | 4,232,260          | 118,640          | -                        | 4,371,100           | 349,198             | 368,038             |
| Computers                                      | 22,292,749         | 517,833        | 12,440,278        | 10,370,304                              | 21,496,090         | 626,114          | 12,440,278               | 9,481,926           | 688,394             | 796,679             |
| <b>Total</b>                                   | <b>158,738,255</b> | <b>880,633</b> | <b>12,440,278</b> | <b>147,178,610</b>                      | <b>90,813,683</b>  | <b>3,477,393</b> | <b>12,440,278</b>        | <b>81,887,198</b>   | <b>65,324,612</b>   | <b>67,921,372</b>   |
| <b>Note 16A Intangible assets</b>              |                    |                |                   |   |                    |                  |                          |                     |                     |                     |
| <b>Own Assets:</b>                             |                    |                |                   |   |                    |                  |                          |                     |                     |                     |
| Computer Software                              | 10,867,913         | 426,000        | -                 | 11,293,913                              | 10,185,190         | 262,801          | -                        | 10,448,991          | 646,923             | 682,723             |
| Membership of Bombay Stock Exchange Limited    | 18,100,000         | -              | -                 | 18,100,000                              | 18,100,000         | -                | -                        | 18,100,000          | -                   | -                   |
| Membership of Multi Commodity Exchange Limited | 1,060,000          | -              | -                 | 1,060,000                               | 1,060,000          | -                | -                        | 1,060,000           | -                   | -                   |
| <b>Total</b>                                   | <b>30,027,913</b>  | <b>426,000</b> | <b>-</b>          | <b>30,453,913</b>                       | <b>29,345,190</b>  | <b>262,801</b>   | <b>-</b>                 | <b>29,609,991</b>   | <b>646,923</b>      | <b>682,723</b>      |

Note 15 Property, plant and equipment (Previous Year)

(Amount in ₹)

| Particulars                                    | Gross Block        |                |            | Accumulated Depreciation / Amortisation |                    |                  |                          | Net Block           |                     |                     |
|--|--------------------|----------------|------------|---|--------------------|------------------|--------------------------|---------------------|---------------------|---------------------|
|  | As at 1 April 2019 | Additions      | Deductions | As at 31 March 2020                     | As at 1 April 2019 | For the period   | On disposal/ Adjustments | As at 31 March 2020 | As at 31 March 2019 | As at 31 March 2019 |
| <b>Property, plant and equipment</b>           |                    |                |            |   |                    |                  |                          |                     |                     |                     |
| <b>Own Assets:</b>                             |                    |                |            |   |                    |                  |                          |                     |                     |                     |
| Office Premises                                | 77,671,209         | -              | -          | 77,671,209                              | 14,830,732         | 1,294,520        | -                        | 16,125,252          | 61,545,957          | 62,840,477          |
| Furniture and Fixtures                         | 34,853,687         | 71,500         | -          | 34,925,187                              | 28,281,444         | 1,522,270        | -                        | 29,803,714          | 4,721,273           | 5,172,048           |
| Vehicles                                       | 8,986,476          | -              | -          | 8,986,476                               | 8,986,476          | -                | -                        | 8,986,476           | -                   | -                   |
| Office Equipment                               | 10,639,028         | 34,491         | -          | 10,673,519                              | 9,750,640          | 599,431          | -                        | 10,150,091          | 489,425             | 854,388             |
| Air Conditioners                               | 4,620,400          | 198,865        | -          | 4,819,265                               | 4,046,308          | 303,952          | -                        | 4,252,260           | 368,038             | 373,125             |
| Computers                                      | 22,262,348         | 30,424         | -          | 22,292,772                              | 30,779,899         | 716,235          | -                        | 21,496,090          | 796,679             | 1,482,490           |
| <b>Total</b>                                   | <b>158,999,978</b> | <b>335,277</b> | <b>-</b>   | <b>158,738,255</b>                      | <b>86,677,455</b>  | <b>4,136,428</b> | <b>-</b>                 | <b>90,813,683</b>   | <b>67,921,372</b>   | <b>71,723,823</b>   |
| <b>Note 16A Intangible assets</b>              |                    |                |            |   |                    |                  |                          |                     |                     |                     |
| <b>Own Assets:</b>                             |                    |                |            |   |                    |                  |                          |                     |                     |                     |
| Computer Software                              | 10,196,200         | 669,712        | -          | 10,865,912                              | 10,094,031         | 91,137           | -                        | 10,185,190          | 682,723             | 104,168             |
| Membership of Bombay Stock Exchange Limited    | 18,100,000         | -              | -          | 18,100,000                              | 18,100,000         | -                | -                        | 18,100,000          | -                   | -                   |
| Membership of Multi Commodity Exchange Limited | 1,060,000          | -              | -          | 1,060,000                               | 1,060,000          | -                | -                        | 1,060,000           | -                   | -                   |
| <b>Total</b>                                   | <b>29,356,200</b>  | <b>669,712</b> | <b>-</b>   | <b>30,027,912</b>                       | <b>29,254,031</b>  | <b>91,137</b>    | <b>-</b>                 | <b>29,345,190</b>   | <b>682,723</b>      | <b>104,168</b>      |



**INVENTURE GROWTH & SECURITIES LIMITED**  
Notes forming part of the standalone financial statements as at 31 March 2021

**Note 16 Other non-financial assets**

| Particulars                      | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|----------------------------------|-----------------------------|-----------------------------|
| Prepaid expenses                 | 3,743,349                   | 3,048,040                   |
| Advances to suppliers and others | 1,880,533                   | 1,097,480                   |
| Indirect tax input credits       | 730,126                     | 1,053,967                   |
| Accrued income                   | -                           | 506,750                     |
| <b>Total</b>                     | <b>6,354,008</b>            | <b>5,706,257</b>            |

**Note 17 Trade Payables**

| Particulars   | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|---|-----------------------------|-----------------------------|
| (i) Total outstanding dues of micro enterprise and small enterprises                        | -                           | -                           |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | 353,664,036                 | 273,116,180                 |
| <b>Total</b>  | <b>353,664,036</b>          | <b>273,116,180</b>          |

The details of amount outstanding to Micro, Small and Medium Enterprises defined under "Micro, Small and Medium Enterprises Development Act, 2006" (as identified based on information available with the Company and relied upon by the Auditors is as under).

| Particulars  | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--|-----------------------------|-----------------------------|
| Principal amount due and remaining unpaid                                | -                           | -                           |
| Interest due on above and the unpaid interest                            | -                           | -                           |
| Interest paid  | -                           | -                           |
| Payment made beyond the appointed day during the year                    | -                           | -                           |
| Interest due and payable for the period of delay                         | -                           | -                           |
| Interest accrued and remaining unpaid                                    | -                           | -                           |
| Amount of further interest remaining due and payable in succeeding years | -                           | -                           |

**Note 18 Borrowings**

| Particulars   | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|---|-----------------------------|-----------------------------|
| <b>At Amortised cost</b>  |                             |                             |
| <b>Secured</b>  |                             |                             |
| Overdraft facility from banks<br>(secured against lien of term deposits with banks) | 80,634,308                  | 307,407                     |
| <b>Total</b>  | <b>80,634,308</b>           | <b>307,407</b>              |
| <b>Borrowings in India</b>  | <b>80,634,308</b>           | <b>307,407</b>              |
| <b>Borrowings outside India</b>   | <b>-</b>                    | <b>-</b>                    |
| <b>Total</b>  | <b>80,634,308</b>           | <b>307,407</b>              |

**INVENTURE GROWTH & SECURITIES LIMITED**  
Notes forming part of the standalone financial statements as at 31 March 2021

**Note 19 Deposits**

| Particulars                                    | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--|-----------------------------|-----------------------------|
| <b>At Amortised cost</b>                       |                             |                             |
| Security deposits from clients and sub brokers | 30,292,139                  | 12,388,353                  |
| <b>Total</b>                                   | <b>30,292,139</b>           | <b>12,388,353</b>           |

**Note 20 Other financial liabilities**

| Particulars    | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|----------------|-----------------------------|-----------------------------|
| Statutory dues | 6,177,147                   | 2,305,746                   |
| <b>Total</b>   | <b>6,177,147</b>            | <b>2,305,746</b>            |

**Note 21 Provisions**

| Particulars                            | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--|-----------------------------|-----------------------------|
| <b>Provision for employee benefits</b> |                             |                             |
| Gratuity                               | -                           | 9,712,766                   |
| <b>Total</b>                           | <b>-</b>                    | <b>9,712,766</b>            |

**Note 22 Other non financial liabilities**

| Particulars  | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--|-----------------------------|-----------------------------|
| <b>At Amortised cost</b>                                   |                             |                             |
| Advance received in respect of sale of investment property | 2,100,000                   | 2,100,000                   |
| <b>Total</b>   | <b>2,100,000</b>            | <b>2,100,000</b>            |

**INVENTURE GROWTH & SECURITIES LIMITED**  
Notes forming part of the standalone financial statements as at 31 March 2021

**Note 23 Equity share capital**

| Particulars   | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
|   | ₹                      | ₹                      |
| <b>Authorised</b><br>100,000,000 (100,000,000) Equity Shares of ₹ 10/- each                 | 1,000,000,000          | 1,000,000,000          |
| <b>Issued</b><br>84,000,000 (84,000,000) Equity Shares of ₹ 10/- each                       | 840,000,000            | 840,000,000            |
| <b>Subscribed and fully paid up</b><br>84,000,000 (84,000,000) Equity Shares of ₹ 10/- each | 840,000,000            | 840,000,000            |
| <b>Total</b>  | <b>840,000,000</b>     | <b>840,000,000</b>     |

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

|  | No of shares      | ₹                  |
|--|-------------------|--------------------|
| <b>As at 31 March 2019</b>   | <b>84,000,000</b> | <b>840,000,000</b> |
| Equity share capital issued, subscribed and<br>Add: Issued during the year | 84,000,000<br>-   | 840,000,000<br>-   |
| <b>As at 31 March 2020</b>   | <b>84,000,000</b> | <b>840,000,000</b> |
| Equity share capital issued, subscribed and<br>Add: Issued during the year | 84,000,000<br>-   | 840,000,000<br>-   |
| <b>As at 31 March 2021</b>   | <b>84,000,000</b> | <b>840,000,000</b> |

(b) The Company has one class of Equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for 1 vote per share held. The dividend if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In event of liquidation the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholdings.

(c) Details of shareholders holding more than 5% shares in the company:

| Name of Shareholder                     | As at 31 March 2021 |           | As at 31 March 2020 |           |
|---|---------------------|-----------|---------------------|-----------|
|   | No. of Shares       | % holding | No. of Shares       | % holding |
| Equity shares of ₹ 10/- each fully paid |                     |           |                     |           |
| Kanji B. Rita                           | 22,164,327          | 26.39     | 22,164,327          | 26.39     |
| Harilal Bhachubhai Rita                 | 5,000,000           | 5.95      | 5,000,000           | 5.95      |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the standalone financial statements as at 31 March 2021

**Note 24 Other equity**

| Particulars                                  | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--|-----------------------------|-----------------------------|
| <b>Reserves and Surplus</b>                  |                             |                             |
| <b>Capital Reserve</b>                       |                             |                             |
| Balance at the beginning of the year         | 2,025,000                   | 2,025,000                   |
| Addition during the year                     | -                           | -                           |
| <b>Balance at the end of the year</b>        | <b>2,025,000</b>            | <b>2,025,000</b>            |
| <b>Security premium</b>                      |                             |                             |
| Balance at the beginning of the year         | 71,510,581                  | 71,510,581                  |
| Addition during the year                     | -                           | -                           |
| <b>Balance at the end of the year</b>        | <b>71,510,581</b>           | <b>71,510,581</b>           |
| <b>Taxation Reserve</b>                      |                             |                             |
| Balance at the beginning of the year         | 12,500,000                  | 12,500,000                  |
| Addition during the year                     | -                           | -                           |
| <b>Balance at the end of the year</b>        | <b>12,500,000</b>           | <b>12,500,000</b>           |
| <b>Retained Earnings</b>                     |                             |                             |
| Balance at the beginning of the year         | 99,716,435                  | 77,837,934                  |
| Profit/(Loss) for the year                   | 76,838,434                  | 43,248,581                  |
| Transfer From General Reserve                | -                           | -                           |
| Dividend paid to Equity Shareholders         | -                           | (21,000,000)                |
| Dividend distribution tax                    | -                           | (370,080)                   |
| <b>Balance at the end of the year</b>        | <b>176,554,869</b>          | <b>99,716,435</b>           |
| <b>General Reserve</b>                       |                             |                             |
| Balance at the beginning of the year         | 464,821,877                 | 464,821,877                 |
| Transferred to Retained Earnings             | -                           | -                           |
| <b>Balance at the end of the year</b>        | <b>464,821,877</b>          | <b>464,821,877</b>          |
| <b>Other Comprehensive Income</b>            |                             |                             |
| Balance at the beginning of the year         | (911,906)                   | (556,635)                   |
| IND AS Adjustments                           | -                           | -                           |
| Movement in other comprehensive income (net) | 1,392,202                   | (355,271)                   |
| <b>Balance at the end of the year</b>        | <b>480,296</b>              | <b>(911,906)</b>            |
| <b>Total Other Equity</b>                    | <b>727,892,623</b>          | <b>649,661,987</b>          |

**INVENTURE GROWTH & SECURITIES LIMITED**  
**Notes forming part of the standalone financial statements as at 31 March 2021**

**Nature and Purpose of Reserve**

**(a) Capital Reserve**

Capital reserve represents amount paid up on partly paid equity shares forfeited due to non-payment of call money.

**(b) Securities premium**

Securities Premium reserves is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of the Companies Act, 2013.

**(c) Taxation Reserve**

Amount set aside to meet with substantial tax litigation if any.

**(d) Retained earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**(e) General reserve**

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilized only in accordance with the specific requirements of Companies Act, 2013.

**(f) Other comprehensive income**

Other comprehensive income consist of remeasurement gains/losses on employees defined benefit expenses and change in fair value of investments

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the standalone financial statements for the year ended 31 March 2021

**Note 25 Interest income**

| Particulars                          | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--------------------------------------|-------------------------------------|-------------------------------------|
|                                      | ₹                                   | ₹                                   |
| Interest on margin trading funding   | 1,835,184                           | 3,061,360                           |
| Interest on term deposits with banks | 39,588,863                          | 31,324,768                          |
| <b>Total</b>                         | <b>41,424,047</b>                   | <b>34,386,128</b>                   |

**Note 26 Dividend income**

| Particulars  | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|-------------------------------------|-------------------------------------|
|  | ₹                                   | ₹                                   |
| Dividend received on shares held as stock in trade | 58,788                              | 75,745                              |
| <b>Total</b>                                       | <b>58,788</b>                       | <b>75,745</b>                       |

**Note 27 Fees and commission income**

| Particulars                | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|----------------------------|-------------------------------------|-------------------------------------|
|                            | ₹                                   | ₹                                   |
| Brokerage                  | 184,172,800                         | 96,174,964                          |
| Research and advisory fees | 995,992                             | 917,858                             |
| Depository operations      | 8,617,873                           | 5,770,464                           |
| <b>Total</b>               | <b>193,786,665</b>                  | <b>102,863,286</b>                  |

**Note 28 Other operating income:**

| Particulars                          | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--------------------------------------|-------------------------------------|-------------------------------------|
|                                      | ₹                                   | ₹                                   |
| Delayed payment charges from clients | 5,931,424                           | 9,670,388                           |
| Turnover Charges                     | 12,964,305                          | 6,262,397                           |
| <b>Total</b>                         | <b>18,895,729</b>                   | <b>15,932,785</b>                   |

**Note 29 Other income**

| Particulars                                | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|-------------------------------------|-------------------------------------|
|  | ₹                                   | ₹                                   |
| Dividend received from subsidiary          | -                                   | 19,200,000                          |
| Interest on loan to subsidiaries           | 54,663,388                          | 36,700,262                          |
| Interest income on term deposits with bank | 3,015,332                           | 13,004,444                          |
| Other interest income                      | 332,114                             | 139,077                             |
| Miscellaneous income                       | 1,662,305                           | 1,068,266                           |
| <b>Total</b>                               | <b>59,673,139</b>                   | <b>70,112,049</b>                   |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the standalone financial statements for the year ended 31 March 2021.

**Note 30 Finance costs**

| Particulars                                | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|-------------------------------------|-------------------------------------|
| On instruments measured at amortized cost: |                                     |                                     |
| Interest on borrowings                     | 1,117,841                           | 10,916,409                          |
| Other interest expense                     | 467,527                             | 1,065,090                           |
| <b>Total</b>                               | <b>1,585,368</b>                    | <b>12,011,499</b>                   |

**Note 31 Fees and commission expense**

| Particulars   | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|---------------|-------------------------------------|-------------------------------------|
| Sub-brokerage | 93,164,867                          | 53,523,455                          |
| <b>Total</b>  | <b>93,164,867</b>                   | <b>53,523,455</b>                   |

**Note 32 Impairment on Financial Instruments**

| Particulars  | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|-------------------------------------|-------------------------------------|
| On financial instruments measured at amortised cost: |                                     |                                     |
| Impairment loss allowance:                           |                                     |                                     |
| On receivables                                       | 4,133,200                           | 1,257,127                           |
| On Loans (MTF)                                       | 177,685                             | 254,592                             |
| <b>Total</b>   | <b>4,310,885</b>                    | <b>1,511,719</b>                    |

**Note 33 Changes in stock-in-trade**

| Particulars            | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|------------------------|-------------------------------------|-------------------------------------|
| Closing stock-in-trade | 9,584,167                           | 9,760,780                           |
| Opening stock-in-trade | (9,760,780)                         | (11,372,104)                        |
| <b>Total</b>           | <b>(176,613)</b>                    | <b>(1,611,324)</b>                  |

**Note 34 Employee benefits expenses**

| Particulars                                | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|-------------------------------------|-------------------------------------|
| Salaries                                   | 43,086,610                          | 30,129,967                          |
| Contributions to Provident and Other Funds | 2,587,826                           | 2,649,336                           |
| Employees' gratuity expenses               | -                                   | 1,754,121                           |
| Staff welfare expenses                     | 1,488,811                           | 2,562,238                           |
| <b>Total</b>                               | <b>47,163,253</b>                   | <b>57,095,662</b>                   |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the standalone financial statements for the year ended 31 March 2021

**Note 35 Other expenses**

| Particulars                          | For the year ended | For the year ended |
|--------------------------------------|--------------------|--------------------|
|                                      | 31 March 2021      | 31 March 2020      |
|                                      | ₹                  | ₹                  |
| Transaction Charges                  | 12,603,574         | 6,114,310          |
| Payment to franchisees               | 200,000            | 250,000            |
| Stock exchange expenses              | 1,173,884          | 182,266            |
| SEBI fees                            | 623,713            | 633,842            |
| Depository charges                   | 3,124,744          | 2,227,849          |
| Rent, taxes and energy costs         | 4,688,005          | 5,910,593          |
| Repairs and maintenance              | 5,322,231          | 5,356,146          |
| Printing & stationery                | 530,049            | 735,722            |
| Communication cost                   | 3,733,077          | 3,637,247          |
| Computer & software expenses         | 2,522,312          | 1,370,529          |
| Legal and professional fees (#)      | 7,421,255          | 9,702,735          |
| Directors sitting fees               | 800,000            | 1,225,000          |
| Insurance                            | 323,444            | 158,736            |
| Travelling & conveyance expenses     | 940,830            | 561,350            |
| Rates and taxes                      | 771,754            | 1,140,730          |
| Advertisement and business promotion | 438,495            | 1,598,537          |
| Membership & subscription            | 2,584,053          | 2,106,436          |
| Client compensation                  | 163,563            | 452,564            |
| Donations                            | 1,000,000          | 676,900            |
| Miscellaneous expenses               | 3,351,209          | 2,798,220          |
| <b>Total</b>                         | <b>52,316,193</b>  | <b>46,839,711</b>  |

# includes auditor's fees towards:

| Particulars            | For the year ended | For the year ended |
|------------------------|--------------------|--------------------|
|                        | 31 March 2021      | 31 March 2020      |
|                        | ₹                  | ₹                  |
| Statutory audit fees   | 635,000            | 235,000            |
| Limited review reports | 275,000            | 225,000            |
| Taxation services      | 80,000             | 115,000            |
| Certification services | -                  | 62,000             |
| <b>Total</b>           | <b>990,000</b>     | <b>637,000</b>     |



**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the standalone financial statements for the year ended 31 March 2021

**Note 36 EARNINGS PER SHARE**

**Basic Earnings per share**

The calculations of profit attributable to equity shareholders and number of equity shares outstanding for purposes of basic earnings per share calculations are as follows:

| PARTICULARS |   | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|-------------|---|-------------------------------------|-------------------------------------|
| a           | Equity shares of face value of Rs 10 each outstanding during the year | 84,000,000                          | 84,000,000                          |
| b           | Net (loss)/profit after tax available for equity shareholders         | 76,838,434                          | 43,248,581                          |
| c           | Basic earnings per share of Rs 10 each (=b/a)                         | 0.91                                | 0.51                                |

**Diluted earnings per share**

The calculations of diluted earnings per share is based on profit attributable to shareholders and number of equity shares outstanding after adjustment for the effects of all dilutive potential equity shares. In the absence of any dilutive potential equity shares, the dilutive earnings per share is same as the basic earnings per share calculated herein above.

