



# RIDDHI CORPORATE SERVICES LIMITED

ISO 9001:2008 Certified

CIN No. L74140GJ2010PLC062548

DATE: 5<sup>th</sup> December, 2020

To,  
Bombay Stock Exchange Limited,  
Phirozee Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

Dear Sir/Madam,

**Sub: Intimation of Annual General Meeting, Book Closure, cut-off Date and Appointment of Scrutinizer**

**Ref: Riddhi Corporate Services Limited**  
**Script Code: 540590**

This is to inform you that the meeting of board of director held today i.e 5<sup>th</sup> December, 2020 inter alia transacted the following business:

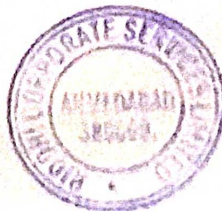
- i. The Notice and Directors Report of the company along with Corporate Governance Report and Management Discussion and Analysis Report for the financial year 2019-20;
- ii. The 10<sup>th</sup> Annual General Meeting ("AGM") of "Riddhi Corporate Services Limited" ("the company") is scheduled to be held on Monday, 28<sup>th</sup> December, 2020 at 01.00 p.m. at registered office of the company at 10 Mill Officers Colony, Behind Old RBI, Ashram Road, Ahmedabad, Gujarat - 380009 through VC/OVAM.
- iii. The Register of Members and the Share Transfer Books of the Company will remain closed from 22<sup>nd</sup> December, 2020 to 28<sup>th</sup> December, 2020 (both days inclusive).
- iv. The cut-off date for the purpose of e-voting will be on 21<sup>st</sup> December, 2020.
- v. Appointment of Amrish N. Gandhi, Company Secretary, Ahmedabad as a Scrutinizer of the company

You are requested to take the above information on record.

Thanking you,

FOR, **RIDDHI CORPORATE SERVICES LIMITED**

  
**MANISH V. JOSHI**  
**CHIEF FINANCIAL OFFICER**





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**RIDDHI CORPORATE SERVICES LIMITED  
(CIN: L74140GJ2010PLC062548)**

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# **10<sup>TH</sup> ANNUAL REPORT 2019-20**

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**Registered Office:-**

**10 MILL OFFICERS COLONY, BEHIND OLD RBI, ASHRAM ROAD,  
AHMEDABAD, GUJARAT, INDIA – 380009**

**Email id: [Investor@rcspl.net](mailto:Investor@rcspl.net) & [info@rcspl.net](mailto:info@rcspl.net)**

**Contact No. +91-79-26580767**

## OUR MANAGEMENT

### ➤ **BOARD OF DIRECTORS & KEY MANEGERIAL PERSONNEL:**

1. PRAVINCHANDRA KODARLAL GOR	-	Managing Director
2. ALPIT PRAVINCHANDRA GOR	-	Wholetime Director
3. JAYSHREEBEN PRAVINCHANDRA GOR	-	Director
4. UMESH ARVINDBHAI BHADRESWARA	-	Director
5. SUBHASISH CHAKRABORTY	-	Director
6. SOUMYA RANJAN KANHU CHARAN PRADHAN	-	Independent Director
7. KALPESHBHAI CHANDRAKISHOREBHAI SHUKLA	-	Independent Director
8. BHAVIN KIRITKUMAR PANDYA	-	Independent Director
9. KALPANABEN DIPAKBHAI SUTHAR	-	Independent Director
10. JASHUBHAI M PATEL	-	Independent Director
11. MANISH V. JOSHI	-	Chief Financial Officer
12. PARTH M. PANDYA	-	Company Secretary

### ➤ **AUDITORS:**

#### **M/S Nitin K. Shah & Co.,**

#### **Chartered Accountant**

36-38 Empire Tower  
Nr Associated Petrol Pump  
C G Road Ahmedabad  
Tel: 079-26560168

### ➤ **SERCRETARIAL AUDITORS:**

#### **M/S Amrish Gandhi & Associates Company Secretaries**

504, Shivalik Abaise, Opp. Shell Petrol  
Pump, Anandnagar Road, Satellite,  
Ahmedabad - 380 015  
Tel:- 079-40323014

### ➤ **REGISTERED OFFICE:**

10, Mill Officers Colony, Behind Old RBI,  
Ashram Road, Ahmedabad - 380 009.  
Tel: 079-26580767  
[www.riddhicorporate.co.in](http://www.riddhicorporate.co.in)  
CIN: L74140GJ2010PLC062548

### ➤ **REGISTER & SHARE TRANSFER AGENT:**

Purva Sharegistry (India) Pvt. Ltd.  
9, Shiv Shakti Indl. Estate,  
J. R. Boricha Marg, Near Lodha Excelus,  
Lower Parel (East), Mumbai - 400 011

### **BANKERS:**

1. AXIS Bank, Ashram Road Branch, Ahmedabad
2. HDFC Bank, Ashram Road Branch, Ahmedabad
3. ICICI Bank, Ashram Road Branch, Ahmedabad
4. IDBI Bank, Ashram Road Branch, Ahmedabad
5. IDBI Bank, Vasna Branch, Ahmedabad
6. Bank of Baroda, Vasna Branch, Ahmedabad
7. State Bank of India, Vasna Branch, Ahmedabad

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## ABOUT “YOUR” COMPANY & IT’S BUSINESS

**R**IDDHI CORPORATE SERVICES LIMITED (RCSL), a part of Riddhi Group was incorporated in 2010 under the Company’s Act 1956. They offer a gamut of solutions under Document Management, inbound and outbound Contact Centre, Data Entry, Software Development, Verification Services and Recruitment Services. Mr. Alpit Gor, Director, Riddhi Corporate Services Limited elucidates, “Financial institutions and telecom companies spend a huge amount of money on field operations for credit score and address verification. The idea of RCSL emerged from this analysis and we started our operations to curb unnecessary costs and proficiently support business needs of Telecom, Banking, NBFC and IT sectors. We have in-house IT development team, who are capable to work on various technologies and fulfill the need of our customers. Also, our wide distribution network and efficient logistics department offers comprehensive global logistics solutions for the transit needs of various companies and individuals in a prompt manner.

**R**CSL is a venture of renowned experts in BFSI sectors who aspires to serve the industry and its customers through highly skilled manpower, advanced technology and best-in-class infrastructure and unmatched industry experience. Company’s first major development happened in 2011, when they got an opportunity to cater to leading telecom operator in 3 circles, Rajasthan, Madhya Pradesh, Chhattisgarh and Orissa for end-to-end CAF management activity (including Warehousing). Cut to 2018, today, RCSL has become one of the most admired business partners in areas of Digitization, Documentation, Field Verification and Warehousing to Telecom, Banking and Financial Sectors across India

## OUR MISSION AND VISION

**VISION:** To become the most admired Business partner in Areas of Digitization, Documentation, and Field Verification & Warehousing to Telecom, Banking and Financial Sectors across India.

**MISSION:** Growth through superior Customer Service, Innovation, Quality and Commitment.

## BRIEF PROFILE OF OUR BOARD MEMBERS:

### MR. PRAVINCHANDRA GOR

- Chairman and Managing Director

Mr. Pravinchandra Gor, aged 71 years, is one of the Promoter as well as Managing Director of our Company. He has completed his Law Graduation from Gujarat University in 1975. He started his own practice as Advocate in various Laws like Tax Laws, Tenancy Cases, Criminal Cases, Civil Cases, etc. He also served as a Government Pleader and is Ex-Gazatted Officer. He resigned as a Government pleader to devote more time in his Legal practice. Currently he is a member of the Bar Council of India. He is associated with the company since its incorporation. He being Ex-Government Pleader he is having vast experience in Service Industry. Gradually he expanded in more fields with Corporate like Telecom, Banking and Finance sectors.

### MR. ALPIT GOR

- **Wholetime Director**

Mr. Alpit Gor, aged 43 years is one of the Promoter as well as Whole Time Director of our Company. He has completed Law Graduation in the year 2000 from Gujarat University. As a Visionary Entrepreneur he realised his inner potential as a businessman and he started his journey with a small logistics venture in Ahmedabad (Gujarat) by taking franchisee of reputed Courier Company in name of Riddhi Worldwide Express. Then he started his new business of online Data Entry Services in the year 2010 in the name and style of Riddhi Corporate Services Private Limited (RCSPL). With his graceful and active support company was able to add reputed client to it piggy such as Reliance, Vodafone etc. His Leadership and Involvement has helped his ventures to attain new heights within a short period.

### MRS. JAYSHREEBEN GOR

- **Executive Director**

Mrs. Jayshreeben Gor is one of the Promoters of the company. She is holds position of Executive Director in the Company since incorporation of the Company. She was associated with Life Insurance Corporation of India for a span of 15 years. She plays a vital role in formulations and implementation of HR policy in the company. She exercise due care for internal control and smooth administration.

### MR. UMESH BHADRESWARA

- **Executive Director**

Mr. Umesh Arvindbhai Bhadreswara, aged 44 years, is a professional director of the company. He has completed his Law Graduation and he is having experience of 18 Years in Operations and Service Delivery. Successfully launched and maintaining RCSPL Operations in 9 Circle of India for Various Clients.

### Mr. SUBHASISH CHAKRABORTY

- **Executive Director**

Shri S. Chakraborty is a Gold medallist from Calcutta University, Having graduated in chemistry, he chose to join the Peerless Group as a Free Lancer and within a period of 6 years, he rose to a senior level in the Company's hierarchy through his dedication and hard work Not satisfied with his achievement, he entered the Courier Industry in the year 1987. Mr. Subhasish Chakraborty has been honoured with many National and International awards and accolades in recognition of his contribution to the Indian economy and leadership skills. He has been a part of many international business delegations and accompanied PM of India and some of the Union Ministers.

MR. SOUMYARANJAN PRADHAN

**- Independent Director**

Mr. Soumyaranjan Pradhan, aged 42 Years, is a Non - Executive and Independent Director of the Company. He has completed his Arts Graduation in 1998 from the Utkal University, Orrisa and Diploma in M.S. Office in 1998 from MCC, New Delhi. He has very good management skills as well as command over E-commerce Services. He has more than 14 years of experience in the field of Business Development, Accounts, HR/Administration and Customer Services.

MR. KALPESHBHAI SHUKLA

**- Independent Director**

Mr. Kalpeshbhai Shukla, aged 45 Years, is a Non - Executive and Independent Director of the Company. He has completed his Higher Secondary from Gujarat Board, Gandhinagar. He has started his own proprietary business since 2000. He has more than 17 years of experience in handling the workers and clients of his own business of plumbing works contracts.

MR. BHAVIN PANDYA

**-Independent Director**

Mr. Bhavin Kiritkumar Pandya has done Graduation in Commerce Field and also has Completed his ITI (Industrial Training Institute) from Dharmad in the Field of Mechanical Draft.

MRS. KALPANABEN SUTHAR

**- Independent Director**

Mrs. Kalpana Dipakbhai Suthar has completed her Higher Education (12<sup>th</sup>). Mrs. Kalpana Dipakbhai Suthar is housewife.

MR. JASHUBHAI PATEL

**-Independent Director**

Mr. Jashubhai Patel, aged 59 years has completed his graduation in Commerce field and also done B.Ed. After completion of Education he started his career as teacher in Higher Secondary School in 1989 till his retirement. Mr. Jashubhai Patel has also worked as President of Junior chamber of South Ahmedabad during the Year 1999 to 2000 and after he became zone coordinator (J.J.Wing) since 2000 for Indian Junior Chamber. Mr. Jashubhai Patel was also founder Secretary of Shri 42 Gam Kadva Patidar Samaj in 1993 and served as secretary till 1997. He also has served in Shri Kedavani Mandal Trust (Sardar High School – Anara Dist. Kheda) as a Trustee.

## DETAILS OF SERVICES PROVIDED BY THE COMPANY

<u>PRODUCTS</u>	<u>SERVICES</u>
1. ERP – Employ Remote	1. Warehouse Management
2. School / College Management System	2. Contact Centre
3. Smart Society Management	3. Documents Digitization
4. Human Resource Management System	4. Data Entry
5. Asset Lifecycle Management	5. Web / Data Enabled
6. Hospital Management System	6. Field Services
	7. Software Development

## OUR CLIENT BASE



State Bank of India



**NKGSB Bank**  
NKGSB Co-op. Bank Ltd.  
(Multi-State Scheduled Bank)



कोकण बँक KOKAN BANK  
KOKAN MERCHANTS CO-OP BANK LTD.  
KOKAN CO-OP BANK  
Kokan Bank - Kokan (Maharashtra)



**ICICI Bank**



बँक ऑफ बड़ौदा  
**Bank of Baroda**



**JM Global**  
BUILDING REALITY FOR BETTER TOMORROW



**MOTILAL OSWAL**  
Investment Services



**OLA**



**SMC**  
Moneywise. Be wise.



suraksha ka /  
naya nazariya



Edelweiss  
Tokio  
Insurance se badhkar hai aapki zaroorat



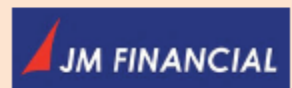
**ICICI PRUDENTIAL**  
LIFE INSURANCE



**RELIANCE**  
Nippon Life Insurance



GUJARAT GAS



**JM FINANCIAL**



## LETTER FROM THE CHAIRMAN:

### Dear Shareholders,

It is with a great sense of pride that I write to you after being appointed as the Chairman of this exceptional Company. Since 2010, I had the privilege of leading this organization in an executive capacity; it has been an exhilarating journey.

The commitment and passion of a diverse, global employee base helped your Company exhibit strong leadership during this period, against the backdrop of immense volatility in our key markets and the world economy. Amidst the rise of new technologies, your Company remained focused on staying relevant to customers, employees, and the society at large.

Since October 2010, our Promoters - Directors have been involved in the field of BPO services. Your Company is led by a strong management team with sound experience and expertise in the industry. Their combined skills and understanding of the business has been instrumental in building a sustainable business model. Our experienced directors have in-depth knowledge of the products and industry in which we operate. The key managerial personnel consist of persons qualified in their respective fields and provide complementary support to the successful implementation of management strategies. We believe that our strong business practices and reputation in the industry has not only enabled us to meet the expectations of our customers but also helped us to sustain in the competitive business environment. We benefit from the experience of the individual Promoters-Directors and core management team which has enabled us to successfully implement our growth strategies.

Your company has developed a comprehensive range of service issuing in order to address the varied and expanding requirements of clients. Our service to cater the needs of Telecommunication and Banking Sector, Data Management, Storage And Retrieval Of Data, Handling Of Customer Application Forms ("CAF") including Address and Credit verification (CV) and (AV) of information as mentioned in such forms and others activities incidental or ancillary thereto etc.. We believe that our comprehensive range of Issuing helps clients to achieve their business objectives and enable us to obtain additional business from existing clients as well as address a larger base of potential new clients.

With the huge opportunities ahead, I am very excited about the future and sincerely believe that RCSPL's best days are yet to come. On behalf of the entire Board of Directors of RIDDHI CORPORATE SERVICES LIMITED, I would like to thank you – our valued stakeholders – for the continuing confidence you have placed in the organization.

**Warm regards,  
Pravinchandra K. Gor  
Chairman & Managing Director**

## Here's a closer look at our process:



## **NOTICE TO THE MEMBERS**

**NOTICE** is hereby given that the 10th Annual General Meeting of the members of the company will be held on Monday, 28th December, 2020 at 01.00 p.m. at the registered office of the company at 10 Mill Officers Colony, Behind Old RBI, Ashram Road Ahmedabad, Gujarat – 380009 through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements as at 31<sup>st</sup> March, 2020 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2020, the Statement of Profit and Loss and cash flow statement for the year ended on that date and reports of the Directors’ and Auditors’ thereon.
2. To appoint a Director in place of Mr. Umesh A. Bhadreswara (DIN: 07582046) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

### **SPECIAL BUSINESS**

#### **3. APPOINTMENT OF MR. JASHUBHAI M. PATEL AS A DIRECTOR (INDEPENDENT DIRECTOR):**

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

**"RESOLVED THAT**, Mr. Jashubhai M Patel (DIN: 08513009) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 4<sup>th</sup> March, 2020 and who holds office until the date of the AGM, in terms of Section 161 of the Companies Act, 2013, and who qualifies for being appointed as a Director is hereby appointed as an Independent Director of the Company, not liable to retire by rotation."

#### **4. REVISION OF REMUNERATION OF MANAGING DIRECTOR, WHOLETIME DIRECTOR AND EXECUTIVE DIRECTORS OF THE COMPANY (TENURE OF REMUNERATION FROM 1<sup>ST</sup> APRIL, 2020 TO 31<sup>ST</sup> MARCH, 2023)**

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

**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and Schedule V to the Companies Act, 2013 ("the Act") read with Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Rules made there under to the extent applicable, on the recommendation of Audit Committee , Nomination & Remuneration Committee and subject to approval of members at the Annual General Meeting scheduled to be held on 28<sup>th</sup> December, 2020 and such other approvals as required, consent of the Board of Directors be and is hereby accorded unanimously for revision in collective payment of remuneration amounting upto Rs. 168 lakhs per annum to Mr. Pravinchandra Kodarlal Gor, Managing Director and / or Mr. Alpit Pravinchandra Gor, Wholetime Director and / or Mr. Umesh Arvindbhai Bhadreswara and / or Mr. Subhasish Chakraborty and / or Mrs. Jayshreeben Pravinchandra Gor of the w.e.f 1st April, 2020 for remaining duration of appointment / re-appointment upto three years from the effective date, provided that such variation or increase is within specified limit as under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013

**“RESOLVED FURTHER THAT** the Board of Directors and the Nomination & Remuneration Committee be and is hereby authorised to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, with in specified limit as the case may be, as specified under the relevant provisions of Section 196, 197, 203 and Schedule V to the Companies Act, 2013 subject to any amendment in the provisions of the aforesaid sections.

**“RESOLVED FURTHER THAT** the Ministry of Corporate Affairs (MCA) through its notification dated 12 September 2018 under notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013. Respectively to the same, the Central Government amends Schedule V of Companies Act, 2013 vide Notification dated 12th September, 2018 and amends Part I and Part II related to conditions to be fulfilled for the Appointments and Remuneration of a Managing or Whole-time director or a Manager without the approval of the Central Government but by the approval of members in the general meeting via special resolution.