**Note 37 SEGMENT INFORMATION**

The Company's operations predominantly consist of "Securities broking and incidental activities". Hence there are no reportable segments under Indian Accounting Standard- 108. During the year under report the Company was engaged in its business only within India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

**INVENTURE GROWTH & SECURITIES LIMITED**  
Notes forming part of the standalone financial statements for the year ended 31 March 2021

**Note 38 RELATED PARTY DISCLOSURES**

| Nature of Relationship                          | Name of Company                                    |
|---|--|
| Subsidiaries Companies                          | Inventure Finance Private Limited                  |
|   | Inventure Commodities Limited                      |
|   | Inventure Merchant Banker Services Private Limited |
|   | Inventure Wealth Management Private Limited        |
|   | Inventure Insurance Broking Private Limited        |
|   | Inventure Developers Private Limited               |
| Director and Key Management Personnel           | Karji B. Rita                                      |
|   | Kamlesh S Limbachhiya                              |
|   | Lasha Meet Rita                                    |
| Key Management Personnel (KMP)                  | Arvind Jettulal Gada                               |
|   | Bhavi R Gandhi                                     |
| Relative of Director                            | Meet Karji Rita                                    |
|   | Harilal B Rita                                     |
|   | Shantiben K. Rita                                  |
|   | Neeta Mulesh Gada                                  |
|   | Kalavati K. Limbachhiya                            |
|   | Manjulaben Shankarlal Limbachhiya                  |
|   | Sagar K. Limbachhiya                               |
|   | Mitaxi Vinod Limbachhiya                           |
|   | Kusum Limbachhiya                                  |
|   | Haina Harilal Rita                                 |
|   | Irmbha Harilal Rita                                |
|   | Parth Harilal Rita                                 |
|   | Parvati Laxji Chheda                               |
|   | Karim Harilal Rita                                 |
| Shantlal B Rita                                 |  |
| Relative of Key Management Personnel(KMP)       | Kunjal A. Gada                                     |
|   | Arvind J. Gada HUF                                 |
| Enterprises significantly influenced by the KMP | Dhruva Management Service Private Limited          |
|   | Karji B Rita HUF                                   |
|   | Shantlal B Rita HUF                                |
|   | Harilal B Rita HUF                                 |
|   | Kamlesh S Limbachhiya HUF                          |
|   | Kensoria Realty LLP                                |

Details of Related Party transactions during the year ended 31 March 2021

(Amount in ₹)

| Particulars                            | Subsidiaries  | Directors and key managerial personnel | Relatives of Directors and key managerial personnel | Enterprises significantly influenced by the Directors/Relatives /KMP | Total         |
|--|---------------|--|---|--|---------------|
| Remuneration paid                      | -             | 7,601,250                              | -   | -  | 7,601,250     |
|  | (-)           | (9,100,000)                            | (-)   | (-)  | (9,100,000)   |
| Salary Paid                            | -             | 1,872,506                              | 165,000   | -  | 2,037,506     |
|  | (-)           | (18,78,288)                            | (-)   | (-)  | -             |
| Loans & Advances given                 | 258,044,000   | -                                      | -   | -  | 258,044,000   |
|  | (476,628,000) | (-)                                    | (-)   | (-)  | (476,628,000) |
| Loans & Advances received back         | 443,172,000   | -                                      | -   | -  | 443,172,000   |
|  | (167,500,000) | (-)                                    | (-)   | (-)  | (167,500,000) |
| Interest received on Loans             | 54,663,388    | -                                      | -   | -  | 54,663,388    |
|  | (36,700,262)  | (-)                                    | (-)   | (-)  | (36,700,262)  |
| Investments in subsidiary              | 20,900,000    | -                                      | -   | -  | 20,900,000    |
|  | (-)           | (-)                                    | (-)   | (-)  | (-)           |
| Dividend Received                      | -             | -                                      | -   | -  | -             |
|  | (19,200,000)  | (-)                                    | (-)   | (-)  | (19,200,000)  |
| Rent Paid                              | 1,200,000     | -                                      | -   | -  | 1,200,000     |
|  | (1,200,000)   | (-)                                    | (-)   | (100,000)  | (1,300,000)   |
| Director Sitting fee                   | -             | 100,000                                | -   | -  | 100,000       |
|  | (-)           | (197,500)                              | (-)   | (-)  | (197,500)     |
| Brokerage & DP charges received        | 3,277         | 715                                    | 7,449   | 3,338  | 14,779        |
|  | (2,292)       | (6,399)                                | (28,742)  | (29,842)   | (70,271)      |
| Sub-brokerage Paid                     | -             | -                                      | 94,382  | -  | 94,382        |
|  | (-)           | (-)                                    | (91,325)  | -  | (91,325)      |
| Delayed payments charges               | -             | -                                      | 501,208   | 61   | 501,269       |
|  | (-)           | (968,819)                              | (1,048,347)   | (8,974)  | (1,421,140)   |
| Expenses recoverable from subsidiaries | 552,104       | -                                      | -   | -  | 552,104       |
| Outstanding Balance                    | 120,000,000   | 854                                    | 1,823,050   | -  | 121,823,404   |

Figures in brackets relate to previous year.

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the standalone financial statements for the year ended 31 March 2021

**Note 39 DISCLOSURES UNDER SECTION 186 OF COMPANIES ACT 2013**
**Loans given during the financial year ended 31 March 2021**

| Name of the Company                                | Nature of relationship  | Amount given during the year | Balance outstanding on 31 March 2021 | Purpose of the loan      |
|--|-------------------------|------------------------------|--------------------------------------|--------------------------|
| Inventure Finance Pvt. Ltd.                        | Wholly Owned Subsidiary | 174,370,000                  | 120,000,000                          | Expansion of business    |
| Inventure Merchant Banker Services Private Limited | Wholly Owned Subsidiary | 1,150,000                    | NIL                                  | Expansion of business    |
| Inventure Insurance Broking Private Limited        | Wholly Owned Subsidiary | 125,500                      | NIL                                  | Expansion of business    |
| Inventure Wealth Management Ltd                    | Wholly Owned Subsidiary | 100,000                      | NIL                                  | General business purpose |
| Inventure Developers Private Ltd                   | Wholly Owned Subsidiary | 98,500                       | NIL                                  | General business purpose |
| Inventure Commodities Limited                      | Subsidiary (99.97%)     | 80,200,000                   | NIL                                  | General business purpose |

**Securities (term deposits with banks) provided for Subsidiary's borrowings during the financial year ended 31 March 2021**

| Name of the Company               | Nature of relationship  | Amount given during the year | Purpose of the security |
|-----------------------------------|-------------------------|------------------------------|-------------------------|
| Inventure Finance Private Limited | Wholly Owned Subsidiary | 99,500,000                   | Expansion of business   |

**Investment made in subsidiaries during the financial year ended 31 March 2021**

| Name of the Company                                | Nature of relationship  | Amount given during the year | Purpose of the investment |
|--|-------------------------|------------------------------|---------------------------|
| Inventure Merchant Banker Services Private Limited | Wholly Owned Subsidiary | 20,000,000                   | Expansion of business     |
| Inventure Developers Private Ltd                   | Wholly Owned Subsidiary | 900,000                      | Expansion of business     |

**Loans given during the financial year ended 31 March 2020**

| Name of the Company              | Nature of relationship  | Amount given during the year | Balance outstanding on 31 March 2020 | Purpose of the loan      |
|----------------------------------|-------------------------|------------------------------|--------------------------------------|--------------------------|
| Inventure Finance Pvt. Ltd.      | Wholly Owned Subsidiary | 45,77,50,000                 | 30,82,50,000                         | Expansion of business    |
| Inventure Wealth Management Ltd  | Wholly Owned Subsidiary | 2,00,000                     | 2,00,000                             | General business purpose |
| Inventure Developers Private Ltd | Wholly Owned Subsidiary | 6,78,000                     | 6,78,000                             | General business purpose |
| Inventure Commodities Limited    | Subsidiary (99.97%)     | 1,80,00,000                  | NIL                                  | Business funding         |

**Securities (term deposits with banks) provided for Subsidiary's borrowings during the financial year ended 31 March 2020**

| Name of the Company               | Nature of relationship  | Amount given during the year | Purpose of the security |
|-----------------------------------|-------------------------|------------------------------|-------------------------|
| Inventure Finance Private Limited | Wholly Owned Subsidiary | 24,30,00,000                 | Expansion of business   |

All the loans above bear interest at a rate of 18%.

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the standalone financial statements for the year ended 31 March 2021

**Note 40 CONTINGENT LIABILITIES**

(Amount in ₹)

| Particulars   | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| (i) Income tax demands in appeal before the first appellate authority.  | 22,497,706             | 22,497,706             |
| (ii) SEBI Whole Time Member (WTM) passed an order against the Company and its directors (including independent directors and a non executive director) and officers for violation of SEBI ICDR Regulations. The said order was challenged before the Securities Appellate Tribunal (SAT), by an appeal by the Company and others. The SAT, by its order dated 10.10.2019 gave full relief to the independent directors & non executive directors and partial relief to the Company and its directors & officers. However, before disposal of the appeals by SAT, SEBI's Adjudication Officer (AO) passed an order dated 30.08.2019 to levy penalty of Rs. 75 lakhs on the Company and various penalties on Others, u/s 15HA & 15HB of the SEBI Act. On an appeal to SAT, the said penalty orders on the Company & Others have been set aside vide an order dated 26.02.2020 and the matter has been remitted to the AO to decide them afresh.<br>The Company has filed an appeal on 28.11.2020 before Supreme Court against the aforesaid order of WTM dated 10.10.2019 which is pending for disposal as on 31.03.2021. | Not ascertainable      | Not ascertainable      |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the standalone financial statements for the year ended 31 March 2021

**Note 43 EMPLOYEE BENEFITS**
**Gratuity**

The employees of the Company are eligible for gratuity in accordance with the Payment of Gratuity Act. To meet its obligation the company has a Defined Employee Benefit Plan. The valuation for the purpose of contribution the funded plan has been carried based on Project Cost Unit method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability, are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

**A Movement in defined benefit obligation**

| PARTICULARS   | (Amount in ₹)                       |                                     |
|---|-------------------------------------|-------------------------------------|
|   | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
| Present value of obligation as at the beginning                                       | 9,712,766                           | 8,088,237                           |
| Current service cost  | 805,490                             | 1,154,318                           |
| Interest expense or cost  | 370,320                             | 599,803                             |
| Return on Plan Asset (more)/less than expected based on discount rate                 | (242,410)                           | -                                   |
| Re-measurements due to:   |                                     |                                     |
| - Actuarial loss / (gain) arising from change in financial assumptions                | 120,000                             | 329,459                             |
| - Actuarial loss / (gain) arising from change in demographic assumptions              | -                                   | 304                                 |
| - Actuarial loss / (gain) arising on account of experience changes                    | (2,349,298)                         | (603,823)                           |
| Return on Plan Asset (more)/less than expected based on discount rate                 | 342,611                             | -                                   |
| Additional expense recognised on account of change in other assumptions: Ex. 5,74,858 | -                                   | -                                   |
| Benefits paid   | (2,005,094)                         | (255,330)                           |
| Present value of obligation as at the end   | 6,654,415                           | 9,712,766                           |
| Movement in Plan Assets   |                                     |                                     |
| Fair Value of plan assets as at beginning   | -                                   | -                                   |
| Employer contribution to funded scheme  | 6,507,607                           | -                                   |
| Employer contribution on behalf of subsidiaries                                       | 332,104                             | -                                   |
| Income contribution   | 312,304                             | -                                   |
| Fair Value of plan assets as at end   | 7,601,647                           | -                                   |
| Net defined benefit liability/(asset) as at the end of the year                       | (747,432)                           | 9,712,766                           |

**B Effortation of Net defined benefit liability at the end of the year as per revised Schedule III of the Companies Act, 2013**

| PARTICULARS   | (Amount in ₹)                       |                                     |
|---|-------------------------------------|-------------------------------------|
|   | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
| Current Liability (Short term)                          | 373,278                             | 1,165,674                           |
| Non-Current Liability (Long term)                       | 6,281,137                           | 8,547,092                           |
| Present value of obligation as at the end               | 6,654,415                           | 9,712,766                           |
| Current Liability (Short term)                          | -                                   | 1,165,674                           |
| Non-Current Liability (Long term)                       | -                                   | 8,547,092                           |
| Net defined benefit liability as at the end of the year | -                                   | 9,712,766                           |

**C Expenses recognised to the Statement of Profit & Loss**

| PARTICULARS   | (Amount in ₹)                       |                                     |
|---|-------------------------------------|-------------------------------------|
|   | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
| Current service cost  | 805,490                             | 1,154,318                           |
| Interest Cost/(Income) on the Net Defined Benefit Liability/(Asset) | 598,030                             | -                                   |
| Accrued gratuity cost/(income) credited to Profit and Loss account  | (1,430,534)                         | -                                   |
| Expenses/(Income) recognised to the Statement of Profit and Loss    | (37,014)                            | 1,794,132                           |

**D Key actuarial assumptions**

| PARTICULARS               | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|---------------------------|-------------------------------------|-------------------------------------|
|                           | Discount Rate (p.a.)                | 6.76%                               |
| Salary growth rate (p.a.) | 4.00%                               | 7.00%                               |

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields/rates available broadly as on the current valuation date.

**Note 42 FINANCIAL RISK MANAGEMENT**

The company has established a comprehensive system for risk management and internal controls for all its businesses to manage the risks that it is exposed. The objective of its risk management framework is to ensure that various risks are identified, measured and mitigated and also that policies, procedures and standards are established to address these risks and ensure a systematic response in the case of crystallization of such risks.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The risk management system features 'three lines of defence' approach.

The first line of defence comprises its operational departments, which assume primary responsibility for their own risks and operate within the limits stipulated in various policies approved by the Board or by committees constituted by the Board.

The second line of defence comprises specialized department such as risk management and compliance. They employ specialized methods to identify and assess risks faced by the operational departments and provide them with specialized risk management tools and methods, facilitate and monitor the implementation of effective risk management practices, develop monitoring tools for risk management, internal controls and compliances, report risk related information and promote the adoption of appropriate risk prevention measures.

The third line of defence comprise the internal audit and external audit functions. They monitor and conduct periodic evaluations of the risk management, internal controls and compliance activities to ensure the adequacy of risk controls and appropriate risk governance and provide the Board with comprehensive feedback.

**(a) Credit risk**

It is risk of financial loss that the Company will incur a loss because its customers or counterparties to financial instruments fails to meet its contractual obligation.

The Company's financial assets comprises of cash and bank balances, trade receivables, loans, investments and other financial assets which comprise mainly of deposits.

The maximum exposure to credit risk at the reporting date is primarily from Company's trade receivables.

**Trade receivables**

The Company applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are calculated based on actual historic credit loss experience over the preceding three to five years on the total balance of non-credit impaired trade receivables. The Company considers a trade receivable to be credit impaired when one or more detrimental events have occurred, such as significant financial difficulty of the client or it becoming probable that the client will enter bankruptcy or other financial reorganization. When a trade receivable is credit impaired, it is written-off against trade receivables and the amount of the loss is recognized in the income statement. Subsequent recoveries of amounts previously written off are credited to the income statement.

(Amount in ₹)

| PARTICULARS                 | As at      |             |
|-----------------------------|------------|-------------|
|                             | 31-Mar-21  | 31-Mar-20   |
| Trade receivables           | 82,673,676 | 135,389,398 |
| Less : Expected credit loss | 23,849,384 | 77,908,907  |
| Trade receivables(net)      | 58,824,292 | 57,480,491  |

**Loans**

Loans comprise of margin trade funding (MTF), loan to subsidiaries and loan to employees.

MTF are secured loans. The Company applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for MTF at an amount equal to lifetime ECLs. The ECLs on MTF are calculated based on actual historic credit loss experience over the preceding years on the total balance of non-credit impaired MTF. There has been no credit impaired MTF observed by the Company as at the balance sheet date.

(Amount in ₹)

| PARTICULARS                 | As at      |             |
|-----------------------------|------------|-------------|
|                             | 31-Mar-21  | 31-Mar-20   |
| Margin trade funding        | 43,227,684 | 1,58,31,731 |
| Less : Expected credit loss | 432,277    | 2,54,592    |
| Margin trade funding (net)  | 42,795,407 | 1,55,77,139 |

Loan to subsidiaries are regularly monitored for receipt of interest and recovery of principal amount as per agreed terms or on demand, as the case may be. Having regard to the financial strength of the subsidiaries and the regularity of payment of interest and principal, the management has not considered the necessity of ECLs in respect thereof as at the balance sheet date

Loan to employees is a nominal amount and is recovered regularly.

**Movement in the allowances for impairment in respect of trade receivables and loans is as follows:**

| Particulars                          | (Amount in ₹) |             |
|--------------------------------------|---------------|-------------|
|                                      | As at         |             |
|                                      | 31-Mar-21     | 31-Mar-20   |
| Opening Balance                      | 78,163,499    | 7,66,51,778 |
| Net re-measurement of loss allowance | 4,310,885     | 15,11,721   |
| Closing Balance                      | 82,474,384    | 7,81,63,499 |

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with

## B Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to entity's reputation.

Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and close out market positions.

The Company has a view of maintaining liquidity with minimal risks while making investments. The Company invests its surplus funds in short term liquid assets in bank deposits. The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

## C Market Risk

Market risk arises when movements in market factors (foreign exchange rates, interest rates, credit spreads and equity prices) impact the Company's income or market value of its portfolios. The Company, in its course of business, is exposed to market risk due to change in equity prices, interest rates and foreign exchange rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns.

### (i) Equity Price

The Company's exposure to equity price risk arises primarily on account of its proprietary positions and on account of margin based positions of its clients in equity cash and derivative segments.

The Company's equity price risk is managed in accordance with its Risk Policy approved by Board.

### (ii) Interest rate risk

The Company is exposed to Interest rate risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates.

The Company's interest rate risk arises from interest bearing deposits with banks and given by it. Such instrument exposes the Company to fair value interest rate risk. Management believes that the interest rate risk attached to these financial assets is not significant due to the nature of these financial assets.

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the standalone financial statements for the year ended 31 March 2021.

**Note 43 INCOME TAX**
**(A) The major components of income tax expense for the year are as under**

(Amount in ₹)

| PARTICULARS   | For the year ended |                  |
|---|--------------------|------------------|
|   | 31-Mar-21          | 31-Mar-20        |
| Current Income tax  | 16,689,430         | 43,85,620        |
| Deferred tax [(credit)/charge]  | 17,853,925         | (10,85,164)      |
| Tax expense for the year  | 34,543,355         | 33,00,456        |
| Income tax relating to remeasurements of net defined benefit expenses that will not be reclassified to profit or loss | -450,645           | 35,037           |
| <b>Total Tax expenses</b>   | <b>34,092,710</b>  | <b>33,35,493</b> |

**(B) Reconciliation of tax expenses and the accounting profit for the year is as under**

(Amount in ₹)

| PARTICULARS   | For the year ended |                  |
|---|--------------------|------------------|
|   | 31-Mar-21          | 31-Mar-20        |
| Profit/(Loss) before tax  | 111,381,789        | 46,549,037       |
| Indian statutory income tax rate (%)  | 29.12%             | 27.82%           |
| Expected income tax expenses  | 32,434,377         | 12,949,942       |
| Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses |                    |                  |
| Expenses allowable  | (18,686,089)       | (71,089)         |
| Expenses not deductible   | 2,889,713          | 1,546,788        |
| Exempt income   | -                  | (5,362,512)      |
| Losses carried forward  | -                  | 448,270          |
| Losses set off  | 51,430             | (5,125,779)      |
| Current tax (A)   | 16,689,430         | 4,385,620        |
| Deferred tax [(credit)/charge] (C)  | 17,853,925         | (1,085,164)      |
| Tax adjustment related to earlier years (D)   | -                  | -                |
| <b>Total income tax expenses (A+B+C+D)</b>  | <b>34,543,355</b>  | <b>3,300,456</b> |

**(C) Deferred tax disclosure**

Movement of deferred tax assets and liabilities

(Amount in ₹)

| PARTICULARS   | As at<br>1 April 2020 | Credit/ (Charge) in the<br>statement of profit and<br>loss | As at<br>31 March 2021 |
|---|-----------------------|--|------------------------|
| Impairment allowance for financial assets                                   | 21,745,085            | (14,800,144)   | 6,944,941              |
| Difference between book and tax depreciation                                | (12,814,482)          | (416,764)  | (13,231,246)           |
| Provision for expense allowed for tax when actually paid                    | 2,253,624             | (2,253,624)  | -                      |
| Remeasurement of net defined benefit expenses                               | 962,975               | (35,037)   | 927,938                |
| Tax effect on remeasurement of net defined benefit expenses during the year | -                     | (348,356)  | -                      |
| MAT credit entitlement  | 15,733,194            | 456,780  | 16,189,974             |
| <b>Net deferred tax assets/ (liabilities)</b>                               | <b>27,880,396</b>     | <b>(17,397,145)</b>  |                        |

(Amount in ₹)

| PARTICULARS  | As at<br>31 March 2019 | Credit/ (Charge) in the<br>statement of profit and<br>loss | As at<br>31 March 2020 |
|--|------------------------|--|------------------------|
| Impairment allowance for financial assets                | 2,13,24,525            | 4,20,560   | 2,17,45,085            |
| Difference between book and tax depreciation             | (1,30,62,179)          | 2,47,697   | (1,28,14,482)          |
| Provision for expense allowed for tax when actually paid | 18,36,717              | 4,16,907   | 22,53,624              |
| Remeasurement of net defined benefit expenses            | 9,27,938               | 35,037   | 9,62,975               |
| MAT credit entitlement                                   | 1,60,45,860            | (3,12,666)   | 1,57,33,194            |
| <b>Net deferred tax assets/ (liabilities)</b>            | <b>2,70,72,861</b>     | <b>8,07,535</b>  | <b>2,78,80,396</b>     |



**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the standalone financial statements for the year ended 31 March 2021

**Note 45 MATURITY ANALYSIS**

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled.

| PARTICULARS                                  | (Amount in ₹)        |                    |                      |
|--|----------------------|--------------------|----------------------|
|  | As at 31 March 2021  |                    |                      |
|  | Total                | Within 12 months   | After 12 Months      |
| <b>Assets</b>                                |                      |                    |                      |
| <b>Financial Assets</b>                      |                      |                    |                      |
| Cash and cash equivalents                    | 168,427,611          | 168,427,611        | -                    |
| Bank balance other than above                | 801,741,610          | 453,942,063        | 347,799,547          |
| Stock in trade (Securities held for trading) | 9,584,167            | 9,584,167          | -                    |
| Trade receivables                            | 58,824,292           | 58,824,292         | -                    |
| Loans  | 163,111,407          | 163,111,407        | -                    |
| Investments                                  | 664,338,035          | -                  | 664,338,035          |
| Other financial assets                       | 35,886,924           | 552,104            | 35,334,820           |
| <b>Non Financial Assets</b>                  |                      |                    |                      |
| Current tax assets (net)                     | 30,153,773           | -                  | 30,153,773           |
| Deferred tax assets (net)                    | 10,831,607           | -                  | 10,831,607           |
| Property, plant and equipment                | 65,324,412           | -                  | 65,324,412           |
| Other intangible assets                      | 846,923              | -                  | 846,923              |
| Investment property                          | 25,335,483           | -                  | 25,335,483           |
| Other non-financial assets                   | 6,354,008            | 6,354,008          | -                    |
| <b>Total Assets</b>                          | <b>2,040,760,252</b> | <b>860,795,652</b> | <b>1,179,964,600</b> |
| <b>Liabilities</b>                           |                      |                    |                      |
| <b>Financial Liabilities</b>                 |                      |                    |                      |
| Trade payables                               | 353,664,036          | 353,664,036        | -                    |
| Borrowings (other than debt security)        | 80,634,308           | 80,634,308         | -                    |
| Deposits                                     | 30,292,139           | 30,292,139         | -                    |
| Other financial liabilities                  | 6,177,147            | 6,177,147          | -                    |
| <b>Non-financial Liabilities</b>             |                      |                    |                      |
| Other non-financial liabilities              | 2,100,000            | -                  | 2,100,000            |
| <b>Total Liabilities</b>                     | <b>472,867,630</b>   | <b>470,767,630</b> | <b>2,100,000</b>     |
| <b>Net Assets</b>                            | <b>1,567,892,622</b> | <b>390,028,022</b> | <b>1,177,864,600</b> |

| PARTICULARS                                  | (Amount in ₹)         |                     |                       |
|--|-----------------------|---------------------|-----------------------|
|  | As at 31 March 2020   |                     |                       |
|  | Total                 | Within 12 months    | After 12 Months       |
| <b>Assets</b>                                |                       |                     |                       |
| <b>Financial Assets</b>                      |                       |                     |                       |
| Cash and cash equivalents                    | 12,21,99,546          | 12,21,99,546        | -                     |
| Bank balance other than above                | 43,83,03,923          | 14,26,45,408        | 29,56,58,515          |
| Stock in trade (Securities held for trading) | 97,60,780             | 97,60,780           | -                     |
| Trade receivables                            | 5,74,80,491           | 5,74,80,491         | -                     |
| Loans  | 32,50,97,001          | 32,50,97,001        | -                     |
| Investments                                  | 64,32,07,349          | -                   | 64,32,07,349          |
| Other financial assets                       | 3,29,04,220           | 56,00,000           | 2,73,04,220           |
| <b>Non Financial Assets</b>                  |                       |                     |                       |
| Current tax assets (net)                     | 3,31,12,898           | -                   | 3,31,12,898           |
| Deferred tax assets (net)                    | 2,78,80,396           | -                   | 2,78,80,396           |
| Property, plant and equipment                | 6,79,21,372           | -                   | 6,79,21,372           |
| Other intangible assets                      | 6,82,723              | -                   | 6,82,723              |
| Investment property                          | 2,53,35,483           | -                   | 2,53,35,483           |
| Other non-financial assets                   | 57,06,257             | 57,06,257           | -                     |
| <b>Total Assets</b>                          | <b>1,78,95,92,439</b> | <b>66,84,89,483</b> | <b>1,12,11,02,956</b> |
| <b>Liabilities</b>                           |                       |                     |                       |
| <b>Financial Liabilities</b>                 |                       |                     |                       |
| Trade payables                               | 27,31,16,180          | 27,31,16,180        | -                     |
| Borrowings (other than debt security)        | 3,07,407              | 3,07,407            | -                     |
| Deposits                                     | 1,23,88,353           | 1,23,88,353         | -                     |
| Other financial liabilities                  | 23,05,746             | 23,05,746           | -                     |
| <b>Non-financial Liabilities</b>             |                       |                     |                       |
| Provisions                                   | 97,12,766             | 11,65,674           | 85,47,092             |
| Other non-financial liabilities              | 21,00,000             | 21,00,000           | -                     |
| <b>Total Liabilities</b>                     | <b>29,99,30,652</b>   | <b>29,13,83,360</b> | <b>85,47,092</b>      |
| <b>Net Assets</b>                            | <b>1,48,96,61,787</b> | <b>37,71,06,123</b> | <b>1,11,25,55,864</b> |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the standalone financial statements for the year ended 31 March 2021

**Note 45 FINANCIAL INSTRUMENTS**

Refer to financial instruments by category table below for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximate fair value due to short maturity of these instruments.

The carrying value and financial instruments by categories as of 31 March 2021 is as follows:

(Amount in ₹)

| Particulars  | As at 31.03.2021     |                                  |                        |                      |
|--|----------------------|----------------------------------|------------------------|----------------------|
|  | Amortised cost       | Fair Value through Profit & Loss | Fair Value through OCI | Total Carrying Value |
| <b>ASSETS</b>  |                      |                                  |                        |                      |
| <b>1 Financial Assets</b>                                    |                      |                                  |                        |                      |
| (a) Cash and cash equivalents                                | 168,427,611          | -                                |                        | 168,427,611          |
| (b) Bank balance other than (a) above                        | 801,741,610          | -                                |                        | 801,741,610          |
| (c) Stock in trade   | -                    | 9,584,167                        | -                      | 9,584,167            |
| (d) Trade Receivables  | 58,824,292           | -                                |                        | 58,824,292           |
| (e) Loans  | 163,111,407          | -                                |                        | 163,111,407          |
| (f) Investments  | -                    | -                                | 480,295                | 480,295              |
| (g) Investment in equity instruments of subsidiary companies | 663,857,740          | -                                |                        | 663,857,740          |
| (h) Other financial assets                                   | 35,886,924           | -                                |                        | 35,886,924           |
| <b>Total Assets</b>  | <b>1,891,849,584</b> | <b>9,584,167</b>                 | <b>480,295</b>         | <b>1,901,914,046</b> |
| <b>LIABILITIES</b>   |                      |                                  |                        |                      |
| <b>1 Financial Liabilities</b>                               |                      |                                  |                        |                      |
| (a) Trade Payables   | 353,664,036          | -                                | -                      | 353,664,036          |
| (b) Borrowings   | 80,634,308           | -                                | -                      | 80,634,308           |
| (c) Deposits   | 30,292,139           | -                                | -                      | 30,292,139           |
| (d) Other financial liabilities                              | 6,177,147            | -                                | -                      | 6,177,147            |
| <b>Total Liabilities</b>                                     | <b>470,767,630</b>   | <b>-</b>                         | <b>-</b>               | <b>470,767,630</b>   |

The carrying value and financial instruments by categories as of 31 March 2020 is as follows:

(Amount in ₹)

| Particulars  | As at 31.03.2020      |                                  |                        |                       |
|--|-----------------------|----------------------------------|------------------------|-----------------------|
|  | Amortised cost        | Fair Value through Profit & Loss | Fair Value through OCI | Total Carrying Value  |
| <b>ASSETS</b>  |                       |                                  |                        |                       |
| <b>1 Financial Assets</b>                                    |                       |                                  |                        |                       |
| (a) Cash and cash equivalents                                | 12,21,99,546          | -                                | -                      | 12,21,99,546          |
| (b) Bank balance other than (a) above                        | 43,83,03,923          | -                                | -                      | 43,83,03,923          |
| (c) Stock in trade   | -                     | 97,60,780                        | -                      | 97,60,780             |
| (d) Trade Receivables  | 5,74,80,491           | -                                | -                      | 5,74,80,491           |
| (e) Loans  | 32,50,97,001          | -                                | -                      | 32,50,97,001          |
| (f) Investments  | -                     | -                                | 2,49,609               | 2,49,609              |
| (g) Investment in equity instruments of subsidiary companies | 64,29,57,740          | -                                | -                      | 64,29,57,740          |
| (h) Other financial assets                                   | 3,29,04,220           | -                                | -                      | 3,29,04,220           |
| <b>Total Assets</b>  | <b>1,61,89,42,291</b> | <b>97,60,780</b>                 | <b>2,49,609</b>        | <b>1,62,89,53,310</b> |
| <b>LIABILITIES</b>   |                       |                                  |                        |                       |
| <b>1 Financial Liabilities</b>                               |                       |                                  |                        |                       |
| (a) Trade Payables   | 27,31,16,180          | -                                | -                      | 27,31,16,180          |
| (b) Borrowings   | 3,07,407              | -                                | -                      | 3,07,407              |
| (c) Deposits   | 1,23,88,353           | -                                | -                      | 1,23,88,353           |
| (d) Other financial liabilities                              | 23,05,746             | -                                | -                      | 23,05,746             |
| <b>Total Liabilities</b>                                     | <b>28,81,17,686</b>   | <b>-</b>                         | <b>-</b>               | <b>28,81,17,686</b>   |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the standalone financial statements for the year ended 31 March 2021

**Note 46 FAIR VALUES**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

**Valuation framework**

The Company's valuation framework includes:

- Benchmarking prices against observable market prices or other independent sources;
- Development and validation of fair valuation models using model logic, inputs, outputs and adjustments.

Finance function is responsible for establishing procedures, governing valuation and ensuring fair values are in compliance with accounting standards.

**FAIR VALUE HIERARCHY**

The Company determines fair values of its financial instruments according to the following hierarchy:

Level 1: valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2: valuation using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3: valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

**Valuation methodologies adopted**

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

- Fair values of inventories held for trading under FVTPL have been determined under level 1 using quoted market prices of the underlying instruments;
- Fair values of investment in quoted equity instruments designated under FVOCI have been determined under level 1 using quoted market prices of the underlying instruments;

The Company has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, short term loans, investments in equity instruments designated under FVOCI, trade payables, borrowings, bank overdrafts and other current liabilities are a reasonable approximation of their fair value and hence their carrying values are deemed to be fair values.

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2021

(Amount in ₹)

| Particulars                                 | Date of Valuation | Fair Value measurement using    |                               |                                 | Total             |
|---|-------------------|---------------------------------|-------------------------------|---------------------------------|-------------------|
|   |                   | Quoted prices in active markets | Significant observable inputs | Significant unobservable inputs |                   |
|   |                   | (Level 1)                       | (Level 2)                     | (Level 3)                       |                   |
| Stock in trade held for trading under FVTPL | 31-Mar-21         | 9,584,167                       | -                             | -                               | 9,584,167         |
| Equity instrument classified under FVOCI    | 31-Mar-21         | 480,295                         | -                             | -                               | 480,295           |
| <b>TOTAL</b>                                |                   | <b>10,064,462</b>               | <b>-</b>                      | <b>-</b>                        | <b>10,064,462</b> |

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2020

(Amount in ₹)

| Particulars                                 | Date of Valuation | Fair Value measurement using    |                               |                                 | Total             |
|---|-------------------|---------------------------------|-------------------------------|---------------------------------|-------------------|
|   |                   | Quoted prices in active markets | Significant observable inputs | Significant unobservable inputs |                   |
|   |                   | (Level 1)                       | (Level 2)                     | (Level 3)                       |                   |
| Stock in trade held for trading under FVTPL | 31-Mar-20         | 9,760,780                       | -                             | -                               | 9,760,780         |
| Equity instrument classified under FVOCI    | 31-Mar-20         | 249,609                         | -                             | -                               | 249,609           |
| <b>TOTAL</b>                                |                   | <b>10,010,389</b>               | <b>-</b>                      | <b>-</b>                        | <b>10,010,389</b> |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the standalone financial statements for the year ended 31 March 2021

**Note 47 REVENUE FROM CONTRACTS WITH CUSTOMERS**

 The Company derives revenue primarily from share broking business. Its other major revenue sources are depository operations  
 Disaggregate revenue information

| PARTICULARS                             | (Amount in ₹)      |                     |
|---|--------------------|---------------------|
|   | For the year ended |                     |
|   | 31-Mar-21          | 31-Mar-20           |
| Brokerage fees                          | 184,172,800        | 96,274,964          |
| Research and advisory fees              | 995,992            | 917,858             |
| Depository operations                   | 8,617,873          | 5,770,464           |
| <b>Total</b>                            | <b>193,786,665</b> | <b>102,863,286</b>  |
| India                                   | 193,786,665        | 102,863,286         |
| Outside India                           |                    |                     |
| <b>Total</b>                            | <b>193,786,665</b> | <b>102,863,286</b>  |
| Timing of revenue recognition           |                    |                     |
| Services transferred at a point in time | 184,172,800        | 9,61,74,965         |
| Services transferred over time          | 9,613,865          | 66,88,322           |
| <b>Total</b>                            | <b>193,786,665</b> | <b>10,28,63,287</b> |

Note 48 The accounts of the trade receivables and trade payables who have not responded to the Company's request for confirmation of balances, are subject to reconciliation, if any, required.

Note 49. Figures have been rounded off to nearest rupees. Previous year figures have been regrouped / reclassified wherever necessary, to conform to this year's classification.

Note 50. The continued spread of novel coronavirus (COVID -19) pandemic across the globe, including India has caused complete/partial lockdown across the country to control the spread of the virus. However, Stock Broking Services being part of Capital Market operations, have been declared as essential services, hence the Company has not faced business interruption on account of restrictions and lockdown. As such, based on the facts and circumstances existing as on the balance sheet date, the Company does not anticipate any material uncertainty which may affect its liquidity position and its ability to continue as a going concern. The ongoing COVID-19 situation may result in changes in the overall economic conditions which may in turn have an impact on the operations of the Company.

**Note 51. EVENTS AFTER REPORTING DATE**

There have been no events after the reporting date that requires disclosure in these financial statements.

Note 52. The financial statements of the Company for the year ended 31 March, 2021 were approved for issue by the Board of Directors at their meeting held on 9th June 2021.

As per our report of even date

 For FPV & CO  
 Chartered Accountants  
 Firm Registration No. 153929W

 Priyanshi Vakharia  
 Proprietor  
 Membership No. 181834

 Place : Mumbai  
 Date : 09 June 2021

For and on behalf of the Board of Directors

 SD/-  
 Kanji B. Rite  
 (DIN 00727470)  
 Managing Director

 SD/-  
 Kamlesh S. Limbachiyas  
 (DIN 02774663)  
 Wholetime Director

 Place : Mumbai  
 Date : 09 June 2021

 SD/-  
 Lasha M. Rite  
 (DIN 08104506)  
 Wholetime Director

 SD/-  
 Arvind J. Gala  
 Chief Financial Officer

 SD/-  
 Bhavi R. Gandhi  
 Company Secretary



## **CONSOLIDATED FINANCIAL STATEMENTS**

## INDEPENDENT AUDITORS' REPORT

To the Members of Inventure Growth & Securities Limited

### Report on the Audit of the Consolidated Ind AS Financial Statements

#### Opinion

We have audited the accompanying consolidated Ind AS financial statements of Inventure Growth & Securities Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance sheet as at March 31, 2021, and the consolidated Statement of Profit and Loss, including Other Comprehensive Income, the consolidated Statement of Changes in Equity and the consolidated Cash Flows Statement for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS 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 auditor on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2021, of consolidated profit, consolidated other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements* section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have

obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

For key audit matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

| Key audit matters   | How our audit addressed the key audit matter  |
|---|---|
| <p><b><u>IT systems and controls</u></b></p> <p>The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. Hence, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.</p> | <p>We have performed the following procedures assisted by specialized IT auditors on the IT infrastructure and applications pertaining to financial reporting:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the IT environment and operating effectiveness of IT controls over information systems that are important to financial reporting and various interfaces.</li> <li>Tested IT controls, including testing and reviewing authorisation of request for access to systems, change to systems.</li> <li>Tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over financial reporting.</li> <li>Identified and tested IT applications,</li> </ul> |

## **Other Information**

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

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read such other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audited Ind AS financial statements. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. 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 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 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS 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 the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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, to express an opinion on the consolidated Ind AS 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 Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditor, such other auditor 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 Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matter**

We did not audit the financial statements and other financial information, in respect of six subsidiaries, whose financial statements include total assets of Rs. 12,933 lakhs as at March 31, 2021, and total revenue of Rs. 1,484 lakhs and net cash flows of Rs. 163.46 lakhs for the year ended March 31, 2021. These financial statements and other financial information have been audited by other auditor, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditor.

Our opinion above on the consolidated financial statements and our report on the 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 the reports of the other auditors and the financial statements and other financial information certified by the Management.

## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on 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:

- (a) We/the other auditors whose report we have relied upon 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 Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Amendment Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors its subsidiaries, none of the directors of the Group's companies, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls with reference to consolidated financial statements of the Holding Company and its subsidiaries refer to our separate report in "Annexure" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and

based on consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2021 has been paid by the Group to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act.

- (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 Auditor's) 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 the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the "Other matter" paragraph:
- i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated Ind AS financial statements as referred to in Note 42 to the said financial statements.
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

**For PPV & CO**

Chartered Accountants

Firm Registration No.153929W

**Priyanshi Vakharia**

Proprietor

Membership No.: 181834

UDIN: 21181834AAAAAQ3319

Mumbai

09 June 2021

**Annexure - Referred to under □ Report on Other Legal and Regulatory Requirements □ section of our Independent Auditors □ Report of even date to the members of Inventure Growth & Securities Limited on the consolidated Ind AS financial statements for the year ended March 31, 2021.**

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Group as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group").

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

The respective Board of Directors of the companies included in the Group are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Group'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 Holding Company's internal financial controls with reference to these consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 these consolidated Ind AS 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 with reference to these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to these consolidated Ind AS financial statements.

#### **Meaning of Internal Financial Controls with reference to these Consolidated Ind AS Financial Statements**

A company's internal financial control with reference to these consolidated Ind AS 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 these consolidated Ind AS financial statements includes those policies and procedures that :

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- c. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial with reference to these Consolidated Ind AS Financial Statements**

Because of the inherent limitations of internal financial controls with reference to these Consolidated Ind AS 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 these Consolidated Ind AS Financial Statements to future periods are subject to the risk that the internal financial control with reference to these consolidated Ind AS 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, to the best of our information and according to the explanations given to us, the Group has, in all material respects, an adequate internal financial control with reference to these consolidated Ind AS financial statements and such internal financial controls with reference to these consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

### **Other Matters**

Our report 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 of the Holding Company in so far as it relates to its six subsidiaries, is based on the corresponding reports of the auditors of such subsidiaries.