**“RESOLVED FURTHER THAT** in the event in any financial year during the tenure of the Managing Director, Wholetime Director and Executive Directors, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay to the Managing Director, Wholetime Director and Executive Directors, the above remuneration amount payable on the minimum remuneration by way of salary, Perquisites and Other terms & Conditions as specified above and subject to receipt of the requisite approvals.

**“RESOLVED FURTHER THAT** If director draws or receives, directly or indirectly, by way of remuneration any such sums in excess prescribed by this section or without approval required under this section, he shall refund such sums to the company, within two years or such lesser period as may be allowed by the company, and until such sum is refunded, hold it in trust for the company. The company shall not waive the recovery of any sum refundable to it unless approved by the company by special resolution within two years from the date the sum becomes refundable and in accordance with the provisions of Schedule V of the Companies Act 2013.

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, Mr. Pravinchandra Kodarlal Gor, Chairman & Managing Director and/or Mr. Alpit Pravinchandra Gor, Wholetime Director/s of the Company be and is hereby authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company.”

**By order of the Board of Directors**  
**RIDDHI CORPORATE SERVICES LIMITED**  
 SD/-  
**PRAVINCHANDRA GOR**  
**CHAIRMAN & MANAGING DIRECTOR**  
**DIN: 03267951**

**Place: - AHMEDABAD**  
**Date: - 05/12/2020**  
**CIN:L74140GJ2010PLC062548**

**NOTES:**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.riddhnicorporate.co.in](http://www.riddhnicorporate.co.in). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

**THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins on 25<sup>th</sup> December, 2020 at 09.00 A.M. and ends on 27<sup>th</sup> December, 2020 at 05.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21<sup>st</sup> December, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- OR
- Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from [Login - Myeasi](#) using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

<b>For Shareholders holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details or date of Birth	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant **RIDDHI CORPORATE SERVICES LIMITED** on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app “**m-Voting**”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id**.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at [www.evotingindia.com](http://www.evotingindia.com) under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / I-Pads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. If you have any queries or issues regarding attending AGM through the link, you may contact Mr. Manish Shah on 9324659811 or write an email to [support@purvashare.com](mailto:support@purvashare.com).



**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**(xx) Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investor [investor@rcspl.net](mailto:investor@rcspl.net) or [cs@rcspl.net](mailto:cs@rcspl.net) (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to

[helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

#### I. BRIEF PROFILE OF DIRECTORS TO BE APPOINTED IN THE GENERAL MEETING

Name	JASHUBHAI MAFATLAL PATEL	UMESH ARVINDBHAI BHADRESWARA
Date of Birth	06/05/1961	25/06/1976
DIN No.	08703222	07582046
No. of Equity Shares held in the Company	3500	38725
Relationship with other Directors/ Manager/KMP	Mr. Jashubhai M Patel is not related with any other director of the company.	Mr. Umesh Arvindbhai Bhadreswara is not related with any other director of the company.
Education Qualification	Mr. Jashubhai Patel has completed his graduation in Commerce field and also done B.Ed.	Mr. Umesh Arvindbhai Bhadreswara has completed his graduation in Legal Field.
Profile & Expertise in Specific functional Areas	Mr. Jashubhai Patel has completed his graduation in Commerce field and also done B.Ed.	Mr. Umesh Arvindbhai Bhadreswara, aged 44 years, is a professional director of the company. He is having experience of 18 Years in Operations and Service Delivery. Successfully launched and maintaining RCSPL Operations in 9 Circle of India for Various Clients
List of other Directorship /Committee membership in other Public Companies As on 31 <sup>st</sup> March, 2020.	Not Applicable	Not Applicable

### CONTACT DETAILS

COMPANY	<b>RIDDHI CORPORATE SERVICES LIMITED</b>
REGISTRAR AND TRANSFER AGENT	<b>M/s. PURVA SHAREGISTRY (INDIA) PVT. LTD.</b> 9, Shiv Shakti Indl. Estate, J. R. Boricha Marg, Near Lodha Excelus, Lower Parel (East), Mumbai - 400 011 Tele : 2301 8261 / 2301 6761 / 2301 2518 Email : <a href="mailto:busicomp@gmail.com">busicomp@gmail.com</a> / <a href="mailto:purvashr@gmail.com">purvashr@gmail.com</a> Web: <a href="http://www.purvashare.com">www.purvashare.com</a>
E-VOTING AGENCY	<b>CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED</b> E-mail: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a>
SCRUTINIZER	<b>CS AMRISH N GANDHI,</b> Practicing Company Secretary Email : <a href="mailto:amrishgandhi72@gmail.com">amrishgandhi72@gmail.com</a> Ph:- 079-4032 3014

By order of the Board of Directors  
RIDDHI CORPORATE SERVICES LIMITED

SD/-

PRAVINCHANDRA GOR  
CHAIRMAN & MANAGING DIRECTOR  
DIN: 03267951

Place: - AHMEDABAD  
Date: - 05/12/2020  
CIN:L74140GJ2010PLC062548

**EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013****ITEM NO. 3.****APPOINTMENT OF MR. JASHUBHAI M. PATEL AS A DIRECTOR (INDEPENDENT DIRECTOR):-**

Mr. Jashubhai M. Patel, aged 59 years, was appointed as an Additional Director of the Company with effect from 4<sup>th</sup> March, 2020 to hold office of director till the conclusion of the ensuing Annual General Meeting. A notice in this regards has been received from the one of the member proposing his appointment as director of the company. Hence this resolution is proposed.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

**ITEM NO.4.****REVISION OF REMUNERATION OF MANAGING DIRECTOR, WHOLETIME DIRECTOR AND EXECUTIVE DIRECTORS OF THE COMPANY (TENURE OF REMUNERATION FROM 1<sup>ST</sup> APRIL, 2020 TO 31<sup>ST</sup> MARCH, 2023)**

Nomination and Remuneration Committee of the Board of Directors has given recommendations in respect of remuneration of the Mr. Pravinchandra Gor ,Managing Director , Mr. Alpit Kumar Gor , Wholetime Director, Mr. Umesh A. Bhadreswara, Executive Director, Mr. Subhashish Chakraborty, Executive Director and Mrs.Jayshreeben Gor, Executive Director.

Reference to the provision of section 196, 197 and 203 of the Companies act, 2013, read with schedule V to the companies act 2013 along with the Ministry of Corporate Affairs (MCA) through its notification dated 12 September 2018 notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013 , provides for payment of managerial remuneration by Companies, requires members approval for payment of managerial remuneration to the managerial person for period of not exceeding 3 years by way of special resolution. Hence the Board recommends the resolution for member approval by way of special resolution, provided that such variation or increase in remuneration is within specified limit as specified under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013.

The terms and conditions of payment of remuneration, perquisites, allowances and commission specified herein above may be enhanced, enlarged, widened, altered or varied from time to time by Remuneration Committee and Board of Director as they may in their discretion, deem fit, within the maximum amount payable to Managing Director, Wholetime Director and Executive Directors in accordance with Schedule V to the Companies Act, 2013 and in conformity with any amendments to the relevant provisions of the Companies Act, 2013 and or the rules and regulations made there under from time to time in future and/or such guidelines and clarifications, as may be announced from time to time.

The Board of Director recommends the relevant resolution for your consideration and approval as a Special Resolution.

In terms of the requirements as per sub-clause (iv) of the proviso to Sub paragraph (B) of Paragraph (1) of Section II of Part II of Schedule V to the Act, the information is as furnished below:

GENERAL INFORMATION												
1	Nature of Industry	Data Processing and Information Technology										
2	Date or expected date of commencement of commercial production	Not Applicable										
3	In case of new companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus	Not Applicable										
4	Financial Performance based on given indicators	Financial Performance of the company for the year ended 31 <sup>st</sup> March, 2020 <table border="1" data-bbox="862 625 1435 982"> <tr> <td><b>Revenue from Operations</b></td> <td>Rs. 80,61,73,541/-</td> </tr> <tr> <td><b>Other Income</b></td> <td>Rs. 1,10,17,637/-</td> </tr> <tr> <td><b>Total Expenditure</b></td> <td>Rs. 77,39,48/-</td> </tr> <tr> <td><b>Net Profit before tax</b></td> <td>Rs. 4,32,42,836/-</td> </tr> <tr> <td><b>Profit after tax (after deducting comprehensive income)</b></td> <td>(Rs. 54,76,715)</td> </tr> </table>	<b>Revenue from Operations</b>	Rs. 80,61,73,541/-	<b>Other Income</b>	Rs. 1,10,17,637/-	<b>Total Expenditure</b>	Rs. 77,39,48/-	<b>Net Profit before tax</b>	Rs. 4,32,42,836/-	<b>Profit after tax (after deducting comprehensive income)</b>	(Rs. 54,76,715)
<b>Revenue from Operations</b>	Rs. 80,61,73,541/-											
<b>Other Income</b>	Rs. 1,10,17,637/-											
<b>Total Expenditure</b>	Rs. 77,39,48/-											
<b>Net Profit before tax</b>	Rs. 4,32,42,836/-											
<b>Profit after tax (after deducting comprehensive income)</b>	(Rs. 54,76,715)											
5	Export Performance and foreign exchange earned for the financial year ended 31 <sup>st</sup> March, 2020	Foreign Exchange Earnings and Out Go <table border="1" data-bbox="862 1024 1435 1205"> <tr> <td><b>Total Foreign Exchange used</b></td> <td>NIL</td> </tr> <tr> <td><b>Total Foreign Exchange Earned (On F.O.B basis)</b></td> <td>NIL</td> </tr> </table>	<b>Total Foreign Exchange used</b>	NIL	<b>Total Foreign Exchange Earned (On F.O.B basis)</b>	NIL						
<b>Total Foreign Exchange used</b>	NIL											
<b>Total Foreign Exchange Earned (On F.O.B basis)</b>	NIL											
6	Foreign investments or collaborations, if any	Not Applicable										

Mr. Pravinchandra Gor, Managing Director, Mr. Alpit Pravinchandra Gor, Wholetime Director and Mrs. Jayshreeben Pravinchandra Gor, Executive Director of the Company are related with each other they are concerned interest in the resolution.

Mr. Umesh A. Bhadreswara, Executive Director and Mr. Subhashish Chakraborty, Executive Director are not related with any other director of the company.

The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the members

By order of the Board of Directors  
RIDDHI CORPORATE SERVICES LIMITED

SD/-

Place: - AHMEDABAD

Date: - 05/12/2020

CIN:L74140GJ2010PLC062548

PRAVINCHANDRA GOR

CHAIRMAN & MANAGING DIRECTOR

DIN: 03267951

## DIRECTORS' REPORT

To,  
The Members,  
Riddhi Corporate Services Limited,

Your Directors have pleasure in presenting the 10<sup>th</sup> Annual Report together with the Audited accounts of the Company for the financial year ended on March 31, 2020.

**(i) STANDALONE FINANCIAL RESULTS:**

(Rs. In lacs)

PARTICULARS	FOR THE YEAR ENDED ON 31 <sup>ST</sup> MARCH, 2020	FOR THE YEAR ENDED ON 31 <sup>ST</sup> MARCH, 2019
<b>Net Total Income</b>	8171.91	5209.69
Less: <b>Operating and Admin. Exps</b>	7710.45	4843.40
Profit before depreciation and Taxes	<b>461.46</b>	<b>366.29</b>
Less: <b>Depreciation</b>	29.03	27.08
Less: <b>Extraordinary/Exceptional Items</b>	331.06	-----
Profit before Tax (PBT)	<b>101.37</b>	<b>339.22</b>
Less: <b>Taxes (including deferred tax and fringe benefit tax)</b>	156.14	81.96
Profit after Tax (PAT)	<b>(54.77)</b>	<b>257.26</b>
<b>Surplus Carried to Balance Sheet</b>	<b>(54.77)</b>	<b>257.26</b>
Earnings Per Equity Share		
<b>Basic</b>	(0.48)	2.26
<b>Diluted</b>	(0.48)	2.26

**(ii) CONSOLIDATED FINANCIAL RESULTS**

(Rs. In lacs)

PARTICULARS	FOR THE YEAR ENDED ON 31 <sup>ST</sup> MARCH, 2020	FOR THE YEAR ENDED ON 31 <sup>ST</sup> MARCH, 2019
<b>Net Total Income</b>	8274.13	6092.02
Less: <b>Operating and Admin. Exps</b>	7842.72	5947.71
Profit before depreciation and Taxes	<b>431.41</b>	<b>144.31</b>
Less: <b>Depreciation</b>	35.17	37.07
Less: <b>Extraordinary/Exceptional Items</b>	39.68	----
Profit before Tax (PBT)	<b>356.57</b>	<b>107.23</b>
Less: <b>Taxes (including deferred tax and fringe benefit tax)</b>	211.71	25.93
Profit after Tax (PAT)	<b>144.86</b>	<b>81.30</b>
<b>Surplus Carried to Balance Sheet</b>	<b>144.86</b>	<b>81.30</b>
Earnings Per Equity Share		
<b>Basic</b>	<b>1.27</b>	<b>0.71</b>
<b>Diluted</b>	<b>1.27</b>	<b>0.71</b>

### HIGHLIGHTS OF PERFORMANCE:

The company has posted a good performance for the year under review as compared to previous year i.e.2018-2019. The total revenue of the Company has increased from Rs. 52,09,68,890/- to Rs. 81,71,91,177/-.

### DIVIDEND:

During the Period under review the board of directors of company has not recommended declaring the dividend to plough back profit.

### PUBLIC DEPOSITS:

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

### BOARD MEETINGS HELD DURING THE YEAR:

SR NO.	DATE ON WHICH BOARD MEETINGS WERE HELD	TOTAL STRENGTH OF THE BOARD	NO OF DIRECTORS PRESENT
1	13/04/2019	8	7
2	29/04/2019	8	7
3	30/05/2019	8	7
4	11/07/2019	10	9
5	17/07/2019	10	8
6	07/09/2019	10	9
7	29/11/2019	10	10
8	14/12/2019	10	9
9	14/02/2020	10	9
10	22/02/2020	10	9
11	04/03/2020	10	9
12	31/03/2020	10	9

### ATTENDANCE OF DIRECTORS AT BOARD MEETINGS:

SR NO.	NAME OF DIRECTORS	NO. OF MEETING HELD	NO. OF MEETING ATTENDED
1.	ALPITKUMAR P. GOR	12	12
2.	PRAVINCHANDRA K. GOR	12	12
3.	JAYSHREEBEN P. GOR	12	12
4.	SOUMYARANJAN K. PRADHAN	12	12
5.	KALPESHBHAI C. SHUKLA	12	12
6.	UMESH ARVINDBHAI BHADRESWARA	12	12
7.	SUBHASISH CHAKRABORTY	12	1
8.	BHAVIN KIRITKUMAR PANDYA	8	8
9.	KALPANABEN DIPAKBHAI SUTHAR	7	7
10.	JASHUBHAI M PATEL	2	2

#### DEPOSITORY SYSTEM:

All the Shareholding of the company is in Dematerialized form only.

#### SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANY:

- During the Year under review Company had 3 (Three) Subsidiary Companies and 1 (One) Step-Down Subsidiary Company. The details of the same areas under:
  1. RCSPL Share Broking Private Limited.
  2. RCSPL Multicommodities Private Limited.
  3. RCSPL Share Broking IFSC Private Limited. (Step-Down Subsidiary)
  4. Vibhin Online Services Private Limited.
- Company had make disinvestment from all 3 (Three) Subsidiaries Company on 31<sup>st</sup> March, 2020 for which necessary approval of members of the company was obtained by passing Special Resolution through Postal Ballot as per Provision of Section 180(1)(a) of Companies Act, 2013.
- Company does not have any Subsidiary / Associate / Joint Venture Company as on 31<sup>st</sup> March, 2020.

#### CORPORATE GOVERNANCE:

Pursuant to the provisions of Regulation 34(3) read with Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Report on Corporate Governance is annexed hereto and forms part of this Report. Your Company is committed to transparency in all its dealings and places high emphasis on business ethics. The requisite Compliance Certificate as required under Part E of Schedule V of the Listing Regulations, issued by Mr. Amrish N. Gandhi (C P No. 5656), proprietor of M/s. Amrish Gandhi & Associates, Practising Company Secretaries, Ahmedabad pertaining to the compliance of the conditions of Corporate Governance, is also annexed herewith as “Annexure - E”.

#### EXTRACT OF ANNUAL RETURN AS PER SECTION 92 (3) OF COMPANIES ACT 2013:

The details forming part of the extract of the Annual Return in form MGT- 9 is annexed herewith as “Annexure -A”.

#### DIRECTORS AND KEY MANAGERIAL PERSONNEL:

- In terms of Section 152 of the Companies Act, 2013, **Mr. Umesh Arvindbhai Bhadreswara (DIN: [07582046](#))** is liable to retire by rotation at forthcoming AGM and being eligible offers himself for re-appointment.
- The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.



- All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013.

#### ✚ CHANGES IN THE DIRECTORSHIP OF THE COMPANY

During the period under review following changes taken place in the Directorship of the Company.

- Appointment of Mr. Nishith Shirishbhai Desai (DIN: 08500515) and Mr. Bhavin Kiritkumar Pandya as an Additional Directors (Independent Director) w.e.f 11<sup>th</sup> July, 2019.
- Appointment of Mrs. Kalpanaben Dipakbhai Suthar (DIN: 08513009) as an Additional Directors (Independent Director) w.e.f 17<sup>th</sup> July, 2019.
- Mr. Nishith Shirishbhai Desai (DIN: 08500515) had resigned from the Directorship of the Company w.e.f 17<sup>th</sup> July, 2019.
- Mr. Vipul Surendrabhai Pandit (DIN: 07768639) had resigned from the Directorship of the Company w.e.f 22<sup>nd</sup> February, 2020.
- Appointment of Mr Jashubhai M Patel (DIN: 08513009) as an Additional Directors (Independent Director) w.e.f 4<sup>th</sup> March, 2020.