### **For PPV & CO**

Chartered Accountants

Firm Registration No.153929W

**Priyanshi Vakharia**

Proprietor

Membership No.: 181834

UDIN: 21181834AAAAAQ3319

Mumbai

09 June 2021



**INVENTURE GROWTH & SECURITIES LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2021**

(Amount in ₹)

| Particulars   | Note No. | As at March 31, 2021 | As at March 31, 2020 |
|---|----------|----------------------|----------------------|
| <b>ASSETS</b>   |          |                      |                      |
| <b>1 Financial Assets</b>   |          |                      |                      |
| (a) Cash and cash equivalents   | 5        | 184,773,580          | 126,236,906          |
| (b) Bank balance other than (a) above   | 6        | 927,810,731          | 588,375,512          |
| (c) Stock in trade  | 7        | 8,584,378            | 9,780,929            |
| (d) Receivables   |          |                      |                      |
| I Trade receivables   | 8        | 59,223,160           | 59,857,949           |
| II Other receivables  | 9        | 373,260              | 423,108              |
| (e) Loans   | 10       | 1,054,655,897        | 941,963,744          |
| (f) Investments   | 11       | 14,085,395           | 10,291,609           |
| (g) Other financial assets  | 12       | 41,293,687           | 40,605,662           |
|   |          | <b>2,291,829,988</b> | <b>1,787,515,639</b> |
| <b>2 Non-Financial Assets</b>   |          |                      |                      |
| (a) Current tax assets (net)  | 13       | 37,564,650           | 59,727,675           |
| (b) Deferred tax assets (net)   | 14       | 47,590,371           | 69,244,125           |
| (c) Investment property   | 15       | 55,877,292           | 73,964,985           |
| (d) Property, plant and equipment   | 16       | 93,368,821           | 97,479,566           |
| (e) Other intangible assets   | 16A      | 1,629,735            | 984,285              |
| (f) Goodwill on consolidation   |          | 14,915,864           | 14,915,864           |
| (g) Other non-financial assets  | 17       | 21,734,505           | 21,208,559           |
|   |          | <b>272,681,238</b>   | <b>337,525,049</b>   |
| <b>Total Assets</b>   |          | <b>2,564,511,226</b> | <b>2,095,040,688</b> |
| <b>LIABILITIES AND EQUITY</b>   |          |                      |                      |
| <b>Liabilities</b>  |          |                      |                      |
| <b>1 Financial Liabilities</b>  |          |                      |                      |
| (a) Payables  |          |                      |                      |
| (i) Trade payables  | 18       |                      |                      |
| (i) total outstanding dues of Micro and Small enterprises                       |          | -                    | -                    |
| (ii) total outstanding dues of creditors other than Micro and Small enterprises |          | 361,046,132          | 279,348,011          |
| (ii) Other Payables   |          |                      |                      |
| (i) total outstanding dues of Micro and Small enterprises                       |          | -                    | -                    |
| (ii) total outstanding dues of creditors other than Micro and Small enterprises |          | -                    | -                    |
| (b) Borrowings  | 19       | 313,649,521          | 74,206,579           |
| (c) Deposits  | 20       | 30,292,139           | 12,388,353           |
| (d) Other financial liabilities   | 21       | 8,609,119            | 2,907,202            |
|   |          | <b>711,896,911</b>   | <b>368,650,145</b>   |
| <b>2 Non-Financial Liabilities</b>  |          |                      |                      |
| (a) Current tax liabilities (net)   | 22       | 20,241               | -                    |
| (b) Provisions  | 23       | -                    | 10,661,484           |
| (c) Other non financial liabilities   | 24       | 2,100,000            | 2,978,000            |
|   |          | <b>2,120,341</b>     | <b>13,659,484</b>    |
| <b>3 Equity</b>   |          |                      |                      |
| (a) Equity share capital  | 25       | 840,000,000          | 840,000,000          |
| (b) Other equity  | 26       | 1,010,767,721        | 873,105,330          |
| (c) Non controlling interest  |          | 26,353               | 26,729               |
|   |          | <b>1,856,794,074</b> | <b>1,713,131,059</b> |
| <b>Total Liabilities and Equity</b>   |          | <b>2,564,511,226</b> | <b>2,095,040,688</b> |

The accompanying notes are an integral part of the financial statements

As per our report of even date

For PPV & CO  
Chartered Accountants  
Firm Registration No. 153329W

sd/-  
Priyanshi Vekhari  
Proprietor  
Membership No. 181834

Place : Mumbai  
Date : 09 June 2021

For and on behalf of the Board of Directors

sd/-  
Kunji B. Rite  
(DIN 00727470)  
Managing Director

sd/-  
Lasha M. Rite  
(DIN 08104505)  
Wholetime Director

sd/-  
Kamlesh S. Limbachya  
(DIN 02774063)  
Wholetime Director

sd/-  
Arvind J. Gata  
Chief Financial Officer

sd/-  
Bhavi R. Gandhi  
Company Secretary

Place : Mumbai  
Date : 09 June 2021

**INVENTURE GROWTH & SECURITIES LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH 2021**

(Amount in ₹)

| Particulars  | Note No. | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 |
|--|----------|-----------------------------------|-----------------------------------|
| <b>Revenue from operations</b>   |          |                                   |                                   |
| (i) Interest income  | 27       | 177,572,445                       | 151,182,669                       |
| (ii) Dividend income   | 28       | 58,788                            | 75,745                            |
| (iii) Fees and commission income   | 29       | 194,859,348                       | 108,319,120                       |
| (iv) Other operating income  | 30       | 19,503,068                        | 19,107,511                        |
| <b>(I) Total revenue from operations</b>   |          | <b>391,793,649</b>                | <b>278,665,045</b>                |
| (II) Other income  | 31       | 14,386,215                        | 36,121,530                        |
| <b>(III) Total income (I+II)</b>   |          | <b>406,179,864</b>                | <b>312,786,575</b>                |
| <b>Expenses</b>  |          |                                   |                                   |
| (i) Finance costs  | 32       | 7,198,602                         | 23,624,047                        |
| (ii) Fees and commission expense   | 33       | 93,517,945                        | 54,721,899                        |
| (iii) Impairment on financial instruments  | 34       | 7,406,195                         | 104,975,198                       |
| (iv) Changes in stock-in-trade   | 35       | 176,551                           | 1,611,497                         |
| (v) Employee benefits expenses   | 36       | 54,383,837                        | 65,847,320                        |
| (vi) Depreciation and amortization expense   | 16       | 6,671,925                         | 5,987,607                         |
| (vii) Other expenses   | 37       | 57,628,057                        | 56,559,478                        |
| <b>(IV) Total expenses</b>   |          | <b>226,183,115</b>                | <b>313,327,204</b>                |
| <b>(V) Profit/(loss) before exceptional item and tax (III-IV)</b>                        |          | <b>179,996,748</b>                | <b>-640,529</b>                   |
| (VI) Exceptional items   |          | -                                 | -                                 |
| <b>(VII) Profit/(loss) before tax (V-VI)</b>   |          | <b>179,996,748</b>                | <b>(640,529)</b>                  |
| <b>(VIII) Tax expense</b>  |          |                                   |                                   |
| (i) Current tax  |          | 31,944,101                        | 16,248,836                        |
| (ii) MAT credit entitlement  |          | -                                 | -                                 |
| Net current tax (i-ii)   |          | 31,944,101                        | 16,248,836                        |
| (iii) Deferred tax charge/(credit)   |          | 22,385,040                        | (19,425,388)                      |
| (iv) Tax adjustment for earlier years  |          | 1,187,291                         | 3,150,381                         |
| <b>Total tax expenses (VIII)</b>   |          | <b>55,516,432</b>                 | <b>(1,026,172)</b>                |
| <b>Profit/(Loss) after tax for the year before non controlling interest (vii - VIII)</b> |          | <b>124,480,317.58</b>             | <b>485,643</b>                    |
| (X) Less: Share of Profit/(Loss) of non controlling interest                             |          | (626)                             | (1,714)                           |
| <b>Profit/(Loss) after tax for the year after non controlling interest (XI - X)</b>      |          | <b>124,480,938</b>                | <b>487,357</b>                    |
| <b>(XII) Other comprehensive income</b>  |          |                                   |                                   |
| Items that will not be reclassified to Profit or Loss:                                   |          |                                   |                                   |
| (i) Change in fair value of financial assets   |          | 12,068,579                        | (6,778,365)                       |
| (ii) Remeasurements of net defined benefit expenses                                      |          | 1,617,154                         | (136,053)                         |
| (iii) Tax effect of above  |          | (503,040)                         | 35,892                            |
| <b>Interest (XII)</b>  |          | <b>13,182,693</b>                 | <b>(6,878,526)</b>                |
| (XIII) Less: Share of Profit/(Loss) of non controlling interest                          |          | (4)                               | 4                                 |
| <b>(XIV) Total comprehensive income/(loss) for the year (XI + XII - XIII)</b>            |          | <b>137,663,635</b>                | <b>(6,390,178)</b>                |
| <b>(XV) Earnings per equity share (Face value of ₹10/- per share)</b>                    | 38       |                                   |                                   |
| Basic (in ₹)   |          | 1.48                              | 0.01                              |
| Diluted (in ₹)   |          | 1.48                              | 0.01                              |

The accompanying notes are an integral part of the financial statements

As per our report of even date

For PPV & CO  
 Chartered Accountants  
 Firm Registration No. 153929W

sd/-  
 Priyanshi Vaidya  
 Proprietor  
 Membership No. 181834

Place : Mumbai  
 Date : 09 June 2021

For and on behalf of the Board of Directors

sd/-  
 Kanji B. Rite  
 (DIN 00727479)  
 Managing Director

sd/-  
 Leela M. Rite  
 (DIN 08104593)  
 Wholetime Director

sd/-  
 Kamlesh S. Limbachya  
 (DIN 02774663)  
 Wholetime Director

sd/-  
 Arvind J. Gata  
 Chief Financial Officer

sd/-  
 Bhavi R. Gandhi  
 Company Secretary

Place : Mumbai  
 Date : 09 June 2021

**INVENTURE GROWTH & SECURITIES LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021**

**(A) EQUITY SHARE CAPITAL**

| Particulars                                    | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--|-----------------------------|-----------------------------|
| Balance at the beginning of the reporting year | 840,000,000                 | 840,000,000                 |
| Change in Equity Share capital during the year | -                           | -                           |
| Balance at the end of the reporting year       | 840,000,000                 | 840,000,000                 |

**(B) OTHER EQUITY**

| Particulars   | Reserve and Surplus |                                  |                  |                   |                 |                      | Equity Instruments<br>through Other<br>Comprehensive<br>Income | Other Items of Other<br>Comprehensive<br>Income | Total         |
|---|---------------------|----------------------------------|------------------|-------------------|-----------------|----------------------|--|---|---------------|
|   | Capital Reserve     | Securities<br>Premium<br>Reserve | Taxation Reserve | Statutory Reserve | General Reserve | Retained<br>Earnings |  |   |               |
| Balance as at April 01, 2019 (A)                    | 2,025,000           | 81,183,881                       | 12,500,000       | 47,892,825        | 474,821,877     | 199,238,229          | (8,052,426)  | (970,025)                                       | 804,813,105   |
| Addition during the year:                           |                     |                                  |                  |                   |                 |                      |  |   |               |
| Profit/(Loss) for the year (B)                      | -                   | -                                | -                | -                 | -               | 455,641              | -  | -   | 455,641       |
| Transfer to Statutory reserve                       | -                   | -                                | -                | -                 | -               | -                    | -  | -   | -             |
| Other comprehensive income:                         |                     |                                  |                  |                   |                 |                      |  |   |               |
| Remeasurement of defined benefit plans              | -                   | -                                | -                | -                 | -               | -                    | -  | (88,181)  | (88,181)      |
| Net change in fair value of investments             | -                   | -                                | -                | -                 | -               | -                    | (8,778,368)  | -   | (8,778,368)   |
| Other Comprehensive Income for the year 2019-20(C)  | -                   | -                                | -                | -                 | -               | -                    | (8,778,368)  | (88,181)  | (8,877,529)   |
| Total Comprehensive Income for the year (B+C) = D   | -                   | -                                | -                | -                 | -               | 455,641              | (8,778,368)  | (88,181)  | (8,391,888)   |
| Reductions during the year:                         |                     |                                  |                  |                   |                 |                      |  |   |               |
| Dividend  | -                   | -                                | -                | -                 | -               | 21,000,000           | -  | -   | 21,000,000    |
| Dividend distribution tax                           | -                   | -                                | -                | -                 | -               | 4,317,600            | -  | -   | 4,317,600     |
| Total reduction during the year (E)                 | -                   | -                                | -                | -                 | -               | 25,317,600           | -  | -   | 25,317,600    |
| Non Controlling Interest (F)                        | -                   | -                                | -                | -                 | -               | (1,714)              | -  | 4   | (1,710)       |
| Balance as at March 31, 2020 (A+D-E-F) = G          | 2,025,000           | 81,183,881                       | 12,500,000       | 47,892,825        | 474,821,877     | 174,368,270          | (14,830,794)   | (1,988,186)                                     | 873,195,330   |
| Addition during the year:                           |                     |                                  |                  |                   |                 |                      |  |   |               |
| Profit/(Loss) for the year (H)                      | -                   | -                                | -                | -                 | -               | 124,480,322          | -  | -   | 124,480,322   |
| Transfer to Statutory reserve (I)                   | -                   | -                                | -                | 9,900,000         | -               | (9,900,000)          | -  | -   | -             |
| Other comprehensive income:                         |                     |                                  |                  |                   |                 |                      |  |   |               |
| Remeasurement of defined benefit plans              | -                   | -                                | -                | -                 | -               | -                    | -  | 1,069,192                                       | 1,069,192     |
| Net change in fair value of investments             | -                   | -                                | -                | -                 | -               | -                    | 12,113,501   | -   | 12,113,501    |
| Other Comprehensive Income for the year 2020-21 (J) | -                   | -                                | -                | -                 | -               | -                    | 12,113,501   | 1,069,192                                       | 13,182,693    |
| Total Comprehensive Income for the year (H+J) = K   | -                   | -                                | -                | -                 | -               | 124,480,322          | 12,113,501   | 1,069,192                                       | 137,663,015   |
| Non Controlling Interest (L)                        | -                   | -                                | -                | -                 | -               | (620)                | -  | (4)   | (624)         |
| Balance as at March 31, 2021 (G+K-L) = M            | 2,025,000           | 81,183,881                       | 12,500,000       | 57,892,825        | 474,821,877     | 288,878,211          | (2,717,293)  | -   | 1,016,787,721 |

The accompanying notes are an integral part of the financial statements

As per our report of even date

For PPV & CO  
Chartered Accountants  
Firm Registration No. 153829W

sd/-  
Priyanshi Vakharia  
(Proprietor)  
Membership No. 181834

Place : Mumbai  
Date : 09 June 2021

For and on behalf of the Board of Directors

sd/-  
Kanj S. Rite  
(DIN 00727470)  
Managing Director

sd/-  
Kamlesh S. Limbachiya  
(DIN 02774883)  
Wholetime Director

sd/-  
Shruti R. Ganthi  
Company Secretary

sd/-  
Lasha M. Rite  
(DIN 08104305)  
Wholtime Director

sd/-  
Arvind J. Gola  
Chief Financial Officer

Place : Mumbai  
Date : 09 June 2021



**INVENTURE GROWTH & SECURITIES LIMITED**  
Consolidated Cash Flow Statement for the year ended 31 March 2021

| Particulars   | For the year ended<br>31 March 2021 |                     | For the year ended<br>31 March 2020 |                      |
|---|-------------------------------------|---------------------|-------------------------------------|----------------------|
|   | ₹                                   | ₹                   | ₹                                   | ₹                    |
| <b>A. Cash Flow from Operating Activities</b>                                       |                                     |                     |                                     |                      |
| Net Profit before exceptional item and tax  |                                     | 179,020,750         |                                     | (640,529)            |
| Adjustment for :  |                                     |                     |                                     |                      |
| Depreciation and amortisation   | 5,971,425                           |                     | 5,967,807                           |                      |
| Finance costs   | 5,475,912                           |                     | 15,541,728                          |                      |
| Interest income   | (8,024,541)                         |                     | (15,181,485)                        |                      |
| Interest on IT Refund   | (322,982)                           |                     | (1,181,207)                         |                      |
| Preliminary expenses written off  | 296                                 |                     | 296                                 |                      |
| Dividend income   | (587,750)                           |                     | (252,290)                           |                      |
| Provision for defined employee benefits   | 5,415,533                           |                     | 1,561,031                           |                      |
| Impairment on financial instruments (net)   | 2,122,541                           |                     | 104,975,190                         |                      |
| (Profit)/Loss on sale of investments (net)  | (2,352,898)                         |                     | (11,900,590)                        |                      |
|   |                                     | 12,491,590          |                                     | 89,970,251           |
| <b>Operating profit before working capital changes</b>                              |                                     | <b>192,467,816</b>  |                                     | <b>89,429,722</b>    |
| Adjustments for :   |                                     |                     |                                     |                      |
| (Increase)/decrease in trade receivables  | (2,818,231)                         |                     | (41,021,574)                        |                      |
| (Increase)/decrease in inventories (held as stock in trade)                         | 175,551                             |                     | 1,811,487                           |                      |
| Increase/(decrease) in loans  | 76,819,025                          |                     | (126,027,488)                       |                      |
| (Increase)/decrease in other financial assets                                       | 1,593,882                           |                     | 16,710,270                          |                      |
| (Increase)/decrease in other non financial assets                                   | (1,078,349)                         |                     | (14,912,780)                        |                      |
| Increase/(decrease) in trade payables   | 92,250,221                          |                     | 156,730,567                         |                      |
| Increase/(decrease) in other financial liabilities                                  | 3,135,053                           |                     | (8,854,277)                         |                      |
| Increase/(decrease) in other non financial liability                                | (987,580)                           |                     | 1,933,079                           |                      |
| Term deposits with banks with original maturity of more than three months - placed  | (512,215,032)                       |                     | (380,992,980)                       |                      |
| Term deposits with banks with original maturity of more than three months - matured | 162,113,987                         | (191,210,810)       | 380,199,593                         | (3,083,993)          |
| <b>Cash generated from operations</b>   |                                     | <b>1,269,366</b>    |                                     | <b>35,765,730</b>    |
| Direct Taxes paid (Net of refunds)  |                                     | (15,440,652)        |                                     | (25,551,471)         |
| <b>Net cash flow from operating activities (A)</b>                                  |                                     | <b>(17,171,196)</b> |                                     | <b>70,214,259</b>    |
| <b>B. Cash Flow from Investing Activities</b>                                       |                                     |                     |                                     |                      |
| Purchase of property plant and equipment  | (880,533)                           |                     | (1,004,989)                         |                      |
| Purchase of intangible assets   | (1,326,000)                         |                     | -                                   |                      |
| Investment in property  | -                                   |                     | (6,423,807)                         |                      |
| Proceeds from sale of investment in property  | 24,482,753                          |                     | 36,652,122                          |                      |
| Proceeds from sale of investments in shares and securities                          | 8,274,895                           |                     | -                                   |                      |
| Term deposits with banks with original maturity of more than three months           | (134,493,400)                       |                     | (88,645,977)                        |                      |
| Term deposits with banks with original maturity of more than three months - matured | 127,896,027                         |                     | 298,538,704                         |                      |
| Dividend income   | 583,879                             |                     | 252,250                             |                      |
| Interest received   | 6,533,529                           |                     | 14,329,407                          |                      |
| <b>Net cash flow from investing activities (B)</b>                                  |                                     | <b>31,088,814</b>   |                                     | <b>273,866,810</b>   |
| <b>C. Cash Flow from Financing Activities</b>                                       |                                     |                     |                                     |                      |
| Repayment of long term borrowings   | (3,589,338)                         |                     | (62,074)                            |                      |
| Proceeds/(Repayment) of bank overdrafts   | 53,885,424                          |                     | (237,924,576)                       |                      |
| Finance costs   | (5,475,912)                         |                     | (15,459,652)                        |                      |
| Interest received   | 816,842                             |                     | -                                   |                      |
| Dividend and Dividend Distribution Tax paid   | -                                   |                     | (25,317,000)                        |                      |
| <b>Net cash flow from financing activities (C)</b>                                  |                                     | <b>44,827,015</b>   |                                     | <b>(278,783,902)</b> |
| <b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>                 |                                     | <b>58,536,573</b>   |                                     | <b>65,128,267</b>    |
| Cash and cash equivalents at the beginning of the year                              |                                     | 126,236,906         |                                     | 81,110,539           |
| <b>Cash and cash equivalents at the end of the year</b>                             |                                     | <b>184,773,579</b>  |                                     | <b>126,236,906</b>   |

**Notes:**

1. Cash and Cash Equivalents are as under:

| Particulars                  | As at<br>31 March 2021 | As at<br>31 March 2020 |
|------------------------------|------------------------|------------------------|
|                              | ₹                      | ₹                      |
| Cash on hand                 | 35,034                 | 94,274                 |
| Cheque in hand               | -                      | 2,956,500              |
| Balances in Current Accounts | 184,737,545            | 125,186,132            |
|                              | <b>184,773,579</b>     | <b>126,236,906</b>     |

2. The above Cash Flow Statement has been prepared under the Indirect Method as set out in Indian Accounting Standard -7 on "Cash Flow Statements" as prescribed by the Central Government in the Companies (Accounting Standards) Rules, 2015, as amended

3. Previous year's figures have been regrouped/rearranged wherever necessary to conform to the current year's presentation.

As per our report of even date

For PPY & CO  
Chartered Accountants  
Firm Registration No. 153629W  
sd/-  
Priyanshi Vadhvani  
Proprietor  
Membership No. 181834

Place : Mumbai  
Date : 09 June 2021

For and on behalf of the Board of Directors

sd/-  
Kanji B. Riba  
(DIN 00727479)  
Managing Director  
sd/-  
Kamlesh S. Limbachiya  
(DIN 02774693)  
Wholetime Director  
sd/-  
Shashi R. Gandhi  
Company Secretary  
sd/-  
Lasha N. Riba  
(DIN 04104365)  
Wholetime Director  
sd/-  
Arvind J. Gale  
Chief Financial Officer

Place : Mumbai  
Date : 09 June 2021

## INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2021

### 1. Corporate information

Inventure Growth & Securities Limited ('the Company') was incorporated in on 22 June 1995 and got listed on 04th August 2011. The Company together with its subsidiaries, (collectively, the Group) is engaged in the business of providing stock broking services, depository participant services, commodity broking services, financing/fund based services, wealth management, merchant banking services. The Group's registered office is at 201, Viraj Tower, Near Landmark Building, Western Express Highway, Andheri (E), Mumbai-400069.

### 2. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. The Group uses accrual basis of accounting. The financial statements are presented in Indian Rupee (INR) which is also the functional currency of the Group.

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets measured at fair value. The preparation of financial statements requires the management to make judgments, accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on 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 amounts of assets or liabilities in future periods.

The consolidated financial statements are prepared on a going concern basis, as the Management is satisfied that the Group shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. The outbreak of COVID-19 has not affected the going concern assumption of the Group.

### Basis of consolidation

The Consolidated financial statements have been prepared by applying the principles laid down in the Indian Accounting Standard : Ind As 110 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India for the purpose of these Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Cash Flow together referred to in as "Consolidated Financial Statements". Reference in these notes to the Parent Company means Inventure Growth and Securities Limited, reference to Subsidiary Companies means subsidiaries of Inventure Growth and Securities Limited, i.e. Inventure Finance Private Limited, Inventure Merchant Banker Services Private Limited, Inventure Commodities Limited, Inventure Wealth Management Limited, Inventure Insurance Broking Private Limited and reference to Group means the Parent Company, and Subsidiary Companies of the Parent Company.

### Principles of Consolidation:

The Consolidated Financial Statements comprises of the Financial Statements of the Parent Company and its subsidiaries and have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting profits/ loss in full.

The Consolidated Financial Statements are presented, to the extent possible in the same format as that adopted by the Parent Company for its separate financial statement.

### Presentation of financial statements

The financial statements of the Group are presented in order of liquidity and in accordance with Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'. The Group generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset therecognised amounts without being contingent on a future event. Similarly, the Group offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

### Critical accounting estimates and judgments

The preparation of the Group's financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those based on Management's estimates. Accounting estimates and judgments are used in various line items in the financial statements for e.g.:

- Business model assessment
- Fair value of financial instruments
- Effective interest rate (EIR)
- Impairment of financial assets
- Provisions and contingent liabilities
- Provision for tax expenses
- Residual value, useful life and indicators of impairment and recoverable value of property, plant and equipment

#### **Estimation of impairment allowance on financial assets amidst COVID-19 pandemic**

Estimates and associated assumptions, especially for determining the impairment allowance for Group's financial assets, are based on historical experience and other emerging factors on account of the pandemic which may also have an effect on the expected credit loss. The Group believes that the factors considered are reasonable under the current circumstances.

### **3. Statement of compliance**

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

### **4. Summary of significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **4.1 Income**

##### **Revenue Recognition**

The Group recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Group identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at the fair value of the consideration received or receivable.

The Group recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established

The revenue includes the following:

##### **(i) Brokerage fee income**

Revenue from contract with customer is recognized at a point in time when performance obligation is completed i.e. when the trade is executed. These include brokerage fees charged per transaction executed on behalf of the clients as per the contractually agreed rate.

##### **(ii) Interest income**

The Group recognises interest income using effective interest rate (EIR) on all financial assets subsequently measured under amortised cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest income is calculated by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets, interest income is recognized on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest.

##### **(iii) Dividend income**

Dividend income on equity shares is recognised

- when the right to receive the payment is established, which is generally when shareholders approve the dividend.
- it is probable that the economic benefits associated with the dividend will flow
- the amount of the dividend can be measured reliably

##### **(iv) Fees and commission income**

Fees and commission income includes:

Income from depository operations is accounted when performance obligation is completed.

Advisory fees income is recognised when the performance obligation is satisfied by rendering the services to the client.

Distribution income is earned by distribution of services and products of other entities under distribution arrangements. The income so earned is recognised on successful distribution on behalf of other entities subject to there being no significant uncertainty of its recovery.

(v) Net gain on fair value changes

The Group designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Group recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

(vi) Recoveries of financial assets written off

Income on recoveries of financial assets written off is recognized on realisation or when the right to receive the same without any uncertainties of recovery is established.

(vii) Taxes

Incomes are recognised net of the goods and services tax, wherever applicable.

#### 4.2 Expenditures

(i) Finance costs

Borrowing costs on financial liabilities are recognised using the EIR.

(ii) Fees and commission expenses

Fees and commission expenses which are not directly linked to the sourcing of financial assets, are recognised in the Statement of Profit and Loss on an accrual basis.

(iii) Taxes

Expenses are recognised net of the Goods and Services Tax/Service Tax, except where credit for the input tax is not statutorily permitted.

#### 4.3 Cash and cash equivalents

Cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### 4.4 Financial Instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments.

The Group classifies its financial assets into the following measurement categories:

- Financial assets to be measured at amortised cost
- Financial assets to be measured at fair value through other comprehensive income
- Financial assets to be measured at fair value through profit or loss account.

The classification depends on the contractual terms of the financial assets' cash flows and the Group's business model for managing financial assets.

Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset) is derecognized when:

- The right to receive cash flows from the asset have expired; or
- Transfer of right to receive cash flows from the asset or assumption of an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement and when there has been substantial transfer of all the risks and rewards of the asset.

On derecognition of a financial asset in its entirety, the difference between:

- the carrying amount (measured at the date of derecognition) and
- the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

Impairment of financial assets

### **Expected Credit Loss (ECL) principles**

The Group recognises loss allowances (provisions) for expected credit losses on its financial assets (including non-fund exposures) that are measured at amortised costs.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

#### **The mechanics of ECL**

ECLs is calculated based on probability weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive. The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

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

**Exposure at default (EAD)** - The exposure at default is an estimate of the exposure at a future default date.

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

### **Trade Receivables**

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

### **Collateral Valuation**

To mitigate its credit risks on financial assets, the Group seeks to use collateral, wherever possible. The collateral comes in various forms, such as equity shares, fixed deposits, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Group uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models.

### **Write-offs**

The Group reduces the gross carrying amount of a financial asset when it has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the client or borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

### **Financial liabilities**

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial assets to another entity, or a contract that may or will be settled in the entities own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings and subordinated debts.

### **Initial measurement**

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade payables, other payables, and other borrowings.



#### **Subsequent measurement**

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR. Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

#### **Derecognition**

The Group derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet only if there is an enforceable legal right to offset the recognised amounts with an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

### **4.5 Taxes**

#### **Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### **Deferred tax**

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

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity.

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

#### **Minimum Alternate Tax (MAT)**

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that it is probable that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Group reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

### **4.5 Property, plant and equipment**

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, consistent with the criteria specified in Ind AS 16 'Property, Plant and Equipment'.

#### **Depreciation on property, plant and equipment**

(a) Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets.

(b) Useful lives of assets are determined by the Management by an internal technical assessment.

(c) Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.

(d) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other income in the Statement of Profit and Loss when the asset is derecognised.

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

| Particulars                               | Useful life prescribed by Schedule II of the Companies Act, 2013 (In years) | Useful life estimated by Company (In years) |
|---|---|---|
| Office Building                           | 60  | 60  |
| Computer & Data Processing                | 6   | 6   |
| - Servers and networks                    | 3   | 3   |
| - End user devices (laptop, desktop etc.) |   |   |
| Furniture & Fixtures                      | 10  | 10  |
| Vehicles                                  | 8   | 8   |
| Office Equipments                         | 5   | 5   |
| Air Conditioners                          | 5   | 5   |

#### 4.7 Intangible assets and amortisation thereof

Intangible assets are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment. The intangible assets are amortised using the straight line method over a period of their useful lives estimated by the management. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### 4.8 Impairment of non-financial assets

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

#### 4.9 Provisions and contingent liabilities

The Group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Group also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### 4.10 Retirement and other employee benefits

##### (i) Gratuity

The employees of the Company are eligible for gratuity in accordance with the Payment of Gratuity Act. Retirement benefits in the form of gratuity is considered as defined benefit obligation. During the year, for the first time the Company has funded its gratuity liability (past & present) by contributing to a life group savings insurance plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation. The valuation has been carried out using the project Unit Credit Method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

(ii) Provident fund

The Group contributes to a recognized provident fund which is a Defined Contribution Scheme. The contributions are accounted for on an accrual basis and recognized in the Statement of Profit and Loss.

(iii) Compensated absences

Unutilized leave of staff lapses as at the year end and is not encashable. Accordingly, no provision is made for compensated absences.

#### 4.11 Fair value measurement

The Group measures its qualifying financial instruments at fair value on each Balance Sheet date.

Fair value is the price that would be received against sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the accessible principal market or the most advantageous accessible market as applicable.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into Level I, Level II and Level III based on the lowest level input that is significant to the fair value measurement as a whole.

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

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy

**INVENTURE GROWTH & SECURITIES LIMITED**  
Notes forming part of the Consolidated Financial Statements as at 31 March 2021

**Note 5 Cash and cash equivalents**

| Particulars                             | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|---|-----------------------------|-----------------------------|
| Cash on hand                            | 36,034                      | 94,274                      |
| Cheques in hand                         | -                           | 2,956,500                   |
| Balances with banks in current accounts | 184,737,545                 | 123,186,132                 |
| <b>Total</b>                            | <b>184,773,579</b>          | <b>126,236,906</b>          |

**Note 6 Bank balances other than cash and cash equivalents**

(Amount in ₹)

| Particulars   | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|---|-----------------------------|-----------------------------|
| Term deposits with banks with more than three months maturity under lien: |                             |                             |
| <u>With stock exchanges towards:</u>                                      |                             |                             |
| - Base Capital  | 382,974,999                 | 206,688,966                 |
| - Collateral security towards bank guarantees                             | 750,000                     | -                           |
| - Client fixed deposit margin   | 69,904,176                  | 68,387,745                  |
| <u>With Banks</u>   |                             |                             |
| - Collateral security against bank overdraft facility                     | 425,060,885                 | 260,521,638                 |
| <u>Others</u>   | 34,103,517                  | 28,500,000                  |
| Interest accrued on term deposits with banks                              | 5,017,174                   | 4,277,165                   |
| <b>Total</b>  | <b>927,810,731</b>          | <b>568,375,512</b>          |

**Note 7 Stock in trade**

(Amount in ₹)

| Particulars                            | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--|-----------------------------|-----------------------------|
| At fair value through profit and loss  |                             |                             |
| Shares and Securities held for trading | 9,584,378                   | 9,760,929                   |
| <b>Total</b>                           | <b>9,584,378</b>            | <b>9,760,929</b>            |

**Note 8 Trade receivables**

(Amount in ₹)

| Particulars                              | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--|-----------------------------|-----------------------------|
| Receivables considered good - Unsecured* | 59,223,160                  | 59,857,949                  |
| Receivables - Credit Impaired            | 35,939,660                  | 99,984,016                  |
|  | 95,162,819                  | 159,841,965                 |
| Less: Impairment loss allowance          | (35,939,660)                | (99,984,016)                |
| <b>Total</b>                             | <b>59,223,160</b>           | <b>59,857,949</b>           |
| * Includes amount due from Directors     | 354                         | 1,171                       |

**Note 9 Other receivables**

(Amount in ₹)

| Particulars                 | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|-----------------------------|-----------------------------|-----------------------------|
| Receivables Considered Good |                             |                             |
| i. Secured                  | -                           | -                           |
| ii. Unsecured               | 373,260                     | 423,108                     |
| <b>Total</b>                | <b>373,260</b>              | <b>423,108</b>              |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the Consolidated Financial Statements as at 31 March 2021

**Note 10 Loans**

| Particulars                     | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|---------------------------------|-----------------------------|-----------------------------|
| <b>(A) At Amortised cost</b>    |                             |                             |
| Margin trade funding (MTF)      | 43,227,684                  | 15,831,731                  |
| Loan to employees               | 316,000                     | 365,000                     |
| Loans repayable on demand       | 1,150,798,835               | 1,067,757,587               |
| Less: Impairment loss allowance | 139,656,622                 | 141,990,574                 |
| <b>Total (A) Net</b>            | <b>1,054,685,897</b>        | <b>941,963,744</b>          |
| <b>(B) Secured/Unsecured</b>    |                             |                             |
| Secured                         | 73,011,276                  | 15,831,731                  |
| Unsecured                       | 1,105,408,098               | 1,068,122,587               |
| Less: Impairment loss allowance | 139,656,622                 | 141,990,575                 |
| <b>Total (B) Net</b>            | <b>1,038,762,752</b>        | <b>941,963,744</b>          |
| <b>(C) Loans in India</b>       |                             |                             |
| Loans granted                   | 1,298,419,374               | 1,083,954,318               |
| Less: Impairment loss allowance | 139,656,622                 | 141,990,575                 |
| <b>Total (C) Net</b>            | <b>1,158,762,752</b>        | <b>941,963,744</b>          |

**Note 11 investment**

| Particulars   | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|---|-----------------------------|-----------------------------|
| <b>(A) At Amortised cost</b>  |                             |                             |
| In Equity instrument of other company                               | 33,175,627                  | 33,175,627                  |
| Less: Impairment loss allowance                                     | (33,175,627)                | (33,175,627)                |
| <b>Total investment in equity instrument of other companies (I)</b> | <b>-</b>                    | <b>-</b>                    |
| <b>(B) At Fair value through Other Comprehensive Income</b>         |                             |                             |
| In quoted equity instruments  | 14,085,395                  | 10,291,609                  |
| <b>Total investments in quoted equity instruments (II)</b>          | <b>14,085,395</b>           | <b>10,291,609</b>           |
| <b>Total investments in equity instruments (I +II)</b>              | <b>14,085,395</b>           | <b>10,291,609</b>           |

**Note 12 Other financial assets**

| Particulars                               | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|---|-----------------------------|-----------------------------|
| Deposits with stock exchanges             | 34,867,262                  | 31,467,262                  |
| Deposit with professional clearing member | 4,050,000                   | 2,501,211                   |
| Deposit with depository                   | 270,000                     | 260,000                     |
| Other deposits                            | 1,431,201                   | 2,260,712                   |
| Dividend receivable                       | 25,124                      | -                           |
| Receivable against sale of property       | 850,000                     | 2,935,490                   |
| Interest receivable on IT refund          | -                           | 1,181,207                   |
| <b>Total</b>                              | <b>41,293,587</b>           | <b>40,605,882</b>           |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the Consolidated Financial Statements as at 31 March 2021

**Note 13 Current tax assets (Net)**

| Particulars                                | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--|-----------------------------|-----------------------------|
| Income tax paid (net of provision for tax) | 37,564,650                  | 59,727,675                  |
| <b>Total</b>                               | <b>37,564,650</b>           | <b>59,727,675</b>           |

**Note 14 Deferred tax assets (Net)**

| Particulars   | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|---|-----------------------------|-----------------------------|
| <b>Deferred tax liabilities</b>                         |                             |                             |
| Property, plant and equipment & other intangible assets | 14,276,555                  | 13,388,231                  |
| <b>Total</b>  | <b>14,276,555</b>           | <b>13,388,231</b>           |
| <b>Deferred tax assets:</b>                             |                             |                             |
| Property, plant and equipment & other intangible assets | 243,470                     | 97,340                      |
| Provision for gratuity                                  | -                           | 2,344,253                   |
| Impairment allowance for financial assets               | 43,730,180                  | 62,644,056                  |
| Remeasurements of net defined benefit Expenses          | 927,938                     | 964,299                     |
| MAT credit entitlement                                  | 16,965,338                  | 16,582,408                  |
| <b>Total</b>  | <b>61,866,926</b>           | <b>82,632,356</b>           |
| <b>Net Deferred tax asset</b>                           | <b>47,590,371</b>           | <b>69,244,125</b>           |

**Note 15 Investment property**

| Particulars              | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--------------------------|-----------------------------|-----------------------------|
| <b>At Amortised cost</b> |                             |                             |
| Investment properties    | 55,877,292                  | 73,964,985                  |
| <b>Total</b>             | <b>55,877,292</b>           | <b>73,964,985</b>           |

Note 16 Property, Plant & Equipment (Current Year)

| Particulars                                    | Gross Block           |                  |                   |                        | Accumulated Depreciation / Amortisation |                  |                             |                        | Net Block              |                      |
|--|-----------------------|------------------|-------------------|------------------------|---|------------------|-----------------------------|------------------------|------------------------|----------------------|
|  | As at<br>1 April 2020 | Additions        | Deductions        | As at<br>31 March 2021 | As at<br>1 April 2020                   | For the<br>year  | On disposal/<br>Adjustments | As at<br>31 March 2021 | As at<br>31 March 2021 | As at<br>31 Mar 2020 |
| <b>Property, Plant and Equipment</b>           |                       |                  |                   |                        |   |                  |                             |                        |                        |                      |
| <b>Own Assets:</b>                             |                       |                  |                   |                        |   |                  |                             |                        |                        |                      |
| Office Premises                                | 104,202,649           | -                | -                 | 104,202,649            | 16,567,443                              | 1,736,710        | -                           | 18,304,153             | 85,898,496             | 87,635,206           |
| Furniture and Fixtures                         | 34,819,881            | -                | -                 | 34,819,881             | 29,889,778                              | 1,188,296        | -                           | 31,078,074             | 3,541,807              | 4,730,103            |
| Vehicles                                       | 18,578,513            | -                | -                 | 18,578,513             | 15,140,490                              | 1,047,249        | -                           | 16,187,739             | 2,380,774              | 3,438,023            |
| Office Equipment                               | 10,810,267            | 362,800          | -                 | 11,173,067             | 10,320,842                              | 264,974          | -                           | 10,585,816             | 587,251                | 489,426              |
| Air Conditioners                               | 4,620,298             | -                | -                 | 4,620,298              | 4,252,260                               | 118,840          | -                           | 4,371,100              | 249,198                | 368,038              |
| Computers                                      | 23,496,441            | 511,834          | 12,440,278        | 11,567,997             | 22,677,680                              | 629,300          | 12,440,278                  | 10,866,702             | 701,295                | 818,781              |
| <b>Total</b>                                   | <b>196,328,049</b>    | <b>874,634</b>   | <b>12,440,278</b> | <b>184,762,405</b>     | <b>98,848,493</b>                       | <b>4,085,369</b> | <b>12,440,278</b>           | <b>91,393,584</b>      | <b>93,388,821</b>      | <b>97,479,556</b>    |
| <b>Intangible Assets</b>                       |                       |                  |                   |                        |   |                  |                             |                        |                        |                      |
| <b>Own Assets:</b>                             |                       |                  |                   |                        |   |                  |                             |                        |                        |                      |
| Computer Software                              | 11,088,328            | 1,065,712        | -                 | 12,174,038             | 10,928,348                              | 380,458          | -                           | 11,308,804             | 867,234                | 181,980              |
| Membership of Bombay Stock Exchange Limited    | 18,100,000            | -                | -                 | 18,100,000             | 18,100,000                              | -                | -                           | 18,100,000             | -                      | -                    |
| Membership of Multi Commodity Exchange Limited | 1,060,000             | -                | -                 | 1,060,000              | 1,060,000                               | -                | -                           | 1,060,000              | -                      | -                    |
| Merchant Banking Licence *                     | 2,233,300             | 800,000          | -                 | 3,133,300              | 1,970,800                               | 400,000          | -                           | 2,370,800              | 762,500                | 282,500              |
| <b>Total</b>                                   | <b>32,481,628</b>     | <b>1,865,712</b> | <b>-</b>          | <b>34,487,338</b>      | <b>32,057,148</b>                       | <b>780,458</b>   | <b>-</b>                    | <b>32,837,604</b>      | <b>1,629,734</b>       | <b>424,480</b>       |

Note 16 Property, Plant & Equipment (Previous Year)

| Particulars                                    | Gross Block           |                |            |                        | Accumulated Depreciation / Amortisation |                  |                             |                        | Net Block              |                      |
|--|-----------------------|----------------|------------|------------------------|---|------------------|-----------------------------|------------------------|------------------------|----------------------|
|  | As at<br>1 April 2019 | Additions      | Deductions | As at<br>31 March 2020 | As at<br>1 April 2019                   | For the<br>year  | On disposal/<br>Adjustments | As at<br>31 March 2020 | As at<br>31 March 2020 | As at<br>31 Mar 2019 |
| <b>Property, Plant and Equipment</b>           |                       |                |            |                        |   |                  |                             |                        |                        |                      |
| <b>Own Assets:</b>                             |                       |                |            |                        |   |                  |                             |                        |                        |                      |
| Office Premises                                | 104,202,649           | -              | -          | 104,202,649            | 14,830,733                              | 1,736,711        | -                           | 16,567,444             | 87,635,205             | 89,371,916           |
| Furniture and Fixtures                         | 34,548,378            | 71,500         | -          | 34,819,878             | 28,360,885                              | 1,528,893        | -                           | 29,889,778             | 4,730,100              | 6,187,493            |
| Vehicles                                       | 18,578,513            | -              | -          | 18,578,513             | 14,093,241                              | 1,047,249        | -                           | 15,140,490             | 3,438,023              | 4,485,272            |
| Office Equipment                               | 10,775,780            | 34,488         | -          | 10,810,268             | 9,921,391                               | 399,451          | -                           | 10,320,842             | 489,428                | 654,389              |
| Air Conditioners                               | 4,421,433             | 198,865        | -          | 4,620,298              | 4,048,307                               | 203,952          | -                           | 4,252,259              | 368,039                | 373,126              |
| Computers                                      | 23,497,973            | 30,424         | -          | 23,528,397             | 21,972,990                              | 736,644          | -                           | 22,709,634             | 818,763                | 1,524,983            |
| <b>Total</b>                                   | <b>196,024,726</b>    | <b>335,277</b> | <b>-</b>   | <b>196,360,003</b>     | <b>93,227,547</b>                       | <b>5,652,900</b> | <b>-</b>                    | <b>98,880,447</b>      | <b>97,479,556</b>      | <b>102,797,179</b>   |
| <b>Note 17A Intangible assets</b>              |                       |                |            |                        |   |                  |                             |                        |                        |                      |
| <b>Own Assets:</b>                             |                       |                |            |                        |   |                  |                             |                        |                        |                      |
| Computer Softwares                             | 11,088,328            | 669,712        | -          | 11,758,038             | 10,928,348                              | 109,907          | -                           | 11,038,253             | 721,785                | 181,980              |
| Membership of Bombay Stock Exchange Limited    | 18,100,000            | -              | -          | 18,100,000             | 18,100,000                              | -                | -                           | 18,100,000             | -                      | -                    |
| Membership of Multi Commodity Exchange Limited | 1,060,000             | -              | -          | 1,060,000              | 1,060,000                               | -                | -                           | 1,060,000              | -                      | -                    |
| Merchant Banking Licence *                     | 2,233,300             | -              | -          | 2,233,300              | 1,745,800                               | 225,000          | -                           | 1,970,800              | 282,500                | 487,500              |
| <b>Total</b>                                   | <b>32,481,628</b>     | <b>669,712</b> | <b>-</b>   | <b>33,151,338</b>      | <b>31,832,148</b>                       | <b>334,907</b>   | <b>-</b>                    | <b>32,167,053</b>      | <b>984,285</b>         | <b>649,480</b>       |



**INVENTURE GROWTH & SECURITIES LIMITED**  
Notes forming part of the Consolidated Financial Statements as at 31 March 2021

**Note 17 Other non-financial assets**

| Particulars                            | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--|-----------------------------|-----------------------------|
| Prepaid expenses                       | 3,780,962                   | 3,096,745                   |
| Advances to suppliers and others       | 16,936,331                  | 16,263,158                  |
| Indirect tax input credits             | 1,014,624                   | 1,341,022                   |
| Preliminary expenses to be written off | 588                         | 884                         |
| Accrued income                         | -                           | 506,750                     |
| <b>Total</b>                           | <b>21,734,505</b>           | <b>21,208,559</b>           |

**Note 18 Trade payables**

| Particulars   | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|---|-----------------------------|-----------------------------|
| (i) Total outstanding dues of micro enterprise and small enterprises                        | -                           | -                           |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | 361,046,131                 | 279,348,011                 |
| <b>Total</b>  | <b>361,046,131</b>          | <b>279,348,011</b>          |