#### ✚ MATTERS AS PRESCRIBED UNDER SUB-SECTIONS (1) AND (3) OF SECTION 178 OF THE COMPANIES ACT, 2013:

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub section (3) of Section 178 of the Companies Act, 2013. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

#### ✚ BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, the directors individually, as well as the evaluation of the working of its Committees. At the meeting of the Board all the relevant factors that are material for evaluating the performance of individual Directors, the Board and its various committees were discussed in detail. A structured questionnaire each for evaluation of the Board, its various Committees and individual Directors was prepared and recommended to the Board by Nomination & Remuneration Committee for doing the required evaluation after taking into consideration the input received from the Directors covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance etc.

#### ✚ AUDITORS:

##### ➤ STATUTORY AUDITORS

M/s. NITIN K. SHAH & CO, Chartered Accountant, the Statutory Auditors of the Company, has been appointed by the company at its 8<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> September, 2018 till the conclusion of its 11<sup>th</sup> Annual General Meeting to be held for the financial year ending on 31<sup>st</sup> March, 2021.

Your Company has received letter from M/s. NITIN K. SHAH & CO, Chartered Accountant, to the effect that their appointment, is within the prescribed limits under Section 141 of the Companies Act, 2013 read with rules made there under and that they are not disqualified for such appointment.

The Statutory Auditors report for the financial year ended March, 2020 is attached to this report.

No Qualification or Adverse Remarks made in Statutory Report by Statutory auditors for the financial year 2019-2020.

#### **SECRETARIAL AUDITORS**

Your directors have appointed Amrish Gandhi & Associates, Company Secretary, 504, Shivalik Abaise, Opp. Shell Petrol Pump, Anandnagar Road, Satellite, Ahmedabad-380015, as secretarial auditors for the financial year 2019-20.

The Secretarial Audit Report for the Financial Year ended March, 2020 is attached to this report as “Annexure-C”.

#### **COST AUDITORS**

Provision for appointment of Cost Auditor is not applicable to your company.

#### **INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:**

Your Company has established effective internal control systems to ensure accurate, reliable and timely compilation of financial statements, to safeguard assets of your Company and to detect and mitigate irregularities and frauds. Your Company's management has established adequate internal control procedures over financial reporting.

In accordance with the requirements of Section 143(3)(i) of the Act, the Statutory Auditors have confirmed the adequacy and operating effectiveness of the internal financial control systems over financial reporting.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

Details of Loans, Guarantees and Investments under the provisions of Section 186 of the Companies Act, 2013 are given in the Financial Statement of the company.

#### **AUDIT COMMITTEE:**

Audit Committee comprises of three members and all members are Independent Directors. All transactions with related parties are on an arm's length basis. During the year, there are no instances where the Board had not accepted the recommendations of the Audit Committee.

The composition of the Audit Committee of the Board of Directors of the Company mentioned below:

NAME OF DIRECTORS	DESIGNATION	NATURE OF DIRECTORSHIP
Soumyaranjan Pradhan	Chairman	Independent Director
Kalpeshbhai Shukla	Member	Independent Director
Vipul Pandit (Till 14 <sup>th</sup> February, 2020)	Member	Independent Director
Bhavin kiritkumar Pandya (w.e.f 14 <sup>th</sup> February, 2020)	Member	Independent Director

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

Nomination and Remuneration Committee comprises of three members of which three, including the Chairman of the Committee, are Independent Directors. The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company is mentioned below:

NAME OF DIRECTORS	DESIGNATION	NATURE OF DIRECTORSHIP
Vipul Pandit(Till 14 <sup>th</sup> February, 2020)	Chairman	Independent Director
Bhavin kiritkumar Pandya (w.e.f 14 <sup>th</sup> February, 2020)	Chairman	Independent Director
Kalpeshbhai Shukla	Member	Independent Director
Soumyaranjan Pradhan	Member	Independent Director

#### **STAKEHOLDER RELATIONSHIP COMMITTEE:**

Stakeholder Relationship Committee comprises of three members of which three including the Chairman of the Committee, are Independent Directors. The composition of the Stakeholder Relationship Committee of the Board of Directors of the Company is mentioned below:

NAME OF DIRECTORS	DESIGNATION	NATURE OF DIRECTORSHIP
Soumyaranjan Pradhan	Chairman	Independent Director
Kalpeshbhai Shukla	Member	Independent Director
Vipul Pandit (Till 14 <sup>th</sup> February, 2020)	Member	Independent Director
Bhavin kiritkumar Pandya (w.e.f 14 <sup>th</sup> February, 2020)	Member	Independent Director

#### **RELATED PARTY TRANSACTIONS:**

All the related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Accordingly, the disclosure of related party transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 which is attached with this report as "Annexure-B".

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

#### MATERIAL CHANGES:

There are following material changes and commitments that would affect financial position of the company:

DATE	EVENT
04/06/2019	Company had Passed Special Resolution through Postal Ballot and E-voting for Migration of Securities Listed on SME Platform of BSE Limited to the Main Board of BSE Limited
26/08/2019	Approval of BSE Limited received on 22 <sup>nd</sup> August, 2019 for Migration of Securities of the Company on the Main board Platform which were listed on SME Platform of BSE Limited.
27/03/2020	Board has taken necessary approval of making disinvestment from all 3 (Three) Subsidiary Companies i.e 1. RCSPL Share Broking Private Limited. 2. RCSPL Multicommodities Private Limited 3. Vibhin Online Services Private Limited by passing Special Resolution through Postal Ballot and E-voting on 27 <sup>th</sup> March, 2020

#### CHANGES IN CAPITAL STRUCTURE OF THE COMPANY:

During the Period under review, there is no change in Capital Structure of the Company.

#### RESERVES:

The Company has not transferred any amount to General Reserve / Capital Redemption Reserve during the Period under review.

#### EMPLOYEE STOCK OPTION:

The Company has not issued any shares during the financial year under the Employee Stock Option Scheme.

#### CASH FLOW ANALYSIS:

The Cash Flow Statement for the year under reference forms part of the Annual Report.

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

##### A) CONSERVATION OF ENERGY:

The clause is not applicable.

##### B) TECHNOLOGY ABSORPTION:

Your company has not made any efforts towards technology absorption and neither imported any technology nor made any expenditure on research and developments.

**C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**Foreign Exchange inflow (Rs.): **NIL**Foreign Exchange outflow (Rs.): **NIL****MANAGEMENT DISCUSSION AND ANALYSIS:****ECONOMIC SCENARIO:**

The year 2019-20 has been a difficult year for the global economy, with world output growing at its slowest pace of 2.9% since the global financial crisis in 2009. A weak environment for global manufacturing, trade, and demand has adversely impacted the Indian economy. The GDP growth rate is reported to be 4.2% in 2019-20 as compared to 6.1% in 2018-19, according to the provisional estimates released by the National Statistical Office in May, 2020. GDP growth for the last quarter of FY 2019-20 slowed to 3.1%. In 2020-21, India's GDP growth rate is expected to be in the sub-2% range. The Covid-19 pandemic has plunged the world into one of the deepest recessions in decades, with its impact on economy and life likely to be felt for a considerable amount of time. The situation is constantly evolving, as frantic efforts are being undertaken across the world to control the spread of the virus and to develop a vaccine.

India is currently the world's sixth-largest economy by nominal GDP and the third largest by purchasing power parity (PPP). This growth has been achieved in a scenario of lower inflation, improved current account balance and reduction in the fiscal deficit to GDP ratio. The Consumer Price Index (CPI) based inflation increased from 3.7% in 2018-19 to 4.1% in 2019-20. This increase was mainly due to food inflation. The fiscal deficit for 2019-20 widened to 4.6% of GDP according to Controller General of Accounts (CGA) data released in May, 2020.

The Covid-19 Pandemic has wreaked havoc on the world. First reports of the novel coronavirus emerged in Wuhan, China in the month of December, 2019. The first reported cases outside China emerged in Thailand, Japan and South Korea in the second half of January, 2020. The virus spread quickly across the world, with the World Health Organisation declaring the outbreak a pandemic in early March, 2020. Countries enforced measures ranging from social distancing guidelines to severe lockdowns as governments attempted to curb the spread of the virus. As of early June, 2020, the WHO reported that 216 countries had confirmed cases of Covid-19, with the total confirmed cases at over 8 million people and death toll at over 0.40 million.

The Indian Government announced an unprecedented 21-day lockdown on 23<sup>rd</sup> March, 2020 in a bid to halt the spread of the virus. This has been followed by extensions in lockdowns and other measures which have continued into June, 2020, although the severity of lockdowns has been gradually eased in individual States, depending on the evolving situation in every State. Several rating agencies have downgraded growth targets for the Indian economy in light of the disruptive impact of the pandemic, with several agencies even predicting a recession for FY 2020-21. Several monetary and fiscal measures have been announced by the Government and the RBI in an attempt to relieve the stress on the economy caused by the pandemic. This includes a revision in the definition of MSMEs (allowing more companies to avail the benefits of being an MSME), announcements of collateral free loans and

government guarantees for MSMEs, a partial credit guarantee scheme, extension of certain tax deadlines, amongst various other measures.

➤ **INDUSTRY REVIEW:**

As per the report of NASSCOM (The National Association of Software and Services Companies) IT-BPM sector grew by 7.7% y-o-y garnering a total revenue of USD 191 billion in FY2020. On the side-lines of the flagship NASSCOM Technology and Leadership Forum (NTLF) 2020, the industry body showcased its Strategic Review – ‘Techade: The New Decade’ which captured the performance of the technology industry and upcoming trends.

NASSCOM announced that IT Services sector garnered the highest revenue of USD 97 billion (growth of 6.7%), followed by E-commerce which stood at USD 54 billion (growth 25.6%). The sector generated exports of over USD 147 billion in revenues in FY2020, growing at 8.1% from the previous year. The maiden report for this decade, showcased the growth of the industry, commemorating several milestones between FY2009-FY2019 such as crossing USD 105 billion in overall revenue, adding 2 million employees/jobs and creating 10k new technology companies in overall consolidation.

A key trend witnessed last year was the continued focus on digital revenues, which grew by over 23%, once again a testimony to the prominence digital technologies and systems are gaining across portfolios. Investing in digital skills continues to rise as an imperative for the industry, with organisations building their capabilities and aligning business models to digital practices as up to 28% of organisational revenues was recorded for digital. Indian enterprises spent over USD 2 billion domestically to accelerate digital transformation.

➤ **REVIEW AND FUTURE OUTLOOK OF THE COMPANY:**

The Company is continuously trying to accomplish the desired results. Steps have been taken for cost diminution and quality of work by the Company. The Company will achieve more turnover by various marketing strategies, offering more quality products, launching new products and services etc. in coming years followed by increase in profit margin by way of various cost cutting techniques and optimum utilization of various resources of the Company.

➤ **INTERNAL CONTROL SYSTEM:**

The Company has proper and adequate system of internal control, commensurate with the size and nature of its business. Regular Internal Audits and Checks carried out and also management reviews the internal control system and procedures to ensure orderly and efficient conduct of business and to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly. The Company has well defined internal control system. The Company takes abundant care to design, review and monitor the working of internal control system. Internal audit in the organization is an independent appraisal activity and it measures the efficiency, adequacy and effectiveness of other controls in the organization. The Audit Committee, comprising Independent Directors, regularly reviews audit plans, significant audit findings, adequacy of internal controls, and compliance with Accounting Standards, among others.

➤ **HUMAN RESOURCES:**

The Company believes that its people are its most important asset and thus continuously strives to scale up its employee engagement through well structured systems and a visionary HR philosophy. The Company continues to lay emphasis on building and sustaining the excellent organization climate based on human performance. Performance management is the key word for the Company. Pursuit of proactive policies for industrial relations has resulted in a peaceful and harmonious situation in the Company. We are highly focused on developing our employees to perform with the same excellence for the challenges and huge business opportunities that are envisaged in future. The Company firmly believes that intellectual capital and human resources is the backbone of the Company's success.

➤ **CAUTIONARY STATEMENT:**

Statement in the Management Discussion and Analysis describing Company's objectives, projections, estimates, expectation may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual result could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include economic conditions affecting demand/supply and price conditions in the Government regulations, tax laws and other status and other incidental factors.

Further, the discussion following herein reflects the perceptions on major issues as on date and the opinion expressed here are subject to change without notice. The Company undertakes no obligations to publicly update or revise any of the opinions of forward looking statements expressed in this report, consequent to new information future events, or otherwise. Readers are hence cautioned not to place undue reliance on these statements and are advised to conduct their own investigation and analysis of the information contained or referred to this statement before taking any action with regard to specific objectives.

✚ **RISK MANAGEMENT:**

The Board of Directors have developed & implemented a robust risk management policy which identifies the key elements of risks that threatens the existence of the Company. The Audit Committee reviews the Company's financial and risk management policies and steps taken by the Company to mitigate such risks.

✚ **CORPORATE SOCIAL RESPONSIBILITY:**

The Clause regarding Corporate Social Responsibility is not applicable to the Company.

✚ **PREVENTION OF SEXUAL HARASSMENT POLICY:**

The Company has in place Prevention of Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Your Directors state that during the year under review, there were no cases filed pursuant to the aforesaid Act.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state the following:

- that in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Notes to the Financial Statements 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<sup>st</sup> March, 2020 and of the profit of the Company for the year ended on that date;
- 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;
- That the annual financial statements have been prepared on a going concern basis.
- That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### **KEY MANAGERIAL PERSON:**

Mr. Pravinchandra Gor, Chairman & Managing Director (C&MD), Mr. Manish Joshi, Chief Financial Officer (CFO) and Mr. Parth Pandya, Company Secretary Cum Compliance Officer(CS) are the Key Managerial Personnel of the Company.

#### **ENVIRONMENT AND POLLUTION CONTROL:**

The Company is well aware of its responsibility towards a better and clean environment. Our efforts in environment management go well beyond mere compliance with statutory requirements. The Company has always maintained harmony with nature by adopting eco-friendly technologies and upgrading the same from time to time incidental to its growth programmers.

#### **VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013. The company has adopted Whistle Blower Policy to deal with any instance of fraud and mismanagement. The employees of the company are free to report violations of any laws, rules, regulations and concerns about unethical conduct to the Audit



Committee under this policy. The policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination with any person for a genuinely raised concern.

 **THE CHANGE IN NATURE OF BUSINESS:**

There is no material changes in the company held during the year.

 **PARTICULARS OF EMPLOYEES:**

A statement containing the names and other particulars of employees in accordance with the provisions of section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as “**Annexure – D**” to this report.

 **ACKNOWLEDGMENT:**

Your Directors are grateful to the Central Government, the State Government, the Registrar of Companies, Gujarat, Securities and Exchange Board of India and other Regulatory Authorities, Bankers, Financial Institutions, Vendors and Customers for their continued support, co-operation and guidance. We would like to express our deep sense of appreciation for the hard work and efforts put in by the employees at all levels. We would like to thank our shareholders for their cooperation and assistance during the year under report.

**By order of the Board of Directors  
RIDDHI CORPORATE SERVICES LIMITED**

**Place: - AHMEDABAD**

**Date: - 05/12/2020**

**CIN:L74140GJ2010PLC062548**

**PRAVINCHANDRA GOR**

**CHAIRMAN & MANAGING DIRECTOR**

**DIN: 03267951**

## ANNEXURE-A TO DIRECTOR'S REPORT

### Form No. MGT-9 (EXTRACT OF ANNUAL RETURN)

AS ON THE FINANCIAL YEAR ENDED ON 31.03.2020  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

CIN	L74140GJ2010PLC062548
REGISTRATION DATE	09/10/2010
NAME OF THE COMPANY	RIDDHI CORPORATE SERVICES LIMITED
CATEGORY / SUB-CATEGORY OF THE COMPANY	Company Limited by Shares / Indian Non-Government Company
ADDRESS OF THE REGISTERED OFFICE AND CONTACT DETAILS	10 MILL OFFICERS COLONY, BEHIND OLD RBI, ASHRAM ROAD AHMEDABAD - 380009. Email id: <a href="mailto:investor@rcspl.net">investor@rcspl.net</a>
WHETHER LISTED COMPANY (YES/NO)	YES (BSE Limited)
NAME, ADDRESS AND CONTACT DETAILS OF REGISTRAR AND TRANSFER AGENT, IF ANY	<b>M/S PURVA SHAREGISTRY PRIVATE LIMITED</b> 9, Shiv Shakti Indl. Estate, J. R. Boricha Marg, Near LodhaExcelus, Lower Parel (East), Mumbai - 400 011. Tele : 2301 8261 / 2301 6761 / 2301 2518

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

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

SR NO.	NAME AND DESCRIPTION OF MAIN PRODUCTS / SERVICES	NIC CODE OF THE PRODUCT / SERVICE	% TO TOTAL TURNOVER OF THE COMPANY
1	Data processing, hosting and related activities	6311	100%

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

SR. NO	NAME AND ADDRESS OF THE COMPANY (CIN/GLN)	HOLDING/SUBSIDIARY/ASSOCIATE	APPLICABLE SECTION
Not Applicable			

#### IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):-

##### (i) CATEGORY-WISE SHAREHOLDING:

Category Of Shareholders	No Of Shares held at the beginning of year				No Of Shares held at the end of year				% Change
	31/03/2019				31/03/2020				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individuals/ HUF	8050000	0	8050000	70.77	8123499	0	8123499	71.42	0.65
(b) Central Govt	0	0	0	0	0	0	0	0	0
(c) State Govt(s)	0	0	0	0	0	0	0	0	0
(d) Bodies Corp.	0	0	0	0	0	0	0	0	0
(e) Banks / FI	0	0	0	0	0	0	0	0	0
(f) Any Other....									
* DIRECTORS	0	0	0	0	0	0	0	0	0
* DIRECTORS RELATIVES	0	0	0	0	0	0	0	0	0
* PERSON ACTING IN CONCERN	0	0	0	0	0	0	0	0	0
Sub Total (A)(1):	8050000	0	8050000	70.77	8123499	0	8123499	71.42	0.65
(2) Foreign									
(a) NRI Individuals	0	0	0	0	0	0	0	0	0
(b) Other Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corp.	0	0	0	0	0	0	0	0	0
(d) Banks / FI	0	0	0	0	0	0	0	0	0
(e) Any Other....	0	0	0	0	0	0	0	0	0
Sub Total (A)(2):	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	8050000	0	8050000	70.77	8123499	0	8123499	71.42	0.65