The details of amount outstanding to Micro, Small and Medium Enterprises defined under "Micro, Small and Medium Enterprises Development Act, 2006" (as identified based on information available with the Company)

| Particulars  | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--|-----------------------------|-----------------------------|
| Principal amount due and remaining unpaid                                | -                           | -                           |
| Interest due on above and the unpaid interest                            | -                           | -                           |
| Interest paid  | -                           | -                           |
| Payment made beyond the appointed day during the year                    | -                           | -                           |
| Interest due and payable for the period of delay                         | -                           | -                           |
| Interest accrued and remaining unpaid                                    | -                           | -                           |
| Amount of further interest remaining due and payable in succeeding years | -                           | -                           |

**Note 19 Borrowings**

| Particulars  | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--|-----------------------------|-----------------------------|
| <b>At Amortised cost</b>                           |                             |                             |
| <b>Secured</b>                                     |                             |                             |
| Overdraft facility from banks                      | 310,323,765                 | 70,880,823                  |
| (secured against lien of term deposits with banks) |                             | -                           |
| Others   | 3,325,756                   | 3,325,756                   |
| <b>Total</b>                                       | <b>313,649,521</b>          | <b>74,206,579</b>           |
| <b>Borrowings in India</b>                         | <b>313,649,521</b>          | <b>74,206,579</b>           |
| <b>Borrowings outside India</b>                    | <b>-</b>                    | <b>-</b>                    |
| <b>Total</b>                                       | <b>313,649,521</b>          | <b>74,206,579</b>           |

Particulars of security for borrowings:

| Particulars   | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|---|-----------------------------|-----------------------------|
| <b>Loans repayable on demand</b>  |                             |                             |
| <b>From Bank:</b>   |                             |                             |
| HDFC Bank Limited - Secured against Term Deposits   | 13,769,546                  | 62,359,126                  |
| Punjab National Bank - Secured against Term Deposits (includes Term Deposits provided by Holding Company) | 335,919,911                 | 7,871,275                   |
| Bank of India - Secured against Term Deposits   | -                           | 274,512                     |



**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the Consolidated Financial Statements as at 31 March 2021

**Note 20 Deposits**

| Particulars                                    | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--|-----------------------------|-----------------------------|
| <b>At Amortised cost</b>                       |                             |                             |
| Security Deposits from clients and sub brokers | 30,292,139                  | 12,388,353                  |
| <b>Total</b>                                   | <b>30,292,138.96</b>        | <b>12,388,353</b>           |

**Note 21 Other financial liabilities**

| Particulars    | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|----------------|-----------------------------|-----------------------------|
| Statutory dues | 6,609,119                   | 2,907,202                   |
| <b>Total</b>   | <b>6,609,119</b>            | <b>2,907,202</b>            |

**Note 22 Current tax liabilities (net)**

| Particulars                            | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--|-----------------------------|-----------------------------|
| Provision for tax (Net of advance tax) | 20,241                      | -                           |
| <b>Total</b>                           | <b>20,241</b>               | <b>-</b>                    |

**Note 23 Provisions**

| Particulars                               | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|---|-----------------------------|-----------------------------|
| <u>Provision for employee benefits</u>    |                             |                             |
| Gratuity                                  | -                           | 10,075,893                  |
| Remeasurement of defined benefit expenses | -                           | 5,591                       |
| <b>Total</b>                              | <b>-</b>                    | <b>10,081,484</b>           |

**Note 24 Other non financial liabilities**

| Particulars  | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|--|-----------------------------|-----------------------------|
| <b>At Amortised cost</b>                                   |                             |                             |
| Advance received in respect of sale of investment property | 2,100,000                   | 2,978,000                   |
| <b>Total</b>   | <b>2,100,000</b>            | <b>2,978,000</b>            |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the Consolidated Financial Statements as at 31 March 2021

**Note 24 Equity Share Capital**

| Particulars  | (Amount in ₹)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2021 | As at<br>31 March 2020 |
| <b>Authorised:</b>                                     |                        |                        |
| 100,000,000 (100,000,000) Equity Shares of ₹ 10/- each | 1,000,000,000          | 1,000,000,000          |
| <b>Issued</b>  |                        |                        |
| 84,000,000 (84,000,000) Equity Shares of ₹ 10/- each   | 840,000,000            | 840,000,000            |
| <b>Subscribed and fully paid up</b>                    |                        |                        |
| 84,000,000 (84,000,000) Equity Shares of ₹ 10/- each   | 840,000,000            | 840,000,000            |
| <b>Total</b>   | <b>840,000,000</b>     | <b>840,000,000</b>     |

(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

| Particulars                        | As at 31 March 2021 |               | As at 31 March 2020 |               |
|------------------------------------|---------------------|---------------|---------------------|---------------|
|                                    | No. of Shares       | (Amount in ₹) | No. of Shares       | (Amount in ₹) |
| At the beginning of the year       | 84,000,000          | 840,000,000   | 84,000,000          | 840,000,000   |
| Outstanding at the end of the year | 84,000,000          | 840,000,000   | 84,000,000          | 840,000,000   |

(b) The Company has one class of Equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for 1 vote per share held. The dividend if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. In event of liquidation the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholdings.

(c) Details of shareholders holding more than 5% shares in the company:

| Name of Shareholder                     | As at 31 March 2021 |           | As at 31 March 2020 |           |
|---|---------------------|-----------|---------------------|-----------|
|   | No. of Shares       | % holding | No. of Shares       | % holding |
| Equity shares of ₹ 10/- each fully paid |                     |           |                     |           |
| Kanji B. Rita                           | 22,164,327          | 26.39     | 22,164,327          | 26.39     |
| Harilal Bhachubhai Rita                 | 5,000,000           | 5.95      | 5,000,000           | 5.95      |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2021

**Note 25 Other equity**

| Particulars   | As at<br>31 March 2021<br>₹ | As at<br>31 March 2020<br>₹ |
|---|-----------------------------|-----------------------------|
| <b>Reserves and Surplus</b>                                 |                             |                             |
| <b>Capital Reserve</b>                                      |                             |                             |
| Balance at the beginning of the year                        | 2,025,000                   | 2,025,000                   |
| Addition during the year                                    | -                           | -                           |
| <b>Balance at the end of the year</b>                       | <b>2,025,000</b>            | <b>2,025,000</b>            |
| <b>Security premium</b>                                     |                             |                             |
| Balance at the beginning of the year                        | 81,163,081                  | 81,163,081                  |
| Addition during the year                                    | -                           | -                           |
| <b>Balance at the end of the year</b>                       | <b>81,163,081</b>           | <b>81,163,081</b>           |
| <b>Taxation Reserve</b>                                     |                             |                             |
| Balance at the beginning of the year                        | 12,500,000                  | 12,500,000                  |
| Addition during the year                                    | -                           | -                           |
| <b>Balance at the end of the year</b>                       | <b>12,500,000</b>           | <b>12,500,000</b>           |
| <b>Statutory Reserve</b>                                    |                             |                             |
| Balance at the beginning of the year                        | 47,692,625                  | 47,692,625                  |
| Addition during the year                                    | -                           | -                           |
| <b>Balance at the end of the year</b>                       | <b>47,692,625</b>           | <b>47,692,625</b>           |
| <b>Retained Earnings</b>                                    |                             |                             |
| Balance at the beginning of the year                        | 270,802,741                 | 295,632,983                 |
| Profit/(Loss) for the year                                  | 124,480,322                 | 485,644                     |
| Transfer from General Reserve                               | -                           | -                           |
| IND AS Adjustments  | -                           | -                           |
| Amount available for appropriation                          | 395,283,062                 | 296,118,627                 |
| Non Controlling Interest                                    | (620)                       | 1,714                       |
| Dividend paid to Equity Shareholders                        | -                           | (21,000,000)                |
| Dividend distribution tax                                   | -                           | (4,317,600)                 |
| <b>Balance at the end of the year</b>                       | <b>395,282,442</b>          | <b>270,802,741</b>          |
| <b>General Reserve</b>                                      |                             |                             |
| Balance at the beginning of the year                        | 474,821,877                 | 474,821,877                 |
| Transferred to Retained Earnings                            | -                           | -                           |
| <b>Balance at the end of the year</b>                       | <b>474,821,877</b>          | <b>474,821,877</b>          |
| <b>Other Comprehensive Income</b>                           |                             |                             |
| Balance at the beginning of the year                        | (15,899,994)                | (9,022,461)                 |
| IND AS Adjustments  | -                           | -                           |
| Non Controlling Interest                                    | (4)                         | (4)                         |
| Movement in other comprehensive income(net) during the year | 13,182,693                  | (6,877,529)                 |
| <b>Balance at the end of the year</b>                       | <b>(2,717,305)</b>          | <b>(15,899,994)</b>         |
| <b>Total Other Equity</b>                                   | <b>1,010,767,721</b>        | <b>873,105,330</b>          |

## **INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the Consolidated Financial Statements as at 31 March 2021

### **Nature and purpose of reserve**

#### **(a) Capital reserve**

Capital reserve represents amount paid up on partly paid equity shares forfeited due to non-payment of call money.

#### **(b) Securities premium**

Securities Premium reserves is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of the Companies Act, 2013.

#### **(c) Taxation reserve**

Amount set aside to meet with substantial tax litigation if any.

#### **(d) Statutory reserve**

In case of a subsidiary company carrying on Non-banking financial business, the Group creates a statutory reserve in accordance with the provisions of section 45 -IC of the Reserve Bank of India Act, 1934.

#### **(e) Retained earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

#### **(f) General reserve**

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilized only in accordance with the specific requirements of Companies Act, 2013.

#### **(g) Other comprehensive income**

Other comprehensive income consist of remeasurement gains/losses on employees defined benefit expenses and change in fair value of investments

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the standalone financial statements for the year ended 31 March 2021

**Note 27 Interest income**

| Particulars                          | For year ended<br>31 March 2021<br>₹ | For the year ended<br>31 March 2020<br>₹ |
|--------------------------------------|--------------------------------------|--|
| Interest on margin trading funding   | 1,835,184                            | 3,061,350                                |
| Interest from Financing activities   | 130,275,624                          | 108,462,412                              |
| Interest on term deposits with banks | 45,461,337                           | 39,618,897                               |
| <b>Total</b>                         | <b>177,572,445</b>                   | <b>151,142,659</b>                       |

**Note 28 Dividend income**

| Particulars  | For year ended<br>31 March 2021<br>₹ | For the year ended<br>31 March 2020<br>₹ |
|--|--------------------------------------|--|
| Dividend received on shares held as stock in trade | 58,788                               | 75,745                                   |
| <b>Total</b>                                       | <b>58,788</b>                        | <b>75,745</b>                            |

**Note 29 Fees and commission income**

| Particulars                 | For year ended<br>31 March 2021<br>₹ | For the year ended<br>31 March 2020<br>₹ |
|-----------------------------|--------------------------------------|--|
| Brokerage                   | 184,995,484                          | 97,738,425                               |
| Research and advisory fees  | 1,045,992                            | 2,787,858                                |
| Depository operations       | 8,617,873                            | 5,770,464                                |
| Income from Loan Processing | -                                    | 42,373                                   |
| <b>Total</b>                | <b>194,659,348</b>                   | <b>106,319,120</b>                       |

**Note 30 Other operating income**

| Particulars                                | For year ended<br>31 March 2021<br>₹ | For the year ended<br>31 March 2020<br>₹ |
|--|--------------------------------------|--|
| Turnover Charges                           | 13,087,842                           | 6,611,339                                |
| Delayed payment charges from clients       | 6,125,890                            | 10,742,265                               |
| Short margin penalty recovery from clients | 289,336                              | 1,753,907                                |
| <b>Total</b>                               | <b>19,503,068</b>                    | <b>19,107,511</b>                        |

**Note 31 Other income**

| Particulars                                    | For year ended<br>31 March 2021<br>₹ | For the year ended<br>31 March 2020<br>₹ |
|--|--------------------------------------|--|
| Dividend income :                              |                                      |  |
| From investments                               | 597,750                              | 252,250                                  |
| Net gain/(loss) on sale of investments         | 4,444,570                            | 14,618,452                               |
| Others:  |                                      |  |
| (a) Interest Income on term deposits with bank | 6,375,843                            | 16,398,740                               |
| (b) Other Interest Income                      | 1,111,521                            | 3,851,654                                |
| (c) Miscellaneous Income                       | 1,858,531                            | 1,199,534                                |
| <b>Total</b>                                   | <b>14,388,215</b>                    | <b>36,121,630</b>                        |

**Note 32 Finance costs**

| Particulars                               | For year ended<br>31 March 2021<br>₹ | For the year ended<br>31 March 2020<br>₹ |
|---|--------------------------------------|--|
| On instruments measured at amortised cost |                                      |  |
| Interest on borrowings                    | 6,716,248                            | 22,477,752                               |
| Other interest expense                    | 482,356                              | 1,146,295                                |
| <b>Total</b>                              | <b>7,198,602</b>                     | <b>23,624,047</b>                        |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2021

**Note 33 Fees and commission expense**

| Particulars                 | For year ended<br>31 March 2021<br>₹ | For year ended<br>31 March 2020<br>₹ |
|-----------------------------|--------------------------------------|--------------------------------------|
| Sub- brokerage              | 93,517,948                           | 54,296,859                           |
| Fees and Commission Expense | -                                    | 425,000                              |
| <b>Total</b>                | <b>93,517,948</b>                    | <b>54,721,859</b>                    |

**Note 34 Impairment on financial instruments**

| Particulars  | For year ended<br>31 March 2021<br>₹ | For the year ended<br>31 March 2020<br>₹ |
|--|--------------------------------------|--|
| <b>On financial instruments measured at amortised cost</b> |                                      |  |
| Impairment loss on loans / receivables                     | 1,034,000                            | 154,248                                  |
| Impairment loss allowance:                                 |                                      |  |
| On receivables   | 3,422,493                            | 15,520,004                               |
| On Loans (MTF)   | 177,685                              | 254,592                                  |
| On credit risk and credit impaired loans                   | 2,772,017                            | 89,046,354                               |
| <b>Total</b>   | <b>7,406,195</b>                     | <b>104,975,198</b>                       |

**Note 35 Changes in inventories of stock-in -trade**

| Particulars             | For year ended<br>31 March 2021<br>₹ | For the year ended<br>31 March 2020<br>₹ |
|-------------------------|--------------------------------------|--|
| Closing stock-in -trade | 9,584,378                            | 9,780,929                                |
| Opening stock-in -trade | (9,760,929)                          | -11,372,426                              |
| <b>Total</b>            | <b>(176,551)</b>                     | <b>(1,811,497)</b>                       |

**Note 36 Employee benefit expenses**

| Particulars                                | For year ended<br>31 March 2021<br>₹ | For the year ended<br>31 March 2020<br>₹ |
|--|--------------------------------------|--|
| Salaries                                   | 50,307,200                           | 58,881,625                               |
| Contributions to Provident and Other Funds | 2,587,826                            | 2,649,338                                |
| Employees' gratuity expenses               | -                                    | 1,754,121                                |
| Staff welfare expenses                     | 1,488,811                            | 2,562,238                                |
| <b>Total</b>                               | <b>54,383,837</b>                    | <b>65,847,320</b>                        |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2021

**Note 37 Other expenses**

| Particulars                                   | For year ended<br>31 March 2021 | For the year ended 31<br>March 2020 |
|---|---------------------------------|-------------------------------------|
|   | ₹                               | ₹                                   |
| Transaction Charges                           | 12,726,480                      | 6,114,310                           |
| Payment to Franchisees                        | 200,000                         | 250,000                             |
| Stock Exchange expenses                       | 1,290,738                       | 396,967                             |
| SEBI fees                                     | 623,713                         | 633,842                             |
| Fees for increase in authorised share capital | -                               | 604,000                             |
| ROC Fee                                       | 11,400                          | 21,495                              |
| Depository charges                            | 3,126,060                       | 2,230,209                           |
| Rent, taxes and energy costs                  | 3,488,005                       | 4,710,593                           |
| Repairs and Maintenance                       | 5,322,231                       | 5,356,146                           |
| Printing & Stationery                         | 530,049                         | 735,722                             |
| CSR Expenditure                               | -                               | 450,000                             |
| Communication cost                            | 4,076,928                       | 4,008,529                           |
| Computer & Software expenses                  | 2,522,312                       | 1,391,429                           |
| Legal and Stamping charges                    | -                               | 5,000                               |
| Legal and professional fees (#)               | 9,624,699                       | 12,259,163                          |
| Directors Sitting fees                        | 865,000                         | 1,320,000                           |
| Insurance                                     | 323,444                         | 158,736                             |
| Travelling & Conveyance expenses              | 940,830                         | 561,350                             |
| Rates and Taxes                               | 975,723                         | 1,530,813                           |
| Advertisement and business promotion          | 438,495                         | 1,598,536                           |
| Membership & Subscription                     | 2,649,053                       | 2,111,436                           |
| Loss on sale of Investment property           | 2,091,713                       | 3,018,572                           |
| STT on Investment                             | 8,276                           | -                                   |
| Client Compensation                           | 163,563                         | 452,564                             |
| Donations                                     | 1,000,000                       | 726,900                             |
| Miscellaneous expenses                        | 4,829,344                       | 5,915,452                           |
| <b>Total</b>                                  | <b>57,828,056</b>               | <b>56,561,765</b>                   |

#includes auditor's fees towards:

| Particulars            | For year ended<br>31 March 2021 | For the year ended 31<br>March 2020 |
|------------------------|---------------------------------|-------------------------------------|
|                        | ₹                               | ₹                                   |
| Statutory Audit Fees   | 920,000                         | 520,000                             |
| Limited Review Reports | 275,000                         | 225,000                             |
| Taxation Services      | 195,000                         | 275,000                             |
| Certification services | -                               | 102,000                             |
| <b>Total</b>           | <b>1,390,000</b>                | <b>1,122,000</b>                    |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2021

**Note 38 Earning per share**

**Basic Earnings per share**

The calculations of profit attributable to equity shareholders and number of equity shares outstanding for purposes of basic earnings per share calculations are as follows:

| PARTICULARS |   | For the year ended<br>31 March 2021 | For the year<br>ended<br>31 March 2020 |
|-------------|---|-------------------------------------|--|
| a           | Equity shares of face value of Rs 10 each outstanding during the year | 840,000,000                         | 840,000,000                            |
| b           | Net (loss)/profit after tax available for equity shareholders         | 124,480,938                         | 487,355                                |
| c           | Basic earnings per share of Rs 10 each (=b/a)                         | 1.48                                | 0.01                                   |

**Diluted earnings per share**

The calculations of diluted earnings per share is based on profit attributable to shareholders and number of equity shares outstanding after adjustment for the effects of all dilutive potential equity shares. In the absence of any dilutive potential equity shares, the dilutive earnings per share is same as the basic earnings per share calculated herein above.