B. Public Shareholding									
(1) Institutions									
(a) Mutual Funds	0	0	0	0	0	0	0	0	0
(b) Banks FI	0	0	0	0	0	0	0	0	0
(c) Central Govt	0	0	0	0	0	0	0	0	0
(d) State Govt(s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	0	0	0	0	0	0	0	0	0
(g) FIs	0	0	0	0	0	0	0	0	0
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others (specify)									
* U.T.I.	0	0	0	0	0	0	0	0	0
* FINANCIAL INSTITUTIONS	0	0	0	0	0	0	0	0	0
* I.D.B.I.	0	0	0	0	0	0	0	0	0
* I.C.I.C.I.	0	0	0	0	0	0	0	0	0
* GOVERNMENT COMPANIES	0	0	0	0	0	0	0	0	0
* STATE FINANCIAL CORPORATION	0	0	0	0	0	0	0	0	0
* QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
* ANY OTHER	0	0	0	0	0	0	0	0	0
* OTC DEALERS (BODIES CORPORATE)	0	0	0	0	0	0	0	0	0
* PRIVATE SECTOR BANKS	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):	0	0	0	0	0	0	0	0	0
(2) Non-Institutions									
(a) Bodies Corp.									
(i) Indian	105000	0	105000	0.92	5871	0	5871	0.05	-0.87
(ii) Overseas	0	0	0	0	0	0	0	0	0
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	129500	0	129500	1.14	122920	0	122920	1.08	-0.06
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3090500	0	3090500	27.17	3121607	0	3121607	27.44	0.27
(c) Others (specify)									
* UNCLAIMED OR SUSPENSE OR ESCROW ACCOUNT	0	0	0	0	0	0	0	0	0

* IEPF	0	0	0	0	0	0	0	0	0	0
* LLP	0	0	0	0	0	0	0	0	0	0
* FOREIGN NATIONALS	0	0	0	0	0	0	0	0	0	0
* QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0	0
* ALTERNATE INVESTMENT FUND	0	0	0	0	0	0	0	0	0	0
* N.R.I.	0	0	0	0	0	0	0	0	0	0
* FOREIGN CORPORATE BODIES	0	0	0	0	0	0	0	0	0	0
* TRUST	0	0	0	0	0	0	0	0	0	0
* HINDU UNDIVIDED FAMILY	0	0	0	0	15	0	15	0.00	0.00	
* EMPLOYEE	0	0	0	0	0	0	0	0	0	0
* CLEARING MEMBERS	0	0	0	0	201	0	201	0.00	0.00	
* DEPOSITORY RECEIPTS	0	0	0	0	0	0	0	0	0	0
* OTHER DIRECTORS & RELATIVES	0	0	0	0	0	0	0	0	0	0
* MARKET MAKERS	0	0	0	0	887	0	887	0.01	0.01	
Sub-total (B)(2):	<b>3325000</b>	<b>0</b>	<b>3325000</b>	<b>29.23</b>	<b>3251501</b>	<b>0</b>	<b>3251501</b>	<b>28.58</b>	<b>-0.65</b>	
Total Public Shareholding (B) = (B)(1)+(B)(2)	<b>3325000</b>	<b>0</b>	<b>3325000</b>	<b>29.23</b>	<b>3251501</b>	<b>0</b>	<b>3251501</b>	<b>28.58</b>	<b>-0.65</b>	
C. TOTSHR held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0	0
Grand Total(A + B + C)	<b>11375000</b>	<b>0</b>	<b>11375000</b>	<b>100</b>	<b>11375000</b>	<b>0</b>	<b>11375000</b>	<b>100.00</b>	<b>0.00</b>	

**(i) SHAREHOLDING OF PROMOTERS:**

SL No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		31/03/2019			31/03/2020			
		No of Shares	% of Total Shares of the Company	% of Shares Pledged / Encumbered to total shares	No. of Shares	% of Total Shares of the company	% of Shares Pledged / Encumbered to total shares	% change in share holding during the year
1	ALPIT PRAVINCHANDR A GOR	2737000	24.06	0.00	2737000	24.06	0.00	0.00
2	PRAVINCHANDR A KODARLAL GOR	2495500	21.94	0.00	2495500	21.94	0.00	0.00
3	JAYSHREEBEN PRAVINCHANDR A GOR	2495500	21.94	0.00	2495500	21.94	0.00	0.00
4	PRAVINCHANDR A KODARLAL GOR HUF	80500	0.71	0.00	80500	0.71	0.00	0.00
5	JASH ALPITKUMAR GOR	80500	0.71	0.00	80500	0.71	0.00	0.00
6	OM ALPITBHAI GOR	80500	0.71	0.00	80500	0.71	0.00	0.00
7	VAISHALI ALPIT GOR	80497	0.71	0.00	80497	0.71	0.00	0.00
8	SHILPA SUJAL PATHAK	3	0.00	0.00	73502	0.65	0.00	+0.65
	Total	80,50,000	70.77	0.00	8123499	71.42		+0.65

## (i) CHANGE IN PROMOTER'S SHAREHOLDING:

SL No.	Share Holder's Name	Share Holding at the beginning of the year		Cumulative Share Holding at the end of the year		Type / Reason / Remark
		31/03/2019		31/03/2020		
		No of Shares	% of Total Shares of the Company	No. of Shares	% change in share holding during the year	
1	ALPIT PRAVINCHANDRA GOR	2737000	24.06			
	31-03-2020			2737000	24.06	
2	PRAVINCHANDRA KODARLAL GOR	2495500	21.94			
	31-03-2020			2495500	21.94	
3	JAYSHREEBEN PRAVINCHANDRA GOR	2495500	21.94			
	31-03-2020			2495500	21.94	
4	PRAVINCHANDRA KODARLAL GOR HUF	80500	0.71			
	31-03-2020			80500	0.71	
5	JASH ALPITKUMAR GOR	80500	0.71			
	31-03-2020			80500	0.71	
6	OM ALPITBHAI GOR	80500	0.71			
	31-03-2020			80500	0.71	
7	VAISHALI ALPIT GOR	80497	0.71			
	31-03-2020			80497	0.71	
8	SHILPA SUJAL PATHAK	3	0.00			
	04-10-2019	73499	0.65	73502	0.65	Buy
	31-03-2020			73502	0.65	

**(IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):**

SL No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year		Type / Reason / Remarks
		31/03/2019		31/03/2020		
		No of Shares	% of Total Shares of the Company	No. of Shares	% change in share holding during the year	
1	NISHITH SHIRISHBHAI DESAI	777000	6.83			
	31-03-2020			777000	6.83	
2	SEFALI SUNIL PANDYA	297500	2.62			
	31-03-2020			297500	2.62	
3	RAJANBHAI BIPINBHAI SHAH	269500	2.37			
	31-03-2020			269500	2.37	
4	VIPULKUMAR CHANDULAL THAKKAR .	154000	1.35			
	31-03-2020			154000	1.35	
5	SHILPA VIPULKUMAR THAKKAR .	154000	1.35			
	31-03-2020			154000	1.35	
6	RAJANBHAI BIPINBHAI SHAH .	143500	1.26			
	14-02-2020	12	0.00	143512	1.26	Buy
	31-03-2020			143512	1.26	
7	DUSHYANTKUMAR MANILAL JOSHI	133000	1.17			
	31-03-2020			133000	1.17	
8	BIPINBHAI BALABHAI SHAH .	115500	1.02			
	14-02-2020	-115500	-1.02	0	0.00	Sell
	31-03-2020			0	0.00	
9	KHUSHBOO RAJANBHAI SHAH	112000	0.98			
	30-08-2019	-100	-0.00	111900	0.98	Sell
	06-09-2019	-66	-0.00	111834	0.98	Sell
	13-09-2019	84	0.00	111918	0.98	Buy
	20-09-2019	20	0.00	111938	0.98	Buy
	23-09-2019	-50	-0.00	111888	0.98	Sell
	27-09-2019	150	0.00	112038	0.98	Buy
	04-10-2019	-50	-0.00	111988	0.98	Sell
	11-10-2019	-110	-0.00	111878	0.98	Sell
	18-10-2019	40	0.00	111918	0.98	Buy
	25-10-2019	-100	-0.00	111818	0.98	Sell
	01-11-2019	100	0.00	111918	0.98	Buy
	14-02-2020	-100	-0.00	111818	0.98	Sell
	21-02-2020	-12	-0.00	111806	0.98	Sell
	28-02-2020	-20	-0.00	111786	0.98	Sell



	31-03-2020			111786	0.98	
<b>10</b>	RCSPL Share Broking Private Limited	105000	0.92			
	14-06-2019	3500	0.03	108500	0.95	Buy
	26-07-2019	-3500	-0.03	105000	0.92	Sell
	30-08-2019	-1	-0.00	104999	0.92	Sell
	04-10-2019	-104999	-0.92	0	0.00	Sell
	27-12-2019	887	0.01	887	0.01	Buy
	31-12-2019	-887	-0.01	0	0.00	Sell
	31-03-2020			0	0.00	
<b>11</b>	JINAXIBEN BIPINCHANDRA SHAH .	105000	0.92			
	13-09-2019	-120	-0.00	104880	0.92	Sell
	20-09-2019	31	0.00	104911	0.92	Buy
	27-09-2019	-99	-0.00	104812	0.92	Sell
	30-09-2019	50	0.00	104862	0.92	Buy
	04-10-2019	108	0.00	104970	0.92	Buy
	11-10-2019	152	0.00	105122	0.92	Buy
	18-10-2019	-140	-0.00	104982	0.92	Sell
	25-10-2019	-100	-0.00	104882	0.92	Sell
	01-11-2019	-300	-0.00	104582	0.92	Sell
	22-11-2019	-1000	-0.01	103582	0.91	Sell
	29-11-2019	984	0.01	104566	0.92	Buy
	06-12-2019	3	0.00	104569	0.92	Buy
	13-12-2019	247	0.00	104816	0.92	Buy
	14-02-2020	116753	1.03	221569	1.95	Buy
	31-03-2020			221569	1.95	
<b>12</b>	SHEFALI SUNIL PANDYA	87500	0.77			
	07-02-2020	-6246	-0.05	81254	0.71	Sell
	14-02-2020	8261	0.07	89515	0.79	Buy
	31-03-2020			89515	0.79	

**(V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

SL No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year		Type
		31/03/2019		31/03/2020		
		No of Shares	% of Total Shares of the Company	No. of Shares	% change in share holding during the year	
1	ALPIT PRAVINCHANDRA GOR (Whole Time Director)	2737000	24.06			
	31-03-2020			2737000	24.06	
2	PRAVINCHANDRA KODARLAL GOR (Managing Director)	2495500	21.94			
	31-03-2020			2495500	21.94	
3	JAYSHREEBEN PRAVINCHANDRA GOR (Executive Director)	2495500	21.94			
	31-03-2020			2495500	21.94	
4	UMESH ARVIND BHADRESWARA (Executive Director)	38500	0.34			
	13-12-2019	225	0.00	38725	0.34	Buy
	31-03-2020			38725	0.34	
5	JASHUBHAI MAFATBHAI PATEL (Independent Director)	3500	0.03			
	31-03-2020			3500	0.03	
6	SUBHASHISH CHAKRABORTY (Executive Director)	0	0.00			
	04-10-2019	28000	0.25	28000	0.25	Buy
	31-03-2020			28000	0.25	
7	SOUMYA RANJAN KANHUCHARAN PRADHAN (Independent Director)	0	0.00			
	31-03-2020			0	0.00	
8	KALPESHBHAI CHANDRAKISHOREBHAI SHUKLA (Independent Director)	0	0.00			
	31-03-2020			0	0.00	
9	BHAVIN KIRITKUMAR PANDYA (Independent Director)	0	0.00			
	31-03-2020			0	0.00	
10	KALPANABEN DIPAKBHAI SUTHAR (Independent Director)	0	0.00			
	31-03-2020			0	0.00	
11	VIPUL SURENDRABHAI PANDIT (Independent Director)	0	0.00			
	31-03-2020			0	0.00	

**V. INDEBTEDNESS:**

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

PARTICULARS	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTEDNESS
<b>INDEBTEDNESS AT THE BEGINNING OF THE FINANCIAL YEAR</b>				
i) Principal Amount	40500557	135805	NIL	40636362
ii) Interest Due but Not Paid	NIL	NIL	NIL	NIL
iii) Interest Accrued but not due	NIL	NIL	NIL	NIL
Total I + ii = iii	40500557	135805	NIL	40636362
<b>CHANGE IN INDEBTEDNESS DURING THE FINANCIAL YEAR</b>				
i) Addition	7182516	NIL	NIL	7182516
ii) Reduction	NIL	NIL	NIL	NIL
<b>NET CHANGE</b>	7182516	NIL	NIL	7182516
<b>NET CHANGE INDEBTEDNESS AT THE END OF THE FINANCIAL YEAR</b>				
i) Principal Amount	47683073	135805	NIL	47818878
ii) Interest Due but Not Paid	NIL	NIL	NIL	NIL
iii) Interest Accrued but not due	NIL	NIL	NIL	NIL
Total I + ii = iii	47683073	135805	NIL	2340956

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

## A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

S N.	PARTICULARS OF REMUNERATION	NAME OF MD/WTD/ MANAGER		TOTAL AMOUNT
		PRAVINCHANDRA GOR (CHAIRMAN & MANAGING DIRECTOR)	ALPITKUMAR GOR (WHOLE TIME DIRECTOR)	
1	Gross salary	24,00,000	24,00,000	48,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL	NIL
5	Others, please specify	24,00,000	24,00,000	48,00,000
	Total (A)	24,00,000	24,00,000	48,00,000

**B. REMUNERATION TO OTHER DIRECTORS****(i) REMUNERATION TO OTHER EXECUTIVE DIRECTORS**

S N .	PARTICULARS OF REMUNERATION	NAME OF DIRECTORS		TOTAL AMOUNT
		JAYSHREEBEN GOR	UMESH A. BHADRESWARA	
1	Independent Directors	Nil	Nil	Nil
	Fee for attending board committee meetings	Nil	Nil	Nil
	Commission	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil
2	Other Executive Directors	6,00,000	9,84,000	15,84,000
	Fee for attending board committee meetings	Nil	Nil	Nil
	Commission	Nil	Nil	Nil
	Others, (SALARY)		Nil	Nil
	Total (2)	6,00,000	9,84,000	15,84,000
	Total (B)=(1+2)	6,00,000	9,84,000	15,84,000
	Total Managerial Remuneration	6,00,000	9,84,000	15,84,000

**(ii) REMUNERATION TO OTHER NON-EXECUTIVE DIRECTORS**

S N .	PARTICULARS OF REMUNERATION	NAME OF DIRECTORS							TOTAL AMOUNT
		BHAVIN PANDYA	JASHU PATEL	VIPUL PANDI T	KALPANABE N SUTHAR	SOUMYA RANJAN PRADHA N	KALPE SH SHUK LA	SUBHASI SH CHAKRA BORTY	
1	Independent Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	Other Executive Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Others, (SALARY)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total (B)=(1+2)		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Managerial Remuneration		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

SN	PARTICULARS OF REMUNERATION	MR. PARTH M. PANDYA (COMPLIANCE OFFICER )	MR. MANISH JOSHI (CHIEF FINANCIAL OFFICER )	TOTAL
1	Gross salary	1,58,400	5,42,952	7,01,352
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,58,400	5,42,952	7,01,352
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NA	NA	NIL
3	Sweat Equity	NA	NA	NIL
4	Commission	NA	NA	NIL
	- as % of profit	NA	NA	NIL
	Others, specify...	NA	NA	NIL
5	Others, please specify	NA	NA	NIL
	Total	1,58,400	5,42,952	7,01,352

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

<b>TYPE</b>	<b>SECTION OF THE COMPANIES ACT</b>	<b>BRIEF DESCRIPTION</b>	<b>DETAILS OF PENALTY / PUNISHMENT/ COMPOUNDING FEES IMPOSED</b>	<b>AUTHORITY [RD / NCLT/ COURT]</b>	<b>APPEAL MADE, IF ANY (GIVE DETAILS)</b>
<b>A. COMPANY</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
<b>B. DIRECTORS</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA



## Annexure-B FORM NO. AOC-2

(PURSUANT TO CLAUSE (H) OF SUB-SECTION (3) OF SECTION 134 OF THE ACT AND RULE 8(2) OF THE COMPANIES (ACCOUNTS) RULES, 2014)

### 1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS:

SR NO.	NAMES OF RELATED PARTY AND NATURE OF RELATIONSHIP	NATURE OF CONTRACTS/ARRANGEMENTS/TRANSACTIONS	DURATION OF CONTRACTS/ARRANGEMENTS/TRANSACTIONS	SALIENT TERMS OF THE CONTRACTS/ARRANGEMENTS/TRANSACTIONS INCLUDING THE VALUE, IF ANY	DATES OF APPROVAL BY THE BOARD	AMOUNT PAID AS ADVANCES, IF ANY
1.	Jayshree P Gor (Director)	Office Rent	1 YEAR	Rs. 18,00,000/-	04/03/2020	NA
2	Pravinchandra K Gor (Director)	Office Rent	1 YEAR	Rs. 28,32,000/-	04/03/2020	NA
3	VJO E-Solutions OPC Pvt Ltd - Relatives of KMP having significant influence	Data Entry Charges Service Sales	1 YEAR	Rs. 11,80,000/-	04/03/2020	NA
4	Riddhi World Wide Express - Firm under the same management	Courier Charges/Data Entry Charges Paid	1 YEAR	Rs. 2,65,432/-	04/03/2020	NA
5	Riddhi World Wide Express	Purchase	1 YEAR	Rs. 1,16,82,000/-	04/03/2020	NA

	- Firm under the same management					
6	Vaishali Gor – Relative of KMP	Data Entry Charges	1 YEAR	Rs. 8,81,000/-	04/03/2020	NA
7	RCSPL Multicommodities Pvt Ltd – Subsidiary Company	Interest received	1 YEAR	Rs. 2,26,116/-	04/03/2020	NA
8	RCSPL Share Broking Pvt Ltd – Subsidiary Company	Interest received	1 YEAR	Rs. 14,51,101/-	04/03/2020	NA
10	Vibhin Online Services P Ltd	Interest received	1 YEAR	Rs. 7,96,453/-	04/03/2020	NA
11	Subhasish Chakraborty – Director	Fees of Professional Director	1 YEAR	Rs. 25,72,222/-	04/03/2020	NA
12	Alpit P Gor – KMP	Sale of Shares of Subsidiary RCSPL Share Broking Pvt Ltd	1 YEAR	Rs. 75,54,00/-	31/03/2020	NA
13	Pravinchandra K Gor - KMP	Sale of Shares of Subsidiary RCSPL Share Broking Pvt Ltd	1 YEAR	Rs. 75,54,00/-	31/03/2020	NA

14	Alpit P Gor – KMP	Sale of Shares of Subsidiary Vibhin Online Services Pvt Ltd	1 YEAR	Rs. 12,00,000/-	31/03/2020	NA
15	Pravinchandr a K Gor - KMP	Sale of Shares of Subsidiary Vibhin Online Services Pvt Ltd	1 YEAR	Rs. 12,00,000/-	31/03/2020	NA
16	Alpit P Gor – KMP	Sale of Shares of Subsidiary RCSPL Multicommodi ties Pvt Ltd	1 YEAR	Rs. 2,55,000/-	31/03/2020	NA
17	Pravinchandr a K Gor - KMP	Sale of Shares of Subsidiary RCSPL Multicommodi ties Pvt Ltd	1 YEAR	Rs. 2,55,000/-	31/03/2020	NA

**2. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS: NOT APPLICABLE**

**By order of the Board of Directors  
RIDDHI CORPORATE SERVICES LIMITED**

**Place: - AHMEDABAD  
Date: - 05/12/2020  
CIN:L74140GJ2010PLC062548**

**PRAVINCHANDRA GOR  
CHAIRMAN & MANAGING DIRECTOR  
DIN: 03267951**

## Annexure-C

### FORM NO. MR-3 – SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020

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

To,  
**The Members,**  
**RIDDHI CORPORATE SERVICES LIMITED**  
 10 MILL OFFICERS COLONY,  
 BEHIND OLD RBI,  
 ASHRAM ROAD  
 AHMEDABAD GJ 380009 IN

I, Amrish N. Gandhi, Proprietor of Amrish Gandhi & Associates, Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RIDDHI CORPORATE SERVICES LIMITED [CIN: L74140GJ2010PLC062548]** (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 **RIDDHI CORPORATE SERVICES 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, 2020 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **RIDDHI CORPORATE SERVICES LIMITED** for the financial year ended on 31<sup>st</sup> March, 2020 according to the provisions of:

- I. The Companies Act, 2013 ('the Act') and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. **(Not Applicable to the Company during the Audit Period)**
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14<sup>th</sup> May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15<sup>th</sup> May, 2015);
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the Audit Period);**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit period);**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period) and;**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit Period);**
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- I. As informed to me the following other Laws specifically applicable to the Company as under:
- A. INDUSTRIAL & LABOUR LAWS:**
- a) Employee's State Insurance Act, 1948
  - b) Employees' Provident Fund and Miscellaneous Provisions Act, 1952
  - c) The Payment of Bonus Act, 1965(Not applicable to the company during the Audit period)
  - d) The Payment of Gratuity Act, 1972( Not applicable to the company during the Audit period)
  - e) The Employees' Compensation Act, 1923

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

- a) Secretarial Standards with respect to General and Board Meetings issued by The Institute of Company Secretaries of India (effective from 1<sup>st</sup> July, 2015).
- b) The Listing Agreements entered into by the Company with BSE Limited.
- c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (effective from 1<sup>st</sup> December, 2015)

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

**I further report that**

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

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

All decisions of the board were unanimous and the same was captured and recorded as part of the minutes.

**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** during the audit period the Company has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc

**DATE: 31/07/2020**

**FOR AMRISH GANDHI & ASSOCIATES**

**PLACE: AHMEDABAD**

**UDIN: F008193B000541165**

**AMRISH N. GANDHI**

**PRACTICING COMPANY SECRETARY**

**FCS-8193 | CP.NO.: 5656**

**Note:** *This Report is to be read with Our Letter of even date which is annexed as "Appendix A" and forms an integral part of this report.*

## 'Appendix A'

To,  
The Members,  
**RIDDHI CORPORATE SERVICES LIMITED**  
10 MILL OFFICERS COLONY,  
BEHIND OLD RBI,  
ASHRAM ROAD  
AHMEDABAD GJ 380009 IN

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

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

DATE: 31/07/2020  
PLACE: AHMEDABAD

FOR AMRISH GANDHI & ASSOCIATES

AMRISH N. GANDHI  
PRACTICING COMPANY SECRETARY  
FCS-8193 | CP.NO.: 5656

## Annexure-D

### PARTICULARS OF EMPLOYEES:-

(Pursuant to rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

1. Details of employees of the company for the Financial Year 2019-20 are mentioned below:

SR. NO.	NAME OF DIRECTOR/KMP	REMUNERATION FOR FY 2019-20 (IN RS)	% INCREASE/(DECREASE) IN REMUNERATION IN FY 2019-20
1.	ALPITKUMAR PRAVINCHANDRA GOR	24,00,000	NIL
2.	PRAVINCHANDRA KODARLAL GOR	24,00,000	NIL
3.	JAYSHREEBEN PRAVINCHANDRA GOR	6,00,000	NIL
4.	UMESH A. BHADRESWARA	9,84,000	9.33 %
4.	VIPUL SURENDRABHAI PANDIT (Resigned w.e.f 22 <sup>nd</sup> February, 2020)	NIL	NIL
5.	SOUMYARANJAN KANHUCHARAN PRADHAN	NIL	NIL
6.	KALPESHBHAI CHANDRAKISHOREBHAI SHUKLA	NIL	NIL
7.	BHAVIN KIRITKUMAR PANDYA	NIL	NIL
8.	KALPANABEN DIPAKBHAI SUTHAR	NIL	NIL
9.	JASHUBHAI M. PATEL	NIL	NIL
10.	MANISH VINODCHANDRA JOSHI	5,42,952	(1.63 %)
11.	PARTH PANDYA	1,58,400	20 %

2. There were 1986 permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2020.
3. Relationship between average increase in remuneration and company performance:-  
The average increase in remuneration is associated with and driven by achievement of annual corporate goals and overall business, financial and operational performance of the Company.
4. The key parameters for any variable component of remuneration availed by the directors:-  
– **Not Applicable**
5. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:-  
– **Not Applicable**
6. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.



## **Chief Executive Officer (CEO) / Chief Financial Officer (CFO) Certification under Regulation 17(8) of the (LODR) Reg, 2015.**

To,  
The Board of Director  
RIDDHI CORPORATE SERVICES LIMITED  
AHMEDABAD.

I, **Mr. MANISH VINODCHANDRA JOSHI, Chief Financial Officer (CFO)** in terms of Companies Act, 2013 hereby certify to the Board that:

**A.** We have reviewed financial statements and the cash flow statement of Riddhi Corporate Services Limited for the year ended 31<sup>st</sup> March, 2020 and to the best of their knowledge and belief :

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

**B.** There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

**C.** They accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

**D.** They have indicated to the auditors and the Audit committee:

1. that there are no significant changes in internal control over financial reporting during the year;
2. that there are no significant changes in accounting policies during the year; and
3. that there are no instances of significant fraud of which we have become aware.

**PLACE:- AHMEDABAD  
DATE:- 31/07/2020**

**MANISH JOSHI  
CHIEF FINANCIAL OFFICER**

**DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 34(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE TO THE COMPANY'S CODE OF CONDUCT**

In accordance with Regulations 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, I hereby confirm that all Directors and Senior Management personnel of the Company have affirmed their compliance with the Code of Conduct laid down by the Company, as applicable to them for the Financial Year ended March 31, 2020.

**By order of the Board of Directors  
RIDDHI CORPORATE SERVICES LIMITED**

**Place: - AHMEDABAD  
Date: - 31/07/2020  
CIN:L74140GJ2010PLC062548**

**PRAVINCHANDRA GOR  
CHAIRMAN & MANAGING DIRECTOR  
DIN: 03267951**

## Annexure-E

### Report on Corporate Governance for the year ended on 31st March, 2020 (2019-2020)

Pursuant to Schedule – V of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

#### ✚ **Brief statement on Company’s philosophy on Code of Governance :-**

SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (hereinafter referred to as “SEBI (LODR) Regulations, 2015”) envisages various compliances and disclosure requirements in terms of Corporate Governance. Further, Schedule – V read with regulation 34(3) and 53(f) of the SEBI (LODR) Regulation, 2015 the Annual Report of a listed entity shall contain various Additional Disclosures which includes Corporate Governance Report.

Over the past few years, the transition in the business environment, coupled with liberalisation and changing market conditions, has led to a fundamental shift in the management’s approach to enhancing shareholder value. In this context, Corporate Governance has attained paramount importance for ensuring fairness, transparency, accountability and responsibility to all stakeholders.

The Company’s philosophy on Corporate Governance is aimed at making the top management of the Company in the efficient conduct of its business and in making its obligation to Shareholders.

#### ✚ **The Report on Corporate Governance is divided into ten parts :-**

- 1) Board of Directors,
- 2) Remuneration of Directors,
- 3) Committees of the Board,
- 4) General Body Meetings,
- 5) Means of Communication
- 6) Compliance with applicable laws
- 7) Code of Conduct
- 8) Code for Prevention of Insider Trading
- 9) Shareholders Information

#### **1) Board of Directors**

##### **(i) Composition and category of Directors :**

The Board of the Company comprises Executive and Non-executive Directors. The board has equal balance of Executive Directors and Non- executive Directors. The day-to-day management of the Company is conducted by the Managing Directors of the Company, subject to the supervision, direction and control of the Board of Directors of the Company.

The Board of Directors of the Company as on 31-03-2020 consists the following 10 Directors, out of which, 5 Directors are Non-executive Independent Directors and 5 Directors are Executive Directors:-

Sr No.	Category	Name of Director	Designation
1	<b>Promoters and Executive Directors</b>	Mr. Pravinchandra Kodarlal Gor	Managing Director
2		Mr. Alpit Pravinchandra Gor	Wholetime Director
3		Mrs. Jayshreeben Pravinchandra Gor	Director
4	<b>Executive &amp; Professional Director</b>	Mr. Umesh A. Bhadreswara	Director
5		Mr. Subhasish Chakraborty	Director
6	<b>Independent Directors</b>	Mr. Soumya Ranjan Kanhu Charan Pradhan	Director
7		Mr. Kalpeshbhai C. Shukla	Director
8		Mr. Bhavin Kiritkumar Pandya*	Director
9		Mrs. Kalpanaben Dipakbhai Suthar**	Director
10		Mr. Jashubhai M. Patel^	Director

\* Mr. Bhavin Kiritkumar Pandya was appointed as an additional Director w.e.f 11<sup>th</sup> July, 2019.

\*\* Mrs. Kalpanaben Dipakbhai Suthar was appointed as an additional Director w.e.f 17<sup>th</sup> July, 2019

^ Mr. Jashubhai M. Patel was appointed as an additional Director w.e.f 4<sup>th</sup> March, 2020.

- During the Year under review Mr. Nishith Desai was appointed as an additional director of the Company w.e.f 11<sup>th</sup> July, 2019 and same has resigned on 17<sup>th</sup> July, 2019.
- During the Year under review Mr. Vipul Pandit Independent Director of the Company resigned from directorship w.e.f 22<sup>nd</sup> February, 2020.

**(ii) Number of Board Meetings held and the dates on which held:**

During the year under review, 12 (Twelve) Board Meeting were held on 13/04/2019, 29/04/2019, 30/05/2019, 07/09/2019, 11/07/2019, 17/07/2019, 29/11/2019, 14/12/2019, 14/02/2020, 22/02/2020, 04/03/2020 and 31/03/2020.

**(iii) Attendance of each Director at the 12 Board Meetings held during the year from 01-04-2019 to 31-03-2020, last Annual General Meeting (AGM) and number of Directorship and Chairmanship / Membership of Committee of each Director in various Companies as on 31-03-2020:**

Name of Director	Attendance Particulars		No. of Directorships and Committee membership / chairmanship held in Listed Entities (including Riddhi Corporate Services Limited)			
	Board Meetings	Last AGM	Name of Listed entity in which directorship held	Directorship	Committee Membership	Committee Chairmanship** (Out of Committee Membership)
Mr. Pravinchandra Gor	12	Yes	Riddhi Corporate Services Limited	1	0	0
Mr. Alpit Pravinchandra Gor	12	Yes	Riddhi Corporate Services Limited	1	0	0
Mrs. Jayshreeben Pravinchandra Gor	12	Yes	Riddhi Corporate Services Limited	1	0	0

Mr. Umesh A. Bhadreswara	12	Yes	Riddhi Corporate Services Limited	1	0	0
Mr. Subhasish Chakraborty	1	No	Riddhi Corporate Services Limited	1	0	0
Mr. Soumya Ranjan Kanhu Charan Pradhan	12	Yes	Riddhi Corporate Services Limited	1	3	2
Mr. Kalpeshbhai C. Shukla	12	No	Riddhi Corporate Services Limited	1	3	0
Mr. Bhavin Kiritkumar Pandya*	8	No	Riddhi Corporate Services Limited	1	3	1
Mrs. Kalpanaben Dipakbhai Suthar**	7	No	Riddhi Corporate Services Limited	1	0	0
Mr. Jashubhai M. Patel^	2	No	Riddhi Corporate Services Limited	1	0	0

\* Mr. Bhavin Kiritkumar Pandya was appointed as an additional Director w.e.f 11<sup>th</sup> July, 2019.

\*\* Mrs. Kalpanaben Dipakbhai Suthar was appointed as an additional Director w.e.f 17<sup>th</sup> July, 2019

^ Mr. Jashubhai M. Patel was appointed as an additional Director w.e.f 4<sup>th</sup> March, 2020.

- During the Year under review Mr. Nishith Desai was appointed as an additional director of the Company w.e.f 11<sup>th</sup> July, 2019 and same has resigned on 17<sup>th</sup> July, 2019.
- During the Year under review Mr. Vipul Pandit, Independent Director of the Company resigned from directorship w.e.f 22<sup>nd</sup> February, 2020.

#### REASON FOR RESIGNATION OF DIRECTORS

The detailed reasons for the resignation of Independent Directors before expiry of their term along with the confirmation by them that there are no other material reasons other than those provided are, as disclosed to the stock exchange (BSE) as required under regulation 30(4) read with schedule III(7B) of SEBI (LODR) Regulation, 2015

None of the Directors of the Company is a member of Board of more than 20 Companies and more than 10 Public Limited Companies, in terms of Section 165 of the Companies Act, 2013. None of the Directors is a member of more than 10 Board level Committees or a Chairman of more than 5 such Committees as required under Regulation 26(1) of SEBI (LODR) Regulation, 2015. The necessary disclosures regarding Committee positions have been made by the Directors.

#### (iv) Relationship between the Directors :-

- Mrs. Jayshreeben P. Gor is the wife of Mr. Pravinchandra Kodarlal Gor
- Mr. Alpit Pravinchandra Gor is Son of Mr. Pravinchanda Kodarlal Gor and Mrs. Jayshreeben Pravinchandra Gor
- None of the other directors are related to any other director on the Board.

**(v) Independent Director**

Independent Directors (“IDs”) are non-executive directors as defined under regulation 16(1)(b) of the Listing Regulations read with section 149(6) of the Act along with rules framed thereunder. In terms of regulation 25(8) of the Listing Regulations, the IDs have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impact or impair their ability to discharge their duties. Based on the declarations received from the IDs, the Board has confirmed that they meet the criteria of independence as mentioned under regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

During the year under review, the Company’s Independent Directors met 1 time during the year i.e. on 14<sup>th</sup> December, 2020 without the presence of Executive Directors or management personnel, to inter alia:

- review the performance of non-independent directors and the Board as a whole.
- review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors.
- assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**(vi) Familiarization programme for independent director: the said policy is available on website of the Company at [www.riddhincorporate.co.in](http://www.riddhincorporate.co.in)**

**2) Remuneration to Directors**

The Policy on appointment and remuneration of Directors is available on website of Company at [www.riddhincorporate.co.in](http://www.riddhincorporate.co.in)

The aggregate value of salary, perquisites and other allowances paid to the Managing Director, Whole time Director and Executive Directors of the Company during the year ended on 31-03-2020 are as follows:-

Name of Director	Designation	Amount of Remuneration
Mr. Pravinchanra Kodarlal Gor	Chairman and Managing Director	Rs. 24,00,000/-
Mr. Alpit Pravinchandra Gor	Wholetime Director	Rs. 24,00,000/-
Mrs. Jayshreeben Pravinchandra Gor	Director	Rs. 6,00,000/-
Mr. Umesh A. Bhadreswara	Director	Rs. 9,84,000/-

Apart from remuneration given to aforementioned director none of the other directors were paid remuneration and sitting fees for attending Board Meeting and Committee Meetings

**KEY BOARD QUALIFICATIONS, EXPERTISE AND ATTRIBUTES**

Company’s main business activity is to provide solutions under Document Management, inbound and outbound Contact Centre, Data Entry, Software Development, Verification Services and Recruitment Services.

In context of the above mentioned businesses following capabilities skills/expertise/competencies have been identified by the Board fundamental for the effective functioning of the Company and are available with the board members collectively.