**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2021

**Note 39 Segment Information**

The Group's operations predominantly relate to Equity Broking, Commodity Broking, Financing and other related activities. In accordance with Ind AS - 108 on segment reporting, the Group has identified (i) Equity/Commodity Broking and (ii) Financing activities as reportable segments. During the year under report the Group was engaged in its business only within India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

| Particulars   | For the year ended<br>31 March 2021<br>₹ | For the year ended<br>31 March 2020<br>₹ |
|---|--|--|
| <b>1. Segment Revenue</b>   |  |  |
| a) Equity/Commodity broking   | 256,107,847                              | 149,549,595                              |
| b) Financing activities   | 136,977,015                              | 128,241,996                              |
| c) Others   | 89,108,391                               | 92,097,637                               |
| <b>Total</b>  | <b>482,193,253</b>                       | <b>369,889,228</b>                       |
| Less: Inter Segment Revenue   | 56,013,388                               | 57,102,553                               |
| <b>Income from Operations, Other Operating Income &amp; Other Income</b>          | <b>406,179,865</b>                       | <b>312,786,675</b>                       |
| <b>2. Segment Results Profit/(Loss) before tax and interest from each segment</b> |  |  |
| a) Equity/Commodity broking   | 85,355,052                               | (475,348)                                |
| b) Financing activities   | 117,972,484                              | 16,569,866                               |
| c) Others   | (117,763)                                | (1,535,579)                              |
| <b>Total</b>  | <b>183,209,773</b>                       | <b>14,558,939</b>                        |
| Less: Interest  | 3,213,023                                | 15,099,468                               |
| <b>Profit / (Loss) from ordinary activities before tax</b>                        | <b>179,996,750</b>                       | <b>(540,528)</b>                         |
| <b>3. Capital Employed</b>  |  |  |
| <b>Segment Assets</b>   |  |  |
| a) Equity/Commodity broking   | 1,376,600,185                            | 938,906,187                              |
| b) Financing activities   | 1,108,363,973                            | 1,062,116,979                            |
| c) Others   | 79,547,065                               | 94,017,523                               |
| <b>Total Segment Assets - A</b>   | <b>2,564,511,223</b>                     | <b>2,095,040,689</b>                     |
| <b>Segment Liabilities</b>  |  |  |
| a) Equity/Commodity broking   | 373,415,471                              | 38,753,512                               |
| b) Financing activities   | 340,301,680                              | 343,156,118                              |
| c) Others   | -  | -  |
| <b>Total Segment Liabilities - B</b>  | <b>713,717,151</b>                       | <b>381,909,630</b>                       |
| <b>Capital Employed A - B</b>   | <b>1,850,794,072</b>                     | <b>1,713,131,059</b>                     |

**INVENTURE GROWTH & SECURITIES LIMITED**  
Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2021

**Note 40 Related Party Disclosures**

**(A) Name of the Related Parties and the Nature of Relationship**

| Nature of Relationship                               | Name of Related parties                    |
|--|--|
| Director and Key Management Personnel                | Kanj B. Rita                               |
|  | Kamiesh S Limbachiya                       |
|  | Lasha Meest Rita                           |
|  | Meest Kanji Rita                           |
|  | Harilal B Rita                             |
|  | Sachin B. Gala                             |
| Key Management Personnel (KMP)                       | Arvind Jethalal Gala                       |
|  | Bhavi R Gandhi                             |
| Relative of Director                                 | Shantiben K. Rita                          |
|  | Neeta Mukesh Gada                          |
|  | Kalavati K. Limbachiya                     |
|  | Manjuabai Shankarlal Limbachiya            |
|  | Sagar K. Limbachiya                        |
|  | Mitaxi Vinod Limbachiya                    |
|  | Kusum Vinod Limbachiya                     |
|  | Heena Harilal Rita                         |
|  | Jinisha Harilal Rita                       |
|  | Parth Harilal Rita                         |
|  | Parvati Lalji Chhoda                       |
|  | Romil Shantilal Rita                       |
|  | Kamla Harilal Rita                         |
|  | Shantilal B Rita                           |
| Padma Shantilal Rita                                 |  |
| Relative of Key Management Personnel (KMP)           | Kunjali A. Gala                            |
| Enterprises significantly influenced by the KMP      | Arvind J. Gala HUF                         |
|  | Dhairya Management Service Private Limited |
| Enterprises significantly influenced by the Director | Kanj B Rita HUF                            |
|  | Shantilal B Rita HUF                       |
|  | Harilal B Rita HUF                         |
|  | Kamiesh S Umbachiya HUF                    |
|  | Kenorita Realty LLP                        |
|  | Kothari Builders Private Ltd               |
|  | K R Shoppers Private Ltd                   |

**(B) Details of Related Party transactions during the year ended 31 March 2021**

(Amount in ₹)

| Particulars                     | Directors & Key Management Personnel | Relatives of Directors & Key Management Personnel | Enterprises significantly influenced by the Directors / Relatives/KMP | Total                       |
|---------------------------------|--------------------------------------|---|---|-----------------------------|
| Remuneration paid               | 10,046,250<br>(10,300,000)           | -<br>(-)  | -<br>(-)  | 10,046,250<br>(10,300,000)  |
| Salary Paid                     | 1,872,806<br>(1,879,298)             | 827,413<br>(1,838,000)                            | -<br>(-)  | 2,799,919<br>(3,717,298)    |
| Director Sitting fees           | 100,000<br>(197,500)                 | -<br>(-)  | -<br>(-)  | 100,000<br>(197,500)        |
| Loans given                     | -<br>(-)                             | -<br>(-)  | 18,700,000<br>(100,300,000)   | 18,700,000<br>(100,300,000) |
| Loans repaid                    | -<br>(-)                             | -<br>(-)  | 14,450,000<br>(24,500,000)  | 14,450,000<br>(24,500,000)  |
| Interest received               | -<br>(-)                             | -<br>(-)  | 12,022,276<br>(5,066,383)   | 12,022,276<br>(5,066,383)   |
| Brokerage & DP charges Received | 715<br>(9,399)                       | 7,096<br>(28,742)                                 | 3,692<br>(29,842)   | 11,502<br>(67,983)          |
| Sub-brokerage Paid              | -<br>(-)                             | 94,382<br>(91,325)                                | -<br>(-)  | 94,382<br>(91,325)          |
| Delayed payment charges         | -<br>(363,819)                       | 501,147<br>(1,048,317)                            | 61<br>(8,974)   | 501,208<br>(1,421,110)      |
| Outstanding Debit Balance       | 354                                  | 1,323,050   | 82,220,262  | 83,543,666                  |

Figures in brackets relates to the previous year

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2021

**Note 41 : STATEMENT OF CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE**

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities.

Details of CSR Expenditure of the Group for the year ended 31 March 2021:

| Particulars                                    | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|--|----------------------------------|----------------------------------|
| Gross amount required to be spent by the Group | -                                | -                                |
| Amount spent during the year                   | -                                | -                                |
| 1. Construction / acquisition of any asset     | -                                | -                                |
| 2. On purpose other than above                 | -                                | 450,000                          |

**Note 42 . CONTINGENT LIABILITIES**

| Particulars  | As at 31 March 2021 | As at 31 March 2020 |
|--|---------------------|---------------------|
| <sup>1</sup> Income tax demands in appeal before the first appellate authority.  | 22,497,706          | 22,497,706          |
| <sup>2</sup> SEBI Whole Time Member (WTM) passed an order against the Group's Parent Company and its directors (including independent directors and a non executive director) and officers for violation of SEBI ICDR regulations. The said order was challenged before the Securities Appellate Tribunal (SAT), by an appeal by the Parent Company and others. The SAT, by its order dated 10.10.2019 gave full relief to the independent directors & non executive directors and partial relief to the Group's Parent Company and its directors & officers. However, before disposal of the appeals by SAT, SEBI's Adjudication Officer (AO) passed an order dated 30.08.2019 to levy penalty of Rs. 75 lakhs on the Group's Parent Company and various penalties on Others, u/s 15HA & 15HB of the SEBI Act. On an appeal to SAT, the said penalty orders on the Group's Parent Company & Others have been set aside vide an order dated 26.02.2020 and the matter has been remitted to the AO to decide them afresh.<br>The Company has filed an appeal on 28.11.2020 before Supreme Court against the aforesaid order of WTM dated 10.10.2019 which is pending for disposal as on 31.03.2021. | Not ascertainable   | Not ascertainable   |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2021

**Note 43 Employee Benefit**
**Gratuity**

The employees of the Company are eligible for gratuity in accordance with the Payment of Gratuity Act. To meet its obligation the company has a Defined Employee Benefit Plan. The valuation for the purpose of contribution the funded plan has been carried based on Project Cost Unit method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability, are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

**a) Movement in defined benefit obligation**

(Amount in ₹)

| Particulars  | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|-------------------------------------|-------------------------------------|
| Present value of obligation at beginning of period                                     | 10,081,485                          | 8,270,769                           |
| Current Service cost   | 912,625                             | 1,317,856                           |
| Interest expense or cost   | 594,671                             | 613,339                             |
| Return on Plan Asset (more)/less than expected based on discount rate                  | -242,413                            | -                                   |
| Re-measurements due to:  |                                     |                                     |
| - Actuarial loss / (gain) arising from change in financial assumptions                 | 121,325                             | 556,005                             |
| - Actuarial loss / (gain) arising from change in demographic assumptions               | -                                   | 309                                 |
| - Actuarial loss / (gain) arising on account of experience changes                     | (2,533,270)                         | (421,261)                           |
| Return on Plan Asset (more)/less than expected based on discount rate                  | 242,411                             | -                                   |
| Additional expense recognised on account of change in other assumptions Rs. 5,52,380/- | -                                   | -                                   |
| Benefits paid  | (2,005,064)                         | (255,532)                           |
| Present value of obligation as at the end  | 7,171,770                           | 10,081,485                          |
| Employer contribution  | 7,401,847                           | -                                   |
| Net defined benefit liability/(asset) as at the end of the year                        | -230,077                            | 10,081,485                          |

**(b) Bifurcation of Net defined benefit liability at the end of the year as per revised Schedule III of the Companies Act, 2013.**

(Amount in ₹)

| Particulars   | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| Current Liability (Short term)                          | 624,720                | 1,181,422              |
| Non-Current Liability (Long term)                       | 6,547,050              | 8,900,062              |
| Present value of obligation as at the end               | 7,171,770              | 10,081,484             |
| Current Liability (Short term)                          | -                      | 1,181,422              |
| Non-Current Liability (Long term)                       | -                      | 8,900,062              |
| Net defined benefit liability as at the end of the year | -                      | 10,081,484             |

**(c) Expenses charged to the Statement of Profit & Loss**

(Amount in ₹)

| Particulars  | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|-------------------------------------|-------------------------------------|
| Current Service cost   | 912,625                             | 1,317,856                           |
| Net Interest Cost/(Income) on the Net Defined Benefit Liability /(Asset) | 352,261                             | 613,339                             |
| Accrued gratuity cost /(Income) credited to Profit and Loss account      | (1,370,420)                         | -                                   |
|  | (105,534)                           | 1,931,195                           |

**(d) Key actuarial assumptions**

(Amount in ₹)

| Particulars               | As at | As at |
|---------------------------|-------|-------|
| Discount Rate (p.a.)      | 6.78% | 6.55% |
| Salary growth rate (p.a.) | 4%    | 7%    |

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields/rates available bonds as on the current valuation date.

## INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2021

### 44. FINANCIAL RISK MANAGEMENT

The Group has established a comprehensive system for risk management and internal controls for all its businesses to manage the risks that it is exposed. The objective of its risk management framework is to ensure that various risks are identified, measured and mitigated and also that policies, procedures and standards are established to address these risks and ensure a systematic response in the case of crystallization of such risks.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The risk management system features 'three lines of defence' approach.

1. The first line of defence comprises its operational departments, which assume primary responsibility for their own risks and operate within the limits stipulated in various policies approved by the Board or by committees constituted by the Board.

2. The second line of defence comprises specialized department such as risk management and compliance. They employ specialized methods to identify and assess risks faced by the operational departments and provide them with specialized risk management tools and methods, facilitate and monitor the implementation of effective risk management practices, develop monitoring tools for risk management, internal controls and compliances, report risk related information and promote the adoption of appropriate risk prevention measures.

3. The third line of defence comprise the internal audit and external audit functions. They monitor and conduct periodic evaluations of the risk management, internal controls and compliance activities to ensure the adequacy of risk controls and appropriate risk governance and provide the Board with comprehensive feedback.

#### (a) Credit risk

It is risk of financial loss that the Group will incur a loss because its customers or counter parties to financial instruments fails to meet its contractual obligation.

The Group's financial assets comprises of cash and bank balances, trade receivables, loans, investments and other financial assets which comprise mainly of deposits.

The maximum exposure to credit risk at the reporting date is primarily from Group's trade receivable and loans.

The maximum exposure to credit risk at the reporting date is primarily from Group's trade receivable and loans.

Following provides exposure to credit risks for trade receivables and loans:

#### Trade receivables

The Group applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are calculated based on actual historic credit loss experience over the preceding three to five years on the total balance of non-credit impaired trade receivables. The Group considers a trade receivable to be credit impaired when one or more detrimental events have occurred, such as significant financial difficulty of the client or it becoming probable that the client will enter bankruptcy or other financial reorganization. When a trade receivable is credit impaired, it is written off against trade receivables and the amount of the loss is recognized in the income statement. Subsequent recoveries of amounts previously written off are credited to the income statement.

| PARTICULARS                    | (Amount in ₹)          |                        |
|--------------------------------|------------------------|------------------------|
|                                | As at<br>31 March 2021 | As at<br>31 March 2020 |
| Trade receivables              | 95,162,819             | 159,841,965            |
| Less : Expected credit loss    | 35,939,660             | 99,984,016             |
| <b>Trade receivables (net)</b> | <b>59,223,159</b>      | <b>59,857,949</b>      |

#### Loans

Loans comprise of margin trade funding (MTF) and loan to employees.

MTF are secured loans. The Group applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for MTF at an amount equal to lifetime ECLs. The ECLs on MTF are calculated based on actual historic credit loss experience over the preceding years on the total balance of non-credit impaired MTF. There has been no credit impaired MTF observed as at the balance sheet date.

(Amount in ₹)

| PARTICULARS                       | As at<br>31 March 2021 | As at<br>31 March 2020 |
|-----------------------------------|------------------------|------------------------|
| Margin trade funding              | 43,227,684             | 15,831,731             |
| Less : Expected credit loss       | 432,277                | 254,592                |
| <b>Margin trade funding (net)</b> | <b>42,795,407</b>      | <b>15,577,139</b>      |

Loan to employees is a nominal amount and is recovered regularly.

The Group includes Inventure Finance Private Limited, a wholly owned subsidiary of the Company, which is a Non Banking Financial Company registered under the RBI Act. It is required to follow guidelines as applicable to Non-Systemically Important Non-Deposit taking Company. Accordingly it follows the following model for ECL recognition on loans assets:

ECL on Standard Assets (Stage 1) – 0.25 per cent on the amount of loan given.

ECL on Sub-standard Assets (Stage 2) – Provision of 10 per cent of total outstanding shall be made.

ECL on Non- performing Assets (Stage 3) – Provision of 100 per cent of total outstanding shall be made.

Following table provides information about exposure to credit risk and ECL on Loan:

(Amount in ₹)

| Particulars  | As at March 31 2021  |                    |   |                    |
|--|----------------------|--------------------|---|--------------------|
|  | Amortised Cost       | Impairment Stage   |   |                    |
|  |                      | Low credit risk    | Significant<br>increase in<br>credit risk | Credit impaired    |
|  |                      | (Stage 1)          | (Stage 2)                                 | (Stage 3)          |
|  | 1                    | 2                  | 3   | 4                  |
| (A) Loans  |                      |                    |   |                    |
| (i) Loans repayable on demand                      | 1,134,875,690        | 891,365,559        | 118,349,113                               | 125,161,018        |
| (ii) Term loans                                    | -                    | -                  | -   | -                  |
| (iii) Others (to be specified)                     | -                    | -                  | -   | -                  |
| <b>Total (Gross)</b>                               | <b>1,134,875,690</b> | <b>891,365,559</b> | <b>118,349,113</b>                        | <b>125,161,018</b> |
| Impairment loss allowance                          | (222,820,098)        | (2,951,936)        | (94,707,144)                              | (125,161,018)      |
| Reversal of impairment allowances of earlier years | 83,595,752           | 723,521            | 82,872,231                                | -                  |
| <b>Total (Net)</b>                                 | <b>995,651,344</b>   | <b>889,137,144</b> | <b>108,514,200</b>                        | <b>-</b>           |

(Amount in ₹)

| Particulars  | As at March 31 2020  |                    |   |                    |
|--|----------------------|--------------------|---|--------------------|
|  | Amortised Cost       | Impairment Stage   |   |                    |
|  |                      | Low credit risk    | Significant<br>increase in<br>credit risk | Credit impaired    |
|  |                      | (Stage 1)          | (Stage 2)                                 | (Stage 3)          |
|  | 1                    | 2                  | 3   | 4                  |
| (A) Loans  |                      |                    |   |                    |
| (i) Loans repayable on demand                      | 1,050,120,852        | 651,381,181        | 287,369,046                               | 111,370,625        |
| (ii) Term loans                                    | -                    | -                  | -   | -                  |
| (iii) Others (to be specified)                     | -                    | -                  | -   | -                  |
| <b>Total (Gross)</b>                               | <b>1,050,120,852</b> | <b>651,381,181</b> | <b>287,369,046</b>                        | <b>111,370,625</b> |
| Impairment loss allowance                          | (182,176,307)        | (2,581,243)        | (48,224,437)                              | (111,370,625)      |
| Reversal of impairment allowances of earlier years | 20,440,324           | 952,792            | 19,487,532                                | -                  |
| <b>Total (Net)</b>                                 | <b>868,384,870</b>   | <b>649,752,728</b> | <b>258,632,141</b>                        | <b>-</b>           |

Movement in the allowances for impairment in respect of trade receivables and loans of the Group is as follows:

(Amount in ₹)

| PARTICULARS                          | As at<br>31 March 2021 | As at<br>31 March 2020 |
|--------------------------------------|------------------------|------------------------|
| Opening Balance                      | 241,974,590            | 157,040,286            |
| Net re-measurement of loss allowance | (66,378,308)           | 84,934,304             |
| <b>Closing Balance</b>               | <b>175,596,282</b>     | <b>241,974,590</b>     |

Other financial assets considered to have a low credit risk:

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments comprise of quoted equity instruments, which are market tradeable. Other financial assets include deposits for assets acquired on lease and with qualified clearing counterparties and exchanges as per the prescribed statutory limits.

In addition to the historical pattern of credit loss, the Group has considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. This can be reflected in the increased haircuts taken on collateral held against such receivables and loans.

**(b) Liquidity risk**

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to entity's reputation.

Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and close out market positions.

The Group has a view of maintaining liquidity with minimal risks while making investments. The Group invests its surplus funds in short term liquid assets in bank deposits. The Group monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

**(c) Market Risk**

Market risk arises when movements in market factors (interest rates, credit spreads and equity prices) impact the Group's income or market value of its portfolios. The Group, in its course of business, is exposed to market risk due to change in equity prices, interest rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns.

**i. Equity Price**

The Group's exposure to equity price risk arises primarily on account of its proprietary positions and on account of margin bases positions of its clients in equity cash and derivative segments.

The Group's equity price risk is managed in accordance with its Risk Policy approved by Board.

**ii. Interest rate risk**

The Group is exposed to interest rate risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates.

The Group's interest rate risk arises from interest bearing deposits with bank and loan given to customers. Such instrument exposes the Group to fair value interest rate risk. Management believes that the interest rate risk attached to these financial assets is not significant due to the nature of these financial assets.

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2021

**45 INCOME TAX**

(A) The major components of income tax expense for the year are as under

(Amount in ₹)

| PARTICULARS   | For the year ended |                    |
|---|--------------------|--------------------|
|   | 31-Mar-21          | 31-Mar-20          |
| Current income tax  | 31,944,101         | 15,248,836         |
| Deferred tax [(credit)/charge]  | 22,385,040         | (19,425,389)       |
| Tax adjustment for earlier years  | 1,187,291          | 3,150,381          |
| <b>Tax expense for the year</b>   | <b>55,516,432</b>  | <b>(1,028,172)</b> |
| Amounts recognized in other comprehensive income  |                    |                    |
| Income tax relating to remeasurements of net defined benefit expenses that will not be reclassified to profit or loss | (503,040)          | 35,892             |
| <b>Total Tax expenses</b>   | <b>55,013,392</b>  | <b>(990,280)</b>   |

(B) Reconciliation of tax expenses and the accounting profit for the year is as under

(Amount in ₹)

| PARTICULARS   | For the year ended |                    |
|---|--------------------|--------------------|
|   | 31-Mar-21          | 31-Mar-20          |
| Profit/(Loss) before tax  | 179,996,749        | (540,528)          |
| Indian statutory income tax rate (%)  | 29.12%             | 27.82%             |
| Expected income tax expenses  | 52,415,053         | (150,375)          |
| Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses |                    |                    |
| Expenses allowable  | (24,874,331)       | (11,313,543)       |
| Expenses not deductible   | 5,413,587          | 34,226,775         |
| Exempt income   | -                  | (5,428,105)        |
| Losses carried forward  | -                  | 448,270            |
| Losses set off  | 24,870             | (5,125,779)        |
| Others  | (1,118,609)        | (3,679,424)        |
| Impact of differential tax rates  | 83,531             | 8,271,017          |
| <b>Current tax (A)</b>  | <b>31,944,101</b>  | <b>15,248,836</b>  |
| Deferred tax [(credit)/charge] (B)  | 22,385,040         | (19,425,389)       |
| Tax adjustment related to earlier years (C)   | 1,187,291          | 3,150,381          |
| <b>Total income tax expenses (A+B+C)</b>  | <b>55,516,432</b>  | <b>(1,028,172)</b> |

(C) Deferred tax disclosures

Movement of deferred tax assets and liabilities

(Amount in ₹)

| PARTICULARS   | As at<br>01 April 2021 | Credit/ (Charge)<br>in the statement<br>of profit and<br>loss | As at<br>31 March 2021 |
|---|------------------------|---|------------------------|
| <b>Deferred tax asset / (liability)</b>                                     |                        |   |                        |
| Impairment allowance for financial assets                                   | 62,644,056             | (18,913,876)  | 43,730,180             |
| Difference between book and tax depreciation                                | (13,290,891)           | (742,194)   | (14,033,085)           |
| Provision for expense allowed for tax when actually paid                    | 2,344,253              | (2,344,253)   | -                      |
| Remeasurement of net defined benefit  | 964,299                | (36,361)  | 927,938                |
| Tax effect on remeasurement of net defined benefit expenses during the year | -                      | (348,356)   | -                      |
| MAT credit entitlement  | 16,582,408             | 382,930   | 16,965,338             |
| <b>Net deferred tax assets/ (liabilities)</b>                               | <b>69,244,125</b>      | <b>(22,002,110)</b>   | <b>47,590,371</b>      |

(Amount in ₹)

| PARTICULARS  | As at<br>31 March 2019 | Credit/ (Charge)<br>in the statement<br>of profit and<br>loss | As at<br>31 March 2020 |
|--|------------------------|---|------------------------|
| <b>Deferred tax asset / (liability)</b>                  |                        |   |                        |
| Impairment allowance for financial assets                | 43,529,466             | 19,114,590  | 62,644,056             |
| Difference between book and tax depreciation             | (13,094,154)           | (196,737)   | (13,290,891)           |
| Provision for expense allowed for tax when actually paid | 1,838,717              | 507,538   | 2,344,253              |
| Remeasurement of net defined benefit                     | 928,407                | 35,892  | 964,299                |
| MAT credit entitlement                                   | 33,312,539             | (16,730,131)  | 16,582,408             |
| <b>Net deferred tax assets/ (liabilities)</b>            | <b>66,512,975</b>      | <b>2,731,150</b>  | <b>69,244,125</b>      |



**INVENTURE GROWTH & SECURITIES LIMITED**  
Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2021

**Note 46 Maturity analysis**

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled.