Sr No	Name of Director	Skills Actually Available with Directors
1	Mr. Pravinchandra Gor	Knowledge and experience in Service Industry. Gradually he expanded in more fields with Corporate like Telecom, Banking and Finance sectors.
2	Mr. Alpit Pravinchandra Gor	Knowledge and experience in Service Industry and Providing Online Data Entry Services.
3	Mrs. Jayshreeben Pravinchandra Gor	Knowledge and Experience of working in the leading Company in insurance Sector i.e Life Insurance Corporation of India and assisting Company in formulations and implementation of HR policy in the company. She exercise due care for internal control and smooth administration.
4	Mr. Umesh A. Bhadreswara	Knowledge and Experience of 20 Years in Operations and Service Delivery. Successfully launched and maintaining RCSPL Operations in 9 Circle of India for Various Clients.
5	Mr. Subhasish Chakraborty	Knowledge and Experience in various industries like Courier Services, Data Management industry which is helpful to the in growing of business.
6	Mr. Soumya Ranjan Kanhu Charan Pradhan	Having experience in the field of Business Development, Accounts, HR/Administration and Customer Services.
7	Mr. Kalpeshbhai C. Shukla	Having experience in handling the workers and clients of own business of works contracts.
8	Mr. Bhavin Kiritkumar Pandya	Mr. Bhavin Kiritkumar Pandya has done Graduation in Commerce Field and also has Completed his ITI (Industrial Training Institute) from Dharmad in the Field of Mechanical Draft
9	Mrs. Kalpanaben Dipakbhai Suthar	Mrs. Kalpana Dipakbhai Suthar is housewife
10	Mr. Jashubhai M. Patel	Mr. Jashubhai Patel has worked as President of Junior chamber of South Ahmedabad during the Year 1999 to 2000 and after he became zone coordinator (J.J.Wing) since 2000 for Indian Junior Chamber. Mr. Jashubhai Patel was also founder Secretary of Shri 42 Gam Kadva Patidar Samaj in 1993 and served as secretary till 1997. He also has served in Shri Kedavani Mandal Trust (Sardar High School – Anara Dist. Kheda) as a Trustee.

### 3) Committees of the Board

The Board of Directors of the Company has formulated the following committees in terms of the provisions of the SEBI (LODR) Regulation, 2015 and Companies Act, 2013 and Rules made thereunder:

- (a) Audit Committee
- (b) Nomination and Remuneration Committee
- (c) Stakeholders' Relationship Committee

The composition and terms of reference of the said committees are as under:

#### (a) Audit Committee

- ❖ The composition of the Audit Committee of the Board of Directors of the Company mentioned below:

NAME OF DIRECTORS	DESIGNATION	NATURE OF DIRECTORSHIP
Soumyaranjan Pradhan	Chairman	Independent Director
Kalpeshbhai Shukla	Member	Independent Director
Vipul Pandit (Till 14 <sup>th</sup> February, 2020)	Member	Independent Director
Bhavin kiritkumar Pandya (w.e.f 14 <sup>th</sup> February, 2020)	Member	Independent Director

- ❖ The constitution of the Audit Committee fulfills the requirements of Regulation 18 of the SEBI (LODR) Regulation, 2015 and Section 177 of the Companies Act, 2013. The members of audit committee are financially literate and having accounting or related financial management expertise.
- ❖ Mr. Parth Pandya, Who is Company Secretary of the Company, is the Secretary to the Audit Committee
- ❖ The Audit Committee met 8 (Eight) times during the year under review 30/05/2019, 11/07/2019, 17/07/2019, 07/09/2019, 14/12/2019, 14/02/2020, 22/02/2020 and 31/03/2020
- ❖ Presence of the members of the aforesaid audit committee Meetings were as under

Sr No.	Name of Director	No. of Audit Committee Meetings attended
1	Soumyaranjan Pradhan	8
2	Kalpeshbhai Shukla	8
3	Vipul Pandit (Till 14 <sup>th</sup> February, 2020)	5
4	Bhavin kiritkumar Pandya (w.e.f 14 <sup>th</sup> February, 2020)	3

The representative of the Statutory Auditors was present in all meetings of the Audit Committee. The Internal Auditors were present in the meetings as and when called for. The Minutes of the



Audit Committee Meetings are placed before all Directors of the Company at the time of Board Meeting and are confirmed in the Board Meeting.

**(b) Nomination and Remuneration Committee**

- ❖ Your company has constituted a Nomination and Remuneration Committee pursuant to the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI's Corporate Governance norms.
- ❖ During the FY 2019-20, 4 (Four) meeting of the Nomination and Remuneration Committee were held i.e. 11/07/2019, 17/07/2019, 07/09/2019 and 04/03/2020.
- ❖ The detail of the meeting attended by members during the FY 2019-20 is as follows:

NAME OF DIRECTORS	DESIGNATION	NATURE OF DIRECTORSHIP	No. of Meetings	
			No. of Meeting eligible to attend	Attended
Vipul Pandit (Till 14 <sup>th</sup> February, 2020)	Chairman	Independent Director	3	3
Bhavin kiritkumar Pandya (w.e.f 14 <sup>th</sup> February, 2020)	Chairman	Independent Director	1	1
Kalpeshbhai Shukla	Member	Independent Director	4	4
Soumyaranjan Pradhan	Member	Independent Director	4	4

**(c) Nomination and Remuneration Committee**

- ❖ The Company has set up a Stakeholders Relationship and Shareholders'/Investors' Grievance Committee to look into the Redressal of the complaints of investors as per the requirement of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on March 31, 2020 the Stakeholders Relationship and Shareholders'/Investors' Grievance Committee comprised of the following:
  - ❖ Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act.
    - Consider and resolve the grievances of security holders.
    - Consider and approve issue of share certificates, transfer and transmission of securities, etc.
- ❖ One meeting of the Stakeholders' Relationship Committee were held during the year under review.

- ❖ The Company has always valued its customer relationships. This philosophy has been extended to investor relationship
- ❖ Details of Investor complaints and Compliance Officer are provided herein below.
- ❖ -Stakeholders Relationship Committee - other details  
Name, designation and address of Compliance Officer:  
Parth M. Pandya  
Company Secretary  
Riddhi Corporate Services Limited  
10 MILL OFFICERS COLONY, BEHIND OLD RBI, ASHRAM ROAD AHMEDABAD GJ 380009 IN  
Himatnagar -383001  
Telephone: 079-079-26580767
- ❖ During the FY 2019-20, 1 (One) meeting of the Stakeholder Relationship and Shareholders'/ Investors' Grievance Committee was held on 30/05/2019.
- ❖ The details of the meeting attended by members during the FY 2019-20 are as follows:

NAME OF DIRECTORS	DESIGNATION	NATURE OF DIRECTORSHIP	No. of Meetings	
			No. of Meeting eligible to attend	Attended
<b>Soumyaranjan Pradhan</b>	Chairman	Independent Director	1	1
<b>Kalpeshbhai Shukla</b>	Member	Independent Director	1	1
<b>Vipul Pandit (Till 14<sup>th</sup> February, 2020)</b>	Member	Independent Director	1	1
<b>Bhavin kiritkumar Pandya (w.e.f 14<sup>th</sup> February, 2020)</b>	Member	Independent Director	0	0

Information on investor complaints for the year ended March 31, 2020 is as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
---	NIL	N.A.	---

#### 4) General Body Meeting

##### a. Annual General Meeting ("AGM"):

Financial Year	Date	Time	Venue
<b>2017-18</b>	29/09/2017	11.00 A.M.	10 MILL OFFICERS COLONY, BEHIND OLD RBI, ASHRAM ROAD AHMEDABAD GJ 380009 IN
<b>2018-19</b>	29/09/2018	11.00 A.M.	
<b>2019-20</b>	30/09/2019	11.00 A.M.	

**b. Extraordinary General Meeting:**

No extraordinary general meeting of the members was held during FY 2020.

**c. POSTAL BALLOT**

Your Company has passed following Special Resolution through Postal Ballot during the Financial Year 2019-20 and results of the same were published to the Stock Exchange Website as well as on the Company's Website.

Sr. No.	Particulars of Resolution	Date of Passing of Resolution
1	MIGRATION OF COMPANY'S PRESENT LISTING FROM SME PLATFORM OF BSE LIMITED TO THE MAIN BOARD OF BSE LIMITED	04/06/2019
2	SALE OF EQUITY SHARES OF RCSPL MULTICOMMODITIES PRIVATE LIMITED ("RCSPL MULTI"), A SUBSIDIARY OF THE COMPANY	27/03/2020
3	SALE OF EQUITY SHARES OF VIBHIN ONLINE SERVICES PRIVATE LIMITED ("VOSPL"), A WHOLLY OWNED SUBSIDIARY OF THE COMPANY	27/03/2020
4	SALE OF EQUITY SHARES OF RCSPL SHARE BROKING PRIVATE LIMITED ("RCSPL BROKING"), A SUBSIDIARY OF THE COMPANY	27/03/2020
5	TRANSACTION FOR SALE OF THE SHARES HELD BY COMPANY OF RCSPL MULTICOMMODITIES PRIVATE LIMITED WITH RELATED PARTIES U/S 188 OF THE COMPANIES ACT, 2013	27/03/2020
6	TRANSACTION FOR SALE OF THE SHARES HELD BY COMPANY OF VIBHIN ONLINE SERVICES PRIVATE LIMITED WITH RELATED PARTIES U/S 188 OF THE COMPANIES ACT, 2013	27/03/2020
7	TRANSACTION FOR SALE OF THE SHARES HELD BY COMPANY OF RCSPL SHARE BROKING PRIVATE LIMITED WITH RELATED PARTIES U/S 188 OF THE COMPANIES ACT, 2013	27/03/2020

**5) Means of Communication**

The quarterly, half-yearly and annual financial results of the Company are published in Western Times. The results are also displayed on the Company's website [www.riddhincorporate.co.in](http://www.riddhincorporate.co.in). Financial Results, Statutory Notices and Press Releases after the declaration of the quarterly, half-yearly and annual results are submitted to the BSE Limited (BSE) as well as uploaded on the Company's website. A Management Discussion and Analysis Report is a part of this Annual Report.

**6) Compliance with applicable laws**

The company has a robust Compliance monitoring system in place. The Board periodically reviews the status of compliances to ensure proper compliance of all laws applicable to the company.

**7) Code of Conduct**

The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("the Act").

**8) Code for Prevention of Insider Trading**

In pursuance of Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, your Company has reviewed the comprehensive Code to preserve the confidentiality and to prevent misuse of un-published price sensitive information. All Designated Employees and other Connected Persons have a duty to safeguard the confidentiality of all such information obtained in the course of his or her assignment at the company and not to misuse his or her position or information to gain personal benefit or to provide benefit to any third party. The code lays down guidelines and procedures to be followed and disclosures to be made while dealing with the securities of the Company and the consequences of non-compliance. The Compliance Officer is responsible for ensuring adherence of the said Code.

In line with the requirement of the said Code, trading window was closed from time to time, whenever some price sensitive information was submitted to the Board. The Compliance Officer notified the closure of trading window on the website of the company well in advance restraining all the employees and other connected person not to deal in the securities of the Company when the trading window is closed.

**9) Shareholders Information****a) Annual General Meeting for FY 2020**

Date: 28<sup>th</sup> December, 2020

Time: 01.00 P.M.

Venue: Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”)

**b) Listing on Stock Exchanges:**

BSE Limited, 25th Floor,

P. J. Towers, Dalal Street,

Mumbai - 400 001

Scrip Code: 540590,

Stock Code (ISIN): **INE325X01015**

The annual listing fees for the FY 2020-21 have been paid to BSE.

**c) Market Price Data**

Period: 01-Apr-2019 to 31-Mar-2020

Month	Open	High	Low	Close
<b>Jun 19</b>	49.65	49.80	49.65	49.80
<b>Jul 19</b>	59.00	60.00	59.00	60.00
<b>Aug 19</b>	72.00	72.00	64.25	64.25
<b>Sep 19</b>	77.00	80.10	51.70	57.00
<b>Oct 19</b>	68.00	93.00	54.00	93.00
<b>Nov 19</b>	97.00	197.50	97.00	197.50
<b>Dec 19</b>	207.00	214.00	195.05	197.90
<b>Jan 20</b>	193.95	197.80	190.10	197.80
<b>Feb 20</b>	196.55	203.00	176.70	193.70
<b>Mar 20</b>	193.65	193.65	188.00	191.50

**d) Registrar and Transfer Agents**

Purva Sharegistry (India) Pvt. Ltd.  
 9, Shiv Shakti Indl. Estate,  
 J. R. Boricha Marg, Near Lodha Excelus,  
 Lower Parel (East), Mumbai - 400 011  
 (o): 022-23016761/8261

**e) Share Transfer System**

Transfers of equity shares in electronic form are done through the depositories with no involvement of the Company. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

**f) Distribution of shareholding**

Distribution of equity shareholding as on March 31, 2020:

Category	Description	Number of Shares	% of Capital	Number of Holders	% of Holders
<b>00</b>	Resident Individual	3244527	28.52	293	91.85
<b>31</b>	Bodies Corporate	5871	0.05	1	0.31
<b>32</b>	Clearing Members	201	0.00	1	0.31
<b>40</b>	Promoter	8123499	71.42	8	2.51
<b>81</b>	Market Maker	887	0.01	1	0.31
<b>98</b>	Hindu Undivided Family	15	0.00	15	4.70
<b>Total</b>		<b>11375000</b>	<b>100.00</b>	<b>319</b>	<b>100.00</b>

**g) Dematerialization of shares**

Number of shares held in dematerialized form with NSDL, CDSL and physical mode as on March 31, 2020.

Description	No. of Shares	% to total Capital issued
<b>NSDL</b>	1,00,40,896	88.27%
<b>CDSL</b>	13,34,104	11.73%
<b>Physical</b>	NIL	0.00%
<b>Total</b>	1,13,75,000	100%

**h) Outstanding GDR and ADR Warrants or any convertible instruments, conversion date and likely impact on equity:** No GDR and ADR Warrants/Convertible Instruments have been issued by the Company.

**i) Address for correspondence.**

RIDDHI CORPORATE SERVICES LIMITED  
 CIN: L74140GJ2010PLC062548  
 10, Mill Officers Colony, Behind Old RBI,  
 Ashram Road, Ahmedabad – 380 009.  
 Tel: 079-26580767  
[www.riddhincorporate.co.in](http://www.riddhincorporate.co.in)

## **CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF RIDDHI CORPORATE SERVICES LIMITED**

To,

**The Members of**

**Riddhi Corporate Services Limited**

2) I, Mr. Amrish N. Gandhi, proprietor of M/s Amrish Gandhi & Associates, practicing company secretaries, Ahmedabad, the Secretarial Auditor of Riddhi Corporate Services Limited (“the Company”), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March 2020, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

### **MANAGEMENT’S RESPONSIBILITY**

3) The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

### **AUDITORS’ RESPONSIBILITY**

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

5) I 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**

6) Based on my examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, for the year ended 31<sup>st</sup> March 2020.

7) I 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.

**DATE: 31/07/2020**

**PLACE: AHMEDABAD**

**UDIN: F008193B001108336**

**FOR AMRISH GANDHI & ASSOCIATES**

**AMRISH N. GANDHI**

**PRACTICING COMPANY SECRETARY**

**FCS-8193 | CP.NO.: 5656**

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF RIDDHI CORPORATE SERVICES LIMITED

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

##### Opinion

1. We have audited the accompanying standalone financial statements of RIDDHI CORPORATE SERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS"), of the state of affairs (financial position) of the Company as at March 31, 2020 and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

##### Basis for Opinion

3. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

##### Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
1	<b>Revenue Recognition</b>	
	Accuracy of recognition, measurement,	We assessed the Company's process to identify



	<p>presentation and disclosures of revenues and other related balances based on Contracts with Customers.</p> <p>The revenue recognition involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>	<p>the impact of Contracts with Customers. Our audit approach consisted of studying the internal system and IT platform used regarding the implementation and also testing of the design and operating effectiveness of the internal controls and substantive testing.</p> <p>We evaluated the design of internal controls relating to implementation of the new revenue accounting standard.</p> <p>We selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation. Samples in respect of recording and recognition of revenue were tested by checking the invoices and performance.</p> <p>Conclusion Our procedures did not identify any material exceptions.</p>
<b>2</b>	<b>Inter corporate deposit to Subsidiary</b>	
	<p>During the year, the Company has granted loan to its subsidiaries. We consider granting loan to Subsidiaries as a key audit matter as it constitutes significant percentage of loan given.</p> <p>The rate of interest charged is at par with rate charged for outsiders.</p>	<p>We have verified the relevant records and found the interest charges are in accordance with company policy. Based on the above procedure and, in our opinion the management's determination is considered to be reasonable.</p>
<b>3</b>	<b>Sale of Investment in Subsidiary</b>	
	<p>Company has entered into a sale agreement which results into loss of control of subsidiaries and has recognized loss of Rs.3,31,06,200/-;disclosed as exceptional items. The same is considered as key audit matter.</p>	<p>The procedures performed included the following:</p> <p>Obtained management note for evaluation of sale agreement and for this purpose:</p> <p>i) Read minutes of meetings of Board of Directors.</p> <p>ii) Verified the sale agreement entered into with the buyer.</p> <p>iii) Read communications between Company and buyer.</p>

### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

6. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatement 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimate and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit's report to the related disclosures in the standalone 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 audit's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall, presentation, structure and content of the standalone financial statements, including the disclosures and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. 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.

13. 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.

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

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

15. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure B, a statement on the matters specified in paragraph 3 and 4 of the Order.

16. As required by Section 143(3) of the Act, based on our audit 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 & Loss including Other comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representation received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) Of Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the opening effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to 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 information and explanation given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by provision of Sec.197 read with Schedule V to the Act.
- h) With respect to the other matter 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;
  - 1. The company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - 2. The Company did not have any Long Term Contracts including derivative contracts for which there were any material foreseeable losses.
  - 3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**Place: Ahmedabad**  
**Date: 31/07/2020**

**For, Nitin K. Shah & Co.**  
**Chartered Accountants**  
**FRN: 107140W**

**Vaibhav N. Shah**  
**Proprietor**  
**M. Num: 116817**  
**UDIN: 20116817AAAAEI7416**

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

Referred to in paragraph 16(f) of the Independent Auditors' Report of even date to the members of RIDDHI CORPORATE SERVICES LIMITED on the Standalone Ind AS financial statements for the year ended March 31, 2020

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

1. We have audited the internal financial controls over financial reporting of RIDDHI CORPORATE SERVICES LIMITED ("the Company") as of March 31, 2020 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**

2. 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.

### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the 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.

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

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

### Meaning of Internal Financial Controls Over Financial Reporting

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

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

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

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting, were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Place: Ahmedabad**  
**Date: 31/07/2020**

**For, Nitin K. Shah & Co.**  
**Chartered Accountants**  
**FRN: 107140W**

**Vaibhav N. Shah**  
**Proprietor**  
**M. Num: 116817**  
**UDIN: 20116817AAAAEI7416**

## Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of RIDDHI CORPORATE SERVICES LIMITED on the standalone Ind AS financial statements for the year ended March 31, 2020

(i) In respect of its Fixed Assets:

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

(b) These fixed assets have been physically verified by the management at reasonable intervals in accordance with regular programme of verification. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The immovable property held by the Company is on lease rental basis, hence para 3(ii) of the Order is not applicable to the Company.

(ii) In respect of its Inventory:

The company is rendering the services of ITeS including Data Warehousing. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the company.

(iii) (a) The company has granted loans to its two subsidiary company covered in the register maintained under section 189 of the companies Act, 2013. The amount outstanding as on 31st March 2020 is Rs. 3,44,44,920/-.

In our opinion and according to the information and explanations given to us, the terms and conditions of the grants and loans are not prejudicial to the company's interest.

(b) The Company has granted loans that are re-payable on demand, to companies covered in the register maintained under section 189 of the Companies Act, 2013. We are informed that the Company has not demanded repayment of any such loan along with interest during the year and thus, there has been no default on the part of the party to whom the money has been lent.

(iv) According to information and explanations given to us, the Company has not given any loans, guarantees or security. In respect of the investments made, in our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act.

(v) According to information and explanations given to us the Company has not accepted any deposits during the year.

(vi) In our opinion and according to the information and explanations given to us, in view of Rule 3 of the Companies (Cost Records and Audit) Amendments Rules 2014, the maintenance of cost records

under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company and therefore, reporting under clause (vi) of the Order is not applicable to the Company.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. Further, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues in arrears as at March 31, 2020 for period of more than six months from the day they became payable.

(b) According to the information and explanations given to us, there are no dues of sales tax, value added tax and goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income-tax as at March 31, 2020, which have not been deposited on account of a dispute is as under:

Name of the statute      Nature of dues      Amount (Rs.)      Period to which the amount relates      Forum where the dispute is pending

Name of the statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income tax Act, 1961	Income Tax	0*	A.Y 2017-18	Commissioner of Income Tax Appeals, Ahmedabad

\*Net of pre-paid taxes and refund adjustments

(viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution, banks or government.

Further, the Company does not have any debentures issued/outstanding any time during the year.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.



(xi) The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) This clause of the CARO, 2016 is not applicable to the Company as the Company is not a Nidhi Company.

(xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully convertible debentures during the year under audit. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors and the provisions of section 192 of the Companies Act, 2013 have been complied with.

(xvi) This clause of the CARO, 2016 is not applicable to the Company as the Company is not required to register under section 45-IA of the Reserve Bank of India Act, 1934.

**Place: Ahmedabad**

**Date: 31/07/2020**

**For, Nitin K. Shah & Co.**

**Chartered Accountants**

**FRN: 107140W**

**Vaibhav N. Shah**

**Proprietor**

**M. Num: 116817**

**UDIN: 20116817AAAAEI7416**

RIDDHI CORPORATE SERVICES LIMITED				
STANDALONE BALANCE SHEET AS AT 31ST MARCH 2020				
CIN No L74140GJ2010PLC062548				
Particulars	Note No.	Amount (In Rs.) 31.03.2020	Amount (In Rs.) 31.03.2019	Amount (In Rs.) 01.04.2018
<b>ASSETS</b>				
<b>A. Non-Current Assets</b>				
<b>(i) Fixed Assets</b>				
(a) Plant, Property and Equipment	2	2,02,98,475	6222607	7713253
(b) Capital Work-in-Progress	2	-	4880808	1611270
(c) Investment Properties		-	0	0
(d) Goodwill		-	0	0
(e) Other Intangible Assets		-	0	0
(f) Intangible Assets under Development		-	0	0
(g) Biological Assets other than bearer Plants		-	0	0
<b>(ii) Financial Assets</b>				
(a) Investments	3	13,86,66,634	217537657	233912806
(b) Trade Receivables		3,81,97,263	11312686	8846149
(c) Loans	4	39,79,077	4051812	7663443
(c) Others		11,26,358	2051088	490360
<b>(iii) Deferred Tax Assets (Net)</b>				
(iv) Other Non Current Assets	5	17,59,445	2890830	3174666
		-	0	0
<b>B. Current Assets</b>				
(i) Inventories		-	0	0
<b>(ii) Financial Assets</b>				
(a) Investments		-	0	0
(b) Trade Receivables	6	4,09,63,433	26946929	37343964
(c) Cash & Cash Equivalents	7	10,27,28,613	58584627	6827981
(d) Loans	8	3,62,98,535	21964210	10457756
(iv) Current Tax Assets (Net)	9	1,93,30,961	22847804	16422507
(v) Other Current Assets		-	0	0
<b>TOTAL ASSETS</b>		<b>403348794</b>	<b>379291058</b>	<b>334464155</b>
<b>EQUITY AND LIABILITIES</b>				
<b>A. Equity</b>				
(i) Equity Share Capital	10	113750000	113750000	32500000
(ii) Other Equity	11	137148761	142625476	198918315
<b>Total Equity</b>		<b>250898761</b>	<b>256375476</b>	<b>231418315</b>
<b>B. Liabilities</b>				
<b>Non-Current Liabilities</b>				
<b>(i) Financial Liabilities</b>				
(a) Borrowings	12	135805	265879	1023523
(b) Trade Payables				
A) total outstanding dues of micro enterprises and small enterprises; and				
B) total outstanding dues of creditors other than micro enterprises and small enterprises.	13	18380868	9328164	1546183
(c) Other financial liabilities (other than those specified in item (b), to be specified)		0	0	0
<b>(ii) Provisions</b>				
(iii) Deferred Tax Liabilities		0	0	0
(iv) Other Non Current Liabilities		0	0	0
<b>Current Liabilities</b>				
<b>(i) Financial Liabilities</b>				
(a) Borrowings	14	47683073	40370483	57296569
(b) Trade Payables				
A) total outstanding dues of micro enterprises and small enterprises; and				
B) total outstanding dues of creditors other than micro enterprises and small enterprises.	15	13216252	3091437	26454701
(c) Others	16	10361463	17029588	16724864
<b>(ii) Provisions</b>				
(iii) Current Tax Liabilities (Net)	17	18673409	0	0
(iii) Other Current Liabilities		0	0	0
		43999162	52830031	0
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>403348794</b>	<b>379291058</b>	<b>334464155</b>
		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Significant Accounting Policies &amp; Notes on Financial Statements

1

**As per our report of even date****For, Nitin K. Shah & Co**

Chartered Accountants

FRN : 107140W

SD/-

(Vaibhav N. Shah)

Proprietor

Membership No. : F/116817

UDIN: 20116817AAAAEI7416

Ahmedabad, Date:31<sup>st</sup> July, 2020**For, Riddhi Corporate Services Limited**

SD/-

Mr. PravinchandraGor

Mr. AlpitkumarGor

Mr. S.k.Pradhan

Mr. Manish Joshi

Mr. Parth Pandya

Date:- 31<sup>st</sup> July, 2020

Managing Director

Wholetime Director

Independent Director

Chief Financial Officer

Company Secretary

Place:- Ahmedabad

RIDDHI CORPORATE SERVICES LIMITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2020 CIN No L74140GJ2010PLC062548			
Particulars	Note No.	Amount (In Rs.) 31.03.2020	Amount (In Rs.) 31.03.2019
<b>A. INCOME</b>			
I) Revenue from Operations	18	806173541	502570596
II) Other Income	19	11017637	18398295
<b>III TOTAL INCOME (I+II)</b>		<b>817191178</b>	<b>520968891</b>
<b>IV. EXPENDITURE</b>			
a) Cost of Material Consumed			
b) Purchases of Services	19	196004841	103002290
c) Changes in Inventory of Finished Goods, Work In Progress & Stock In Trade	0	0.00	0.00
d) Employee Benefit Expenses	20	505463572	325035583
e) Finance Costs	21	2200619	4070379
f) Depreciation and Amortization Expenses	22	2903063	2707638
g) Other Expenses	23	67376247	52231276
<b>TOTAL EXPENSES (IV)</b>		<b>773948342</b>	<b>487047166</b>
(V) Profit/(loss) before exceptional items and tax (III-IV)		43242836	33921725
(VI) Exceptional items		33106200	0
(VII) Profit/(loss) before tax from Continuing Operations (V-VI)		10136636	33921725
<b>(VIII) Tax Expenses</b>			
a) Current year Tax		14481966	7911432
b) Deferred Tax	14	1131385	283836
<b>(IX) Profit/(Loss) for the period from continuing operations (VII-VIII)</b>		<b>-5476715</b>	<b>25726456</b>
X Profit/(Loss) from discontinued operations		0.00	0.00
XI Tax Expenses of discontinued operations		0.00	0.00
XII Profit/(loss) from Discontinued operations (after tax) (X-XI)		0.00	0.00
<b>XIII Profit/(loss) for the period (IX+XII)</b>		<b>-5476715</b>	<b>25726456</b>
<b>XIV Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to Profit or loss		0.00	0.00
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.00	0.00
B (i) Items that will be reclassified to profit or loss		0.00	0.00
(ii) Income tax relating to items that will be reclassified to profit or loss		0.00	0.00
<b>XV Total Comprehensive Income for the period (XIII+XIV)(Comprising profit (Loss) and other comprehensive income for the period)</b>		<b>-5476715</b>	<b>25726456</b>
XVI Earnings per equity share (for continuing operation) :			
(1) Basic		-0.48	2.26
(2) Diluted		-0.48	2.26
XVII Earnings per equity share (for discontinued operation) :			
(1) Basic		0.00	0.00
(2) Diluted		0.00	0.00
XVIII Earnings per equity share (for discontinued & Continuing operation) :			
(1) Basic		-0.48	2.26
(2) Diluted		-0.48	2.26
<b>Significant Accounting Policies &amp; Notes on Financial Statements</b>	1		

**As per our report of even date****For, Nitin K. Shah & Co**

Chartered Accountants

FRN : 107140W

SD/-

(Vaibhav N. Shah)

Proprietor

Membership No. : F/116817

UDIN: 20116817AAAAEI7416

**For, Riddhi Corporate Services Limited**

SD/-

Mr. PravinchandraGor

Mr. AlpitkumarGor

Mr. S.k.Pradhan

Mr. Manish Joshi

Mr. Parth Pandya

Managing Director

Wholtime Director

Independent Director

Chief Financial Officer

Company Secretary

Ahmedabad, Date:31<sup>st</sup> July, 2020Date:- 31<sup>st</sup> July, 2020

Place:- Ahmedabad

Standalone Cash Flow Statement		
Particulars	Year ended	Year ended
	31-03-2020	31-03-2019
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit as per P & L A/c. before Income Tax (after exceptional items)	1,01,36,636	3,39,21,725
<b>ADD/(LESS): - Adjustment for :</b>		
Depreciation	29,03,063	27,07,638
Finance Cost	22,00,619	40,70,379
Interest Income and Dividend Income	-1,49,51,189	-1,25,40,566
Loss/ (Profit) on sale Investment	14,37,956	64,69,194
Loss on sale Subsidiary	3,31,06,200	0
<b>Operating Profit before changes in working capital</b>	<b>3,48,33,286</b>	<b>3,46,28,370</b>
Increase/(Decrease) in Trade Payables Current	1,01,24,815	-2,33,63,264
Increase/(Decrease) in Trade Payables Non Current	90,52,704	77,81,981
Increase/(Decrease) in Other current Liabilities/ Provision	31,74,415	5,31,34,755
Decrease/(Increase) in Trade receivables	-4,09,01,081	79,30,498
Decrease/(Increase) in Short term Loans and advances	-1,43,34,325	-1,15,06,454
<b>Cash generated from operations</b>	<b>19,49,814</b>	<b>6,86,05,885</b>
<b>Direct Taxes Paid (Net of Refunds)</b>	<b>-1,09,65,123</b>	<b>-1,43,36,729</b>
<b>Net Cash Flow From Operating Activities</b>	<b>-90,15,309</b>	<b>5,42,69,156</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Fixed Assets	-1,20,98,123	-44,87,592
Sale of Fixed Assets	0	1,062
Interest Income	1,49,51,189	1,25,40,566
(Increase)/ Decrease in other loans and advances	72,735	36,11,631
(Increase)/ Decrease Other Non Current Financial Asset	9,24,730	-15,60,728
(Purchase)/Sales of Investment	7,88,71,023	1,63,75,149
Loss/ (Profit) on sale Investment	-14,37,956	-64,69,194
Loss on sale Subsidiaries	-3,31,06,200	0
<b>Net Cash From Investment Activities</b>	<b>4,81,77,398</b>	<b>2,00,10,893</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance Cost	-22,00,619	-40,70,379
Increase in/ (Repayment) of Long term Borrowings	-1,30,074	-7,57,644
Increase in/ (Repayment) of Short term Borrowing	73,12,590	-1,69,26,086
Dividend Distribution Tax Paid	0	-1,19,295
Dividend Paid	0	-6,50,000
<b>Net Cash From Financing Activities</b>	<b>49,81,898</b>	<b>-2,25,23,404</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS [A+B+C]</b>	<b>4,41,43,986</b>	<b>5,17,56,646</b>
Cash and Cash Equivalents at the beginning of the year	5,85,84,627	68,27,981
<b>Closing Cash and Cash Equivalents</b>	<b>10,27,28,613</b>	<b>5,85,84,627</b>

Notes: The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS-7) Statement of Cash flows.

#### As per our report of even date

**For, Nitin K. Shah & Co**

Chartered Accountants

FRN : 107140W

SD/-

(Vaibhav N. Shah)

Proprietor

Membership No. : F/116817

UDIN: 20116817AAAAEI7416

**For, Riddhi Corporate Services Limited**

SD/-

Mr. Pravinchandra Gor

Mr. Alpitkumar Gor

Mr. S.k.Pradhan

Mr. Manish Joshi

Mr. Parth Pandya

Managing Director

Wholtime Director

Independent Director

Chief Financial Officer

Company Secretary

Ahmedabad, Date: 31<sup>st</sup> July, 2020

Date:- 31<sup>st</sup> July, 2020

Place:- Ahmedabad

RIDDHI CORPORATE SERVICES LIMITED			
STATEMENT OF PROFIT AND LOSS			
Notes Forming Part of the Standalone Financial Statements			
CIN No L74140GJ2010PLC062548			
Particulars	Amount (In Rs.) 31.03.2020	Amount (In Rs.) 31.03.2019	Amount (In Rs.) 01.04.2018
<b>FINANCIAL ASSETS - NON CURRENT</b>			
<b>NOTE NO. 3</b>			
<b>INVESTMENTS (Measured at Amortised Cost)</b>			
Fixed Deposit Axis Bank	70043389	117042259	116093823
Fixed Deposit with Bank of Baroda	60825278	48279324	47163844
Fixed Deposit with ICICI Bank	410653	383827	263186
Fixed Deposit with IDBI Bank	727465	708247	669075
<b>Investment in Equity Instrument Unquoted Equity Shares-Subsidiary Companies, Associates and JV Fully Paid up: (Measured at Cost)</b>			
Vibhin Online Services P Ltd - (No.9000 Shares)	0	500000	500000
RCSPL Multicommodities Pvt Ltd -(No.459000 Shares)	0	4590000	4590000
RCSPL Share Broking Pvt Ltd - (No.3770200 Shares)	0	46034000	46034000
Riddhi online Services LLP	0	0	0
<b>Investment in Equity Instrument- Quoted Equity Shares (Measured at Fair Value through Pnl)</b>			
Investments in Listed securities	4301595	0	18598878
Investments in Mutual Funds- Liquid Funds	2358254	0	0
	<b>138666634</b>	<b>217537657</b>	<b>233912806</b>
<b>NOTE NO. 4</b>			
<b>LOANS (Measured at Amortised Cost)- Considered Good Unsecured</b>			
Security Deposit	3979077	4051812	7663443
<b>TOTAL</b>	<b>3979077</b>	<b>4051812</b>	<b>7663443</b>
<b>NOTE NO. 5</b>			
<b>Other Non Current Financial Assets</b>			
<b>Considered Good - Unsecured</b>			
Deposit with Government Authorities- Measured at Cost	45,000	45,000	45,000
Advance other than capital Advance - Others- Measured at Amortised cost	1081358	2006088	445360
<b>Total</b>	<b>1126358</b>	<b>2051088</b>	<b>490360</b>
<b>NOTE NO. 5</b>			
<b>Deferred Tax Asset (net)</b>			
Balance as Balance sheet of Previous Year	28,90,830	31,74,666	2,59,891
Add : Addition/ (reduction) during the year	-11,31,385	-2,83,836	29,14,775
<b>Total</b>	<b>17,59,445</b>	<b>28,90,830</b>	<b>31,74,666</b>
<b>CURRENT ASSETS</b>			
<b>NOTE NO. 6</b>			
<b>TRADE RECEIVABLES- (Measured at Amortised Cost)</b>			
Unsecured Considered Good	4,09,63,433	2,69,46,929	3,73,43,964
	<b>4,09,63,433</b>	<b>2,69,46,929</b>	<b>3,73,43,964</b>

**NOTE NO. 7****CASH & CASH EQUIVALENTS-(Measured at Amortised Cost)**

Balance with Scheduled Banks	9,55,96,418	5,63,63,543	62,18,751
Cash in Hand	71,32,195	22,21,084	6,09,230
	<b>10,27,28,613</b>	<b>5,85,84,627</b>	<b>68,27,981</b>

**NOTE NO.8****LOANS-(Measured at Amortised Cost)***(Unsecured and Considered Good)***Related Party**

RCSPL Multicommodities Private Limited- Subsidiary	3029955	2826451	0
RCSPL Share Broking Pvt Limited-Subsidiary	19444753	13333508	8581178
Vibhin Online Services Pvt Ltd- Subsidiary	11970212	4468046	1676578

**Security Deposit**

Tender deposit	1853615	1336205	0
Others- Deposit	0	0	200000
	<b>36298535</b>	<b>21964210</b>	<b>10457756</b>

**NOTE NO. 9****Current Tax Assets**

Advance Income Tax (Net)	19330961	22847804	16422507
	<b>19330961</b>	<b>22847804</b>	<b>16422507</b>

RIDDHI CORPORATE SERVICES LIMITED			
Notes Forming Part of the Standalone Financial Statements			
CIN No L74140GJ2010PLC062548			
Particulars	Amount (In Rs.)	Amount (In Rs.)	Amount (In Rs.)
	31.03.2020	31.03.2019	01.04.2018
<b>NOTE NO.10</b>			
<b>EQUITY SHARE CAPITAL</b>			
<b>Authorized Capital</b>			
(1,13,75,000.00 Equity shares of Rs. 10 Each Fully Paid-Up)	113750000.00	113750000.00	32500000.00
(Previous Year 113,75,000.00 Equity shares of Rs. 10 Each Fully Paid-Up)			
<b>Issued, Subscribed and Paid Up Capital</b>			
(1,13,75,000.00 Equity shares of Rs. 10 Each Fully Paid-Up)	113750000.00	113750000.00	32500000.00
(Previous Year 113,75,000.00 Equity shares of Rs. 10 Each Fully Paid-Up)			
	<b>113750000.00</b>	<b>113750000.00</b>	<b>32500000.00</b>
<b>10.1) The reconciliation of the number of shares outstanding is set out below :-</b>			
Particulars	No. of Shares	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	11375000	3250000	3250000
Add : Bonus Shares issued during the year	0.00	8125000	0.00
Equity Shares at the end of the year	<b>11375000</b>	<b>11375000</b>	<b>3250000</b>
<b>10.2) The details of Shareholders holding more than 5% shares :-</b>			
Name of the Shareholder (% of Holding)	No. of Shares (% of holding)	No. of Shares (% of holding)	No. of Shares (% of holding)
Alpit P Gor	2737000 24.06%	2737000 24.06%	782000 24.06%
Pravinchandra K Gor	2495500 21.94%	2495500 21.94%	713000 21.94%
Jayshreeben P Gor	2495500 21.94%	2495500 21.94%	713000 21.94%
Nishith Shreshbhai Desai	777000 6.83%	777000 6.83%	223000 6.86%
<b>10.3) Terms/rights attached to equity Shares:</b>			
The company has only one class of equity shares referred to as equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share and dividend as and when declared by the company.			