(Amount in ₹)

| PARTICULARS                                  | As at 31 March 2021  |                      |                      |
|--|----------------------|----------------------|----------------------|
|  | Total                | Within 12 months     | After 12 months      |
| <b>Assets</b>                                |                      |                      |                      |
| <b>Financial Assets</b>                      |                      |                      |                      |
| Cash and cash equivalents                    | 184,773,580          | 184,773,578          | -                    |
| Bank balance other than above                | 927,810,731          | 929,008,392          | 398,802,339          |
| Stock in trade (Securities held for trading) | 9,584,378            | 9,584,378            | -                    |
| Trade receivables                            | 59,223,180           | 59,223,180           | -                    |
| Other receivables                            | 373,260              | 373,260              | -                    |
| Loans  | 1,054,685,897        | 808,753,927          | 444,931,970          |
| Investments                                  | 14,085,395           | -                    | 14,085,398           |
| Other financial assets                       | 41,293,587           | 875,124              | 40,418,463           |
| <b>Non Financial Assets</b>                  |                      |                      |                      |
| Current tax assets (net)                     | 37,564,650           | -                    | 37,564,650           |
| Deferred tax assets (net)                    | 47,590,371           | -                    | 47,590,371           |
| Property, plant and equipment                | 55,877,292           | -                    | 55,877,292           |
| Other intangible assets                      | 93,368,821           | -                    | 93,368,821           |
| Goodwill on consolidation                    | 14,915,864           | -                    | 14,915,864           |
| Investment property                          | 1,829,735            | -                    | 1,829,735            |
| Other non-financial assets                   | 21,734,505           | 21,733,917           | 588                  |
| <b>Total Assets</b>                          | <b>2,664,511,228</b> | <b>1,415,325,736</b> | <b>1,148,185,488</b> |
| <b>Liabilities</b>                           |                      |                      |                      |
| <b>Financial Liabilities</b>                 |                      |                      |                      |
| Trade payables                               | 361,046,132          | 361,046,132          | -                    |
| Borrowings (other than debt security)        | 313,648,521          | 310,323,755          | 3,325,756            |
| Deposits                                     | 30,292,139           | -                    | 30,292,139           |
| Other financial liabilities                  | 8,608,119            | 8,609,119            | -                    |
| <b>Non-financial Liabilities</b>             |                      |                      |                      |
| Current tax liabilities (net)                | 20,241               | -                    | 20,241               |
| Other non-financial liabilities              | 2,100,000            | -                    | 2,100,000            |
| <b>Total Liabilities</b>                     | <b>713,717,152</b>   | <b>677,979,016</b>   | <b>35,728,135</b>    |
| <b>Net Assets</b>                            | <b>1,880,794,074</b> | <b>737,346,720</b>   | <b>1,113,447,352</b> |

(Amount in ₹)

| PARTICULARS                                  | As at 31 March 2020  |                    |                      |
|--|----------------------|--------------------|----------------------|
|  | Total                | Within 12 months   | After 12 months      |
| <b>Assets</b>                                |                      |                    |                      |
| <b>Financial Assets</b>                      |                      |                    |                      |
| Cash and cash equivalents                    | 126,236,908          | 126,236,908        | -                    |
| Bank balance other than above                | 568,375,512          | 160,352,550        | 408,022,962          |
| Stock in trade (Securities held for trading) | 9,760,929            | 9,760,929          | -                    |
| Trade receivables                            | 59,857,949           | 59,857,949         | -                    |
| Other receivables                            | 423,108              | 423,108            | -                    |
| Loans  | 941,963,744          | 514,831,569        | 427,132,175          |
| Investments                                  | 10,291,609           | -                  | 10,291,609           |
| Other financial assets                       | 40,605,882           | 9,888,687          | 30,939,185           |
| <b>Non Financial Assets</b>                  |                      |                    |                      |
| Current tax assets (net)                     | 59,727,675           | -                  | 59,727,675           |
| Deferred tax assets (net)                    | 69,244,125           | -                  | 69,244,125           |
| Property, plant and equipment                | 97,479,556           | -                  | 97,479,556           |
| Other intangible assets                      | 984,285              | -                  | 984,285              |
| Goodwill on consolidation                    | 14,915,864           | -                  | 14,915,864           |
| Investment property                          | 73,964,985           | -                  | 73,964,985           |
| Other non-financial assets                   | 21,208,559           | 21,207,575         | 884                  |
| <b>Total Assets</b>                          | <b>2,095,040,688</b> | <b>902,337,383</b> | <b>1,192,703,305</b> |
| <b>Liabilities</b>                           |                      |                    |                      |
| <b>Financial Liabilities</b>                 |                      |                    |                      |
| Trade payables                               | 279,348,011          | 279,348,011        | -                    |
| Borrowings                                   | 74,206,579           | 70,880,823         | 3,325,756            |
| Deposits                                     | 12,388,353           | 12,388,353         | -                    |
| Other financial liabilities                  | 2,907,202            | 2,907,202          | -                    |
| <b>Non-financial Liabilities</b>             |                      |                    |                      |
| Provisions                                   | 10,081,484           | 1,181,421          | 8,900,063            |
| Other non-financial liabilities              | 2,978,000            | 2,979,000          | -                    |
| <b>Total Liabilities</b>                     | <b>381,905,629</b>   | <b>369,683,610</b> | <b>12,225,819</b>    |
| <b>Net Assets</b>                            | <b>1,713,131,059</b> | <b>532,653,673</b> | <b>1,180,477,486</b> |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2021

**Note 47 FINANCIAL INSTRUMENTS**

Refer to financial instruments by category table below for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximate fair value due to short maturity of these instruments.

The carrying value and financial instruments by categories as of 31 March 2021 is as follows:

| Particulars              |                                   | As at 31.03.2021     |                        |                        |                      |
|--------------------------|-----------------------------------|----------------------|------------------------|------------------------|----------------------|
|                          |                                   | Amortised cost       | Fair Value through P&L | Fair Value through OCI | Total Carrying Value |
| <b>ASSETS</b>            |                                   |                      |                        |                        |                      |
| <b>1</b>                 | <b>Financial Assets</b>           |                      |                        |                        |                      |
| (a)                      | Cash and cash equivalents         | 184,773,580          | -                      | -                      | 184,773,580          |
| (b)                      | Bank balance other than (a) above | 927,810,731          | -                      | -                      | 927,810,731          |
| (c)                      | Stock in trade                    | -                    | 9,584,378              | -                      | 9,584,378            |
| (d)                      | Trade Receivables                 | 59,223,160           | -                      | -                      | 59,223,160           |
| (e)                      | Other Receivables                 | 373,260              | -                      | -                      | 373,260              |
| (f)                      | Loans                             | 1,054,685,897        | -                      | -                      | 1,054,685,897        |
| (g)                      | Investments                       | -                    | -                      | 14,085,395             | 14,085,395           |
| (h)                      | Other financial assets            | 41,293,587           | -                      | -                      | 41,293,587           |
| <b>Total Assets</b>      |                                   | <b>2,288,160,214</b> | <b>9,584,378</b>       | <b>14,085,395</b>      | <b>2,291,829,988</b> |
| <b>LIABILITIES</b>       |                                   |                      |                        |                        |                      |
| <b>1</b>                 | <b>Financial Liabilities</b>      |                      |                        |                        |                      |
| (a)                      | Trade Payables                    | 361,046,132          | -                      | -                      | 361,046,132          |
| (b)                      | Borrowings                        | 313,649,521          | -                      | -                      | 313,649,521          |
| (c)                      | Deposits                          | 30,292,139           | -                      | -                      | 30,292,139           |
| (d)                      | Other financial liabilities       | 6,609,119            | -                      | -                      | 6,609,119            |
| <b>Total Liabilities</b> |                                   | <b>711,596,910</b>   | <b>-</b>               | <b>-</b>               | <b>711,596,910</b>   |

The carrying value and financial instruments by categories as of 31 March 2020 is as follows:

| Particulars              |                                   | As at 31.03.2020     |                        |                        |                      |
|--------------------------|-----------------------------------|----------------------|------------------------|------------------------|----------------------|
|                          |                                   | Amortised cost       | Fair Value through P&L | Fair Value through OCI | Total Carrying Value |
| <b>ASSETS</b>            |                                   |                      |                        |                        |                      |
| <b>1</b>                 | <b>Financial Assets</b>           |                      |                        |                        |                      |
| (a)                      | Cash and cash equivalents         | 126,236,906          | -                      | -                      | 126,236,906          |
| (b)                      | Bank balance other than (a) above | 568,375,512          | -                      | -                      | 568,375,512          |
| (c)                      | Stock in trade                    | -                    | 9,760,929              | -                      | 9,760,929            |
| (d)                      | Trade Receivables                 | 59,857,949           | -                      | -                      | 59,857,949           |
| (e)                      | Other Receivables                 | 423,108              | -                      | -                      | 423,108              |
| (f)                      | Loans                             | 941,963,744          | -                      | -                      | 941,963,744          |
| (g)                      | Investments                       | -                    | -                      | 10,291,609             | 10,291,609           |
| (h)                      | Other financial assets            | 40,605,882           | -                      | -                      | 40,605,882           |
| <b>Total Assets</b>      |                                   | <b>1,737,463,101</b> | <b>9,760,929</b>       | <b>10,291,609</b>      | <b>1,757,515,639</b> |
| <b>LIABILITIES</b>       |                                   |                      |                        |                        |                      |
| <b>1</b>                 | <b>Financial Liabilities</b>      |                      |                        |                        |                      |
| (a)                      | Trade Payables                    | 279,348,011          | -                      | -                      | 279,348,011          |
| (b)                      | Borrowings                        | 74,206,579           | -                      | -                      | 74,206,579           |
| (c)                      | Deposits                          | 12,388,353           | -                      | -                      | 12,388,353           |
| (d)                      | Other financial liabilities       | 2,907,202            | -                      | -                      | 2,907,202            |
| <b>Total Liabilities</b> |                                   | <b>368,850,145</b>   | <b>-</b>               | <b>-</b>               | <b>368,850,145</b>   |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2021

**Note 48 FAIR VALUES**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

**Valuation framework**

The Group's valuation framework includes:

- Benchmarking prices against observable market prices or other independent sources;
- Development and validation of fair valuation models using model logic, inputs, outputs and adjustments.

Finance function is responsible for establishing procedures, governing valuation and ensuring fair values are in compliance with accounting standards.

**FAIR VALUE HIERARCHY**

The Group determines fair values of its financial instruments according to the following hierarchy:

**Level 1:** valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

**Level 2:** valuation using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

**Level 3:** valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

**Valuation methodologies adopted**

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

- Fair values of inventories held for trading under FVTPL have been determined under Level 1 using quoted market prices of the underlying instrument.
- Fair values of investment in quoted equity designated under FVOCI have been determined under Level 1 using quoted market prices of the underlying instruments;

The Group has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, short term loans, investments in equity instruments designated under FVOCI, trade payables, short term debts, borrowings, bank overdrafts and other current liabilities are a reasonable approximation of their fair value and hence their carrying values are deemed to be fair values.

**Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2021**

(Amount in ₹)

| Nature of financial instruments                      | Fair Value measurement using |                                 |                               |                                 |            |
|--|------------------------------|---------------------------------|-------------------------------|---------------------------------|------------|
|  | Date of Valuation            | Quoted prices in active markets | Significant observable inputs | Significant unobservable inputs | Total      |
|  |                              | (Level 1)                       | (Level 2)                     | (Level 3)                       |            |
| Shares held as stock in trade classified under FVTPL | 31-Mar-2021                  | 9,584,378                       | -                             | -                               | 9,584,378  |
| Equity instrument classified under FVOCI             | 31-Mar-2021                  | 14,085,395                      | -                             | -                               | 14,085,395 |

**Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2020**

(Amount in ₹)

| Nature of financial instruments                      | Fair Value measurement using |                                 |                               |                                 |            |
|--|------------------------------|---------------------------------|-------------------------------|---------------------------------|------------|
|  | Date of Valuation            | Quoted prices in active markets | Significant observable inputs | Significant unobservable inputs | Total      |
|  |                              | (Level 1)                       | (Level 2)                     | (Level 3)                       |            |
| Shares held as stock in trade classified under FVTPL | 31-Mar-2020                  | 9,760,929                       | -                             | -                               | 9,760,929  |
| Equity instrument classified under FVOCI             | 31-Mar-2020                  | 10,291,609                      | -                             | -                               | 10,291,609 |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2021

**Note 48 REVENUE FROM CONTRACTS WITH CUSTOMERS**

The Group derives revenue primarily from share broking business. Its other major revenue sources are depository operations and research and advisory fees.

Disaggregate revenue information

(Amount in ₹)

| PARTICULARS                             | For the year ended |                    |
|---|--------------------|--------------------|
|   | 31 March 2021      | 31 March 2020      |
| Brokerage fees                          | 184,995,484        | 97,738,425         |
| Research and advisory fees              | 1,045,982          | 2,767,858          |
| Depository operations                   | 8,617,873          | 5,770,464          |
| Loan processing income                  | -                  | 42,373             |
| <b>Total</b>                            | <b>194,659,348</b> | <b>106,319,120</b> |
| India                                   | 194,659,348        | 106,319,120        |
| Outside India                           | -                  | -                  |
| <b>Total</b>                            | <b>194,659,348</b> | <b>106,319,120</b> |
| <b>Timing of revenue recognition</b>    |                    |                    |
| Services transferred at a point in time | 184,995,484        | 97,738,425         |
| Services transferred over time          | 9,663,865          | 8,580,695          |
| <b>Total</b>                            | <b>194,659,348</b> | <b>106,319,120</b> |

**Note 50 ADDITIONAL DISCLOSURE PERTAINING TO SUBSIDIARIES AS PER DIVISION III OF COMPANIES ACT, 2013**

| Name of the entity                                  | Net assets<br>i.e., total assets<br>minus<br>total liabilities | Share of profit or loss |   | Share in Other Comprehensive<br>Income |   | Share in Total Comprehensive<br>Income |   |
|---|--|-------------------------|---|--|---|--|---|
|   |  | Amount in ₹             | As % of<br>consolidated<br>profit or loss | Amount in ₹                            | As % of<br>consolidated<br>profit or loss | Amount in ₹                            | As % of<br>consolidated<br>profit or loss |
| <b>Parent</b>                                       |  |                         |   |  |   |  |   |
| Inventure Growth & Securities Ltd.                  | 798,374,998  | 18.90%                  | 23,525,045                                | 1.12%                                  | 1,392,202                                 | 20.02%                                 | 24,917,247                                |
| <b>Subsidiaries</b>                                 |  |                         |   |  |   |  |   |
| Inventure Finance Private Ltd.                      | 888,485,483  | 80.74%                  | 100,499,051                               | 0.01%                                  | 11,634                                    | 80.74%                                 | 100,510,685                               |
| Inventure Commodities Ltd.                          | 90,606,051   | -0.31%                  | (388,684)                                 | -0.01%                                 | (14,796)                                  | -0.32%                                 | (404,480)                                 |
| Inventure Wealth Management Ltd.                    | 6,080,127  | 0.16%                   | 230,254                                   | 0.88%                                  | 844,315                                   | 0.86%                                  | 1,074,569                                 |
| Inventure Insurance and Broking Private<br>Ltd.     | 6,714,907  | 0.21%                   | 257,851                                   | 0.42%                                  | 516,985                                   | 0.82%                                  | 774,836                                   |
| Inventure Merchant Banking Services<br>Private Ltd. | 80,222,439   | 0.31%                   | 380,437                                   | 8.38%                                  | 10,432,353                                | 8.69%                                  | 10,812,791                                |
| Inventure Developers Private Ltd.                   | 136,422  | -0.02%                  | (22,435)                                  | 0.00%                                  | -   | -0.02%                                 | (22,435)                                  |
| <b>Minority interests in Subsidiaries</b>           |  |                         |   |  |   |  |   |
| Inventure Commodities Ltd.                          | 28,353.00  | 0.00%                   | (620)                                     | 0.00%                                  | (4)                                       | 0.00%                                  | (624)                                     |
| <b>TOTAL</b>  | <b>1,880,794,074</b>   | <b>100%</b>             | <b>124,480,939</b>                        | <b>11%</b>                             | <b>13,182,697</b>                         | <b>111%</b>                            | <b>137,663,638</b>                        |

**INVENTURE GROWTH & SECURITIES LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2021

**Note 51 STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES**
**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

**Subsidiaries**

| (Amount in ₹)   |                                   |  |                               |                                     |   |                                      |
|---|-----------------------------------|--|-------------------------------|-------------------------------------|---|--------------------------------------|
| Particulars   | IFPL                              | IMBSPL                                     | ICL                           | IWML                                | IBPL  | IDPL                                 |
| Name of the subsidiary  | Inventure Finance Private Limited | Inventure Merchant Banker Services Private | Inventure Commodities Limited | Inventure Wealth Management Limited | Inventure Insurance Broking Private Limited | Inventure Developers Private Limited |
| The date since when subsidiary was acquired*  | 07/12/2007                        | 29/08/2011                                 | 19/08/2008                    | 12/06/2008                          | 08/01/2008                                  | 08/06/2018                           |
|   | 28/06/2008                        | 30/09/2020                                 |                               |                                     |   |                                      |
|   | 11/03/2011                        |  |                               |                                     |   |                                      |
|   | 04/11/2011                        |  |                               |                                     |   |                                      |
|   |                                   | 12/09/2020                                 |                               |                                     |   | 11/02/2021                           |
| Reporting period for the subsidiary concerned, if different from the Holding Company's reporting period |                                   |  |                               |                                     |   |                                      |
| Share capital   | 48,000,000                        | 16,100,000                                 | 21,907,000                    | 6,500,000                           | 6,000,200                                   | 1,000,000                            |
| Other equity  | 720,062,293                       | 44,026,608                                 | 68,815,968                    | -419,873                            | 714,707                                     | -863,578                             |
| Total assets  | 1,108,363,973                     | 60,523,356                                 | 111,354,015                   | 6,107,627                           | 6,784,896                                   | 161,282                              |
| Total liabilities   | 340,301,680                       | 396,748                                    | 20,631,047                    | 27,500                              | 69,789                                      | 24,860                               |
| Investments   | -                                 | 11,415,000                                 | -                             | 1,380,155                           | 809,945                                     | -                                    |
| Turnover  | 136,977,015                       | 2,840,600                                  | 7,612,536                     | 351,822                             | 564,783                                     | 8,129                                |
| Profit before taxation  | 66,563,231                        | 487,266                                    | 908,645                       | 286,522                             | 510,459                                     | -141,161                             |
| Provision for taxation (net)  | 17,473,433                        | 148,377                                    | 3,173,073                     | 71,531                              | 106,663                                     | -                                    |
| Profit after taxation   | 49,089,796                        | 338,889                                    | (2,264,428)                   | 214,991                             | 403,797                                     | -141,161                             |
| Proposed dividend   | -                                 | -  | -                             | -                                   | -   | -                                    |
| % of shareholding   | 100%                              | 100%                                       | 99.97%                        | 100%                                | 100%  | 100%                                 |

\* Following number of shares were acquired by the holding company on the following dates:

| Date       | Number of shares |
|------------|------------------|
| 07/12/2007 | 260,000          |
| 28/06/2008 | 540,000          |
| 11/03/2011 | 2,000,000        |
| 04/11/2011 | 2,000,000        |
| 12/09/2020 | 4,000,000        |
| 11/02/2021 | 90,000           |
|            | <b>8,890,000</b> |

**INVENTURE GROWTH & SECURITIES LIMITED****Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2021**

**Note 52 :** The accounts of the trade receivables, loans given and trade payables who have not responded to the Group's request for confirmation of balances, are subject to reconciliation, if any, required

**Note 53 :** Figures have been rounded off to nearest rupees. Previous year figures have been regrouped / reclassified wherever necessary, to conform to this year's classification.

**Note 54:** The outbreak of Covid-19 pandemic has affected several countries across the world, including India. The Indian Government had announced a complete lockdown across the country which is still continuing with gradual relaxations. Stock Broking services, being part of Capital Market operations have been declared as essential services and accordingly, the Group faced no business interruption on account of the lockdown. There has been no material change in the controls or processes followed in the closing of the financial statements of the Group. As at 31 March 2021 based on facts and circumstances existing as on the date, the Group does not anticipate any material uncertainties, which affect its liquidity position, its ability to continue as going concern and fulfil its financial obligations. The ongoing COVID-19 situation, if prolonged, may result in some changes in the overall economic and market conditions, which may in turn have an impact on the future operations of the Group.

**Note 55. EVENTS AFTER REPORTING DATE**

There have been no events after the reporting date that requires disclosure in these financial statements.

**Note 56.** The financial statements of the Group for the year ended 31 March, 2021 were approved for issue by the Board of Directors at their meeting held on 9th June 2021.

**As per our report of even date****For and on behalf of the Board of Directors**

**For PPV & CO**  
**Chartered Accountants**  
**Firm Registration No. 153929W**

**sd/-**  
**Kenji B. Rita**  
**(DIN 00727470)**  
**Managing Director**

**sd/-**  
**Lasha M. Rita**  
**(DIN 08104505)**  
**Wholetime Director**

**sd/-**  
**Priyanshi Vakharia**  
**Proprietor**

**sd/-**  
**Kamlesh S. Limbachiya**  
**(DIN 02774663)**  
**Wholetime Director**

**sd/-**  
**Arvind J. Gala**  
**Chief Financial Office**

**Membership No. 181834**

**Place : Mumbai**  
**Date : 09 June 2021**

**Place : Mumbai**  
**Date : 09 June 2021**

**sd/-**  
**Bhavi R. Gandhi**  
**Company Secretary**



**GROWTH & SECURITIES LTD.**

**Registered Office:**

**INVENTURE GROWTH & SECURITIES LIMITED**

CIN NO. : L65990MH1995PLC089838

201, Viraj Tower, Nr. Landmark Building,

W.E. Highway, Andheri (E),

Mumbai- 400093, Maharashtra, India.

Tel.: 022 71148500 / 40751515

FAX: 022 71148510

Email : [info@inventuregrowth.com](mailto:info@inventuregrowth.com)

**If undelivered send back to**

201, Viraj Tower, Near Landmark Building, W.E. Highway,  
Andheri (E), Mumbai- 400069, Maharashtra, India.



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