**NOTE NO.11****OTHER EQUITY****A) General Reserve**

As per Balance sheet of Previous Financial Year	20477111	20477111	20477111
Add : Addition in Current Year	0	0	0
Less : Utilized in Current Year	0	0	0
	<b>20477111</b>	<b>20477111</b>	<b>20477111</b>

**B) Securities Premium**

As per Balance sheet of Previous Financial Year	32750000	114000000	114000000
Add : Addition in Current Year	0	0	0
Less : Utilized in Current Year for Issue of Bonus Shares	0	81250000	0
	<b>32750000</b>	<b>32750000</b>	<b>114000000</b>

**C) Retained Earnings**

As per Balance sheet of Previous Financial Year	89398365	64441204	69883710
Add : Transfer from Profit of the Current Year	-5476715	25726456	0
Less : Dividend Paid	0	650000	0
Less : Dividend Distribution Tax	0	119295	0
Add : Adjustment on Account of Transition to Ind AS- Deferred Tax	0	0	2914775
Less : Adjustment on Account of Transition to Ind AS- Fair Value of Security Deposit	0	0	3084932
Add : Adjustment on Account of Transition to Ind AS- Trade Payables	0	0	622419
Less : Adjustment on Account of Transition to Ind AS- Fair Value of Investment in equity Shares	0	0	2154455
Less : Adjustment on Account of Transition to Ind AS- Fair Value of Loans and Advance receivable	0	0	179280
Less : Adjustment on Account of Transition to Ind AS- Fair Value of Trade Receivables			3561033
	<b>83921650</b>	<b>89398365</b>	<b>64441204</b>
<b>TOTAL (A+B+C)</b>	<b>137148761</b>	<b>142625476</b>	<b>198918315</b>



<b>RIDDHI CORPORATE SERVICES LIMITED</b>			
Notes Forming Part of the Standalone Financial Statements			
CIN No L74140GJ2010PLC062548			
Particulars	Amount (In Rs.) 31.03.2020	Amount (In Rs.) 31.03.2019	Amount (In Rs.) 01.04.2018
<b><u>NON CURRENT LIABILITIES</u></b>			
<b>FINANCIAL LIABILITIES</b>			
<b><u>NOTE NO. 12</u></b>			
<b><u>Long Term Borrowing</u></b>			
<b>A) Secured- Measured at Amortised Cost</b>			
Secured Loans from Banks	0	130074	887718
	<b>0</b>	<b>130074</b>	<b>887718</b>
<b>B) Unsecured- Measured at Cost</b>			
From Directors	135805	135805	135805
	<b>135805</b>	<b>135805</b>	<b>135805</b>
<b>TOTAL (A+B)</b>	<b>135805</b>	<b>265879</b>	<b>1023523</b>
<b><u>NOTE NO. 13</u></b>			
<b>Trade Payables</b>			
Other than Micro and Small Enterprise	1,83,80,868	93,28,164	15,46,183
	<b>1,83,80,868</b>	<b>93,28,164</b>	<b>15,46,183</b>
<b><u>CURRENT LIABILITIES</u></b>			
<b>FINANCIAL LIABILITIES</b>			
<b><u>NOTE NO. 14</u></b>			
<b>Short Term Borrowings</b>			
<b>A) Secured</b>			
Bank Overdraft	47683073	40370483	52378286
	<b>47683073</b>	<b>40370483</b>	<b>52378286</b>
<b>B) Unsecured- Related Party</b>			
RSCPL Multicommodities Private Limited- Subsidiary	0.00	0.00	4918283
	<b>0.00</b>	<b>0.00</b>	<b>4918283</b>
<b>TOTAL (A+B)</b>	<b>47683073</b>	<b>40370483</b>	<b>57296569</b>

**NOTE NO. 15****Trade Payables**

Other than Micro and Small Enterprise	13216252	3091437	26454701
	<b>13216252</b>	<b>3091437</b>	<b>26454701</b>

**NOTE NO. 16****Other Financial Liabilities**

Current Maturities of Long Term Debt	1,30,074	3,97,299	0
EPF/ESIC/Professional Tax Payable	21,21,776	20,56,373	6,83,541
Employee benefit expense payable	0	0	2,79,134
TDS Payable	2,09,868	16,13,124	10,75,542
GST Payable	73,89,744	1,08,87,715	1,08,57,433
Service Tax Payable	4,68,193	0	1,85,250
Business Deposits			
Shree Rang Logistics Private Limited	0	20,33,268	20,33,268
Riddhi Infocom Solution LLP	0	0	15,68,887
Riddhi Worldwide Express	41,809	41,809	41,809
	<b>1,03,61,463</b>	<b>1,70,29,588</b>	<b>1,67,24,864</b>

**NOTE NO. 17****Provisions**

Gratuity Provision	26,68,409	0.00	0.00
Data Entry Charges Provision	1,60,05,000	0.00	0.00
	<b>1,86,73,409</b>	<b>0.00</b>	<b>0.00</b>

**NOTE NO. 17****Other Current Liabilities**

Advance received from Customers	4,39,99,162	5,28,30,031	0.00
	<b>4,39,99,162</b>	<b>5,28,30,031</b>	<b>0.00</b>

Particulars	Amount (In Rs.)	
	31.03.2020	31.03.2019
<b>NOTE NO. - 18</b>		
<b>REVENUE FROM OPERATIONS</b>		
Revenue from Sales of Services		
- Domestic	806124622	502570596
- Exports	48919	0
<b>TOTAL</b>	<b>806173541</b>	<b>502570596</b>
<b>NOTE NO. - 19</b>		
<b>OTHER INCOME</b>		
Interest Income	13746151	11261885
Dividend Income	20134	55876
Other Income	1184903	1222805
Fair Value at Amortised cost- Security Deposit	363824	1825645
Fair Value at Amortised cost- Trade payables	1237330	2276737
Fair Value at Amortised cost- Loans and Advances Receivable in Cash	-4699957	-399109
Fair Value Through Pnl- Investments	-834748	2154455
<b>TOTAL</b>	<b>11017637</b>	<b>18398295</b>
<b>NOTE NO. - 20</b>		
<b>PURCHASE OF SERVICES</b>		
Pickup and delivery Charges	19820466	7931729
Data Entry Charges	159772970	77053700
CAF Retrieval Expense	6306	239155
Project Expense	16405099	17777706
<b>TOTAL</b>	<b>196004841</b>	<b>103002290</b>
<b>NOTE NO. - 21</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Staff Welfare Expense	141360	72210
Conveyance Charges	216000	216000
Salary & Other Allowance Etc.	496840786	319646002
Gratuity Provision	2668409	0
Contribution to statutory funds	5597017	5101371
<b>TOTAL</b>	<b>505463572</b>	<b>325035583</b>
<b>NOTE NO. - 22</b>		
<b>FINANCE COST</b>		
Interest on Bank Over Draft A/c	2028652	3526671
Interest on Corrola Altis	34160	71115
Interest to Others	137807	472593
<b>TOTAL</b>	<b>2200619</b>	<b>4070379</b>

Particulars	Amount (In Rs.)	Amount (In Rs.)
	31.03.2020	31.03.2019
<b>NOTE NO. - 23</b>		
<b>DEPRECIATION &amp; AMORTISATION EXPENSES</b>		
Depreciation Expenses	2903063	2707638
<b>TOTAL</b>	<b>2903063</b>	<b>2707638</b>
<b>NOTE NO. - 24</b>		
<b>OTHER EXPENSES</b>		
Insurance	212212	136800
Computer Accessories, Repair, Software	587705	192800
Computer Web Hosting Expense	2857220	2375979
Bank Charges & Commission	119428	128537
Audit Fees	0	190000
Printing & Stationary	376193	208916
Telephone Expenses	3129967	1831737
Tender Fee	61309	67400
Travelling Exps	8417217	4314273
Transportation Charges	400190	441448
Legal & Prof Charges	9452112	11127577
Electric Expenses	2931448	1260031
Office Exps	3857631	2459781
Rent Expenses	16343065	10501678
Repairs & Maintenance	1228350	1797669
Brokerage Charges	446730	154028
Security Expenses	63430	61551
Interest on Late Payment of Ser Tax/GST	573852	827824
Interest on Late Payment of TDS	20338	61344
Profit/Loss on Sale of Investments	1437956	6469194
Profit/Loss on FO	-26349	2793424
SAFA Annual Fee Charges	70525	290220
<b>TOTAL (A)</b>	<b>52560531</b>	<b>47692211</b>
<b>Selling &amp; Distribution Expenses</b>		
Advertisement Expenses	14815716	4539065
<b>TOTAL (B)</b>	<b>14815716</b>	<b>4539065</b>
<b>TOTAL (A+B)</b>	<b>67376247</b>	<b>52231276</b>

## NOTE NO. : 2

	Fixed Assets	Gross Carrying Amount					Accumulated Depreciation					Net Carrying Amount	
		Balance as at 01/04/2019	Additions/ (Disposals)	Acquired through business combinations	Deduction during the year	Balance as at 31/03/2020	Balance as at 01/04/2019	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31/03/2020	Balance as at 31/03/2020	Balance as at 31/03/2019
(a)	<b>Tangible Assets</b>												
	Plant & Machinery	488262.00	107387.00	0.00	1061.00	594588.00	447210.00	256254.00	0.00	0.00	703464.00	-108876.00	41052.00
	Furniture & Fixtures	2758119.00	186532	0.00	0.00	2944651.00	13840835.00	1249999.00	0.00	0.00	15090834.00	-12146183.00	-11082716.00
	Office Equipments	1367233.00	412598	0.00	0.00	1779831.00	3005889.00	328854.00	0.00	0.00	3334743.00	-1554912.00	-1638656.00
	Computers	327572.00	46537	0.00	0.00	374109.00	7481787.00	284702.00	0.00	0.00	7766489.00	-7392380.00	-7154215.00
	Vehicles	924243.00	0.00	0.00	0.00	924243.00	3442480.00	480008.00	0.00	0.00	3922488.00	-2998245.00	-2518237.00
	Watch Guard Firebos	357178.00	465000.00	0.00	0.00	822178.00	0.00	107822.00	0.00	0.00	107822.00	714356.00	357178.00
	<b>Total</b>	6222607.00	1218054.00	0.00	1061.00	7439600.00	28218201.00	2707638.00	0.00	0.00	30925840.00	-23486240.00	-21995594.00
(b)	<b>Capital Work in Progress</b>	4880808.00	3269538.00	0.00	0.00	8150346.00	0.00	0.00	0.00	0.00	0.00	8150346.00	4880808.00
	<b>Total</b>	4880808.00	3269538.00	0.00	0.00	8150346.00	0.00	0.00	0.00	0.00	0.00	8150346.00	4880808.00
C	<b>Intangible Assets</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Grand Total</b>	11103415.00	4487592.00	0.00	1061.00	15589946.00	28218201.00	2707638.00	0.00	0.00	30925840.00	-15335894.00	-17114786.00

	Fixed Assets	Gross Carrying Amount					Accumulated Depreciation					Net Carrying Amount	
		Balance as at 01/04/2018	Additions/ (Disposals)	Acquired through business combinations	Deduction during the year	Balance as at 31/03/2019	Balance as at 01/04/2018	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31/03/2019	Balance as at 31/03/2019	Balance as at 01/04/2018
(a)	<b>Tangible Assets</b>												
	Plant & Machinery	1085400.00	107387.00	0.00	1061.00	1191726.00	447210.00	256254.00	0.00	0.00	703464.00	488262.00	638190.00
	Furniture & Fixtures	17662421.00	186532	0.00	0.00	17848953.00	13840835.00	1249999.00	0.00	0.00	15090834.00	2758119.00	3821586.00
	Office Equipments	4289378.00	412598	0.00	0.00	4701976.00	3005889.00	328854.00	0.00	0.00	3334743.00	1367233.00	1283489.00
	Computers	8047524.00	46537	0.00	0.00	8094061.00	7481787.00	284702.00	0.00	0.00	7766489.00	327572.00	565737.00
	Vehicles	4846731.00	0.00	0.00	0.00	4846731.00	3442480.00	480008.00	0.00	0.00	3922488.00	924243.00	1404251.00
	Watch Guard Firebos	0.00	465000.00	0.00	0.00	465000.00	0.00	107822.00	0.00	0.00	107822.00	357178.00	0.00
	<b>Total</b>	<b>35931454.00</b>	<b>1218054.00</b>	<b>0.00</b>	<b>1061.00</b>	<b>37148447.00</b>	<b>28218201.00</b>	<b>2707638.00</b>	<b>0.00</b>	<b>0.00</b>	<b>30925840.00</b>	<b>6222607.00</b>	<b>7713253.00</b>
(b)	<b>Capital Work in Progress</b>	1611270.00	3269538.00	0.00	0.00	4880808.00	0.00	0.00	0.00	0.00	0.00	4880808.00	1611270.00
	<b>Total</b>	<b>1611270.00</b>	<b>3269538.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4880808.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4880808.00</b>	<b>1611270.00</b>
C	<b>Intangible Assets</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Grand Total</b>	<b>37542724.00</b>	<b>4487592.00</b>	<b>0.00</b>	<b>1061.00</b>	<b>42029255.00</b>	<b>28218201.00</b>	<b>2707638.00</b>	<b>0.00</b>	<b>0.00</b>	<b>30925840.00</b>	<b>11103415.00</b>	<b>9324523.00</b>

Note 2.1 The Company has adopted the option of using the carrying value as on transition date to be the deemed cost of the asset as per Ind-AS 101

**NOTE 1****Significant Accounting Policies and Notes on Accounts:****Nature of Operations:**

The Company's principal activity is providing solutions under document management, inbound and outbound contact centre, data entry, software development, verification services and recruitment services.

**1. Significant Accounting Policies:****1) Basis of Preparation of Financial Statements:-****(i) Compliance with Ind AS**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. These financial statements are the first financial statements under Ind AS.

The financial statements up to year ended March 31, 2019 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

**(ii) Historical cost convention**

The financial statements have been prepared on an accrual basis and under the historical cost convention except certain financial assets and liabilities are measured at fair value (refer accounting policy regarding financial instruments).

**(iii) Classification of assets and liabilities**

The classification of assets and liabilities into current and non-current, wherever applicable, are based on normal operating cycles of business activities of the Company, which is twelve months.

**2) Summary of Significant Accounting Policies:****a) Property, Plant and Equipment:**

All items of Property, plant and equipment except land are shown at cost, less accumulated depreciation and impairment, if any. The cost of an item of property, plant and equipment comprises its cost of acquisition inclusive of inward freight, import duties, and other nonrefundable taxes or levies and any cost directly attributable to the acquisition / construction of those items; any trade discounts and rebates are deducted in arriving at the cost of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

Gain or losses arising on disposal of property, plant and equipment are recognised in profit or loss.

**Transition to Ind AS**

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognized as at April 01, 2018 measured as per the previous GAAP (Indian GAAP) and use that carrying value as the deemed cost of property, plant and equipment.

**(b) Depreciation and amortisation:**

Depreciation has been provided based on useful life assigned to each asset in accordance with Schedule II of the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.

**(c) Impairment of assets**

At the date of balance sheet, if there are indications of impairment and the carrying amount of the cash generating unit exceeds its recoverable amount (i.e. the higher of the fair value less costs of disposal and value in use), an impairment loss is recognised. The carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss in the profit or loss. The impairment loss recognised in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

**(d) Inventories:**

The cost of various categories of inventory is determined as follows:

1. Raw material and Packing Materials : At Cost including local taxes (Net of setoff) or Net realisable value, whichever is lower.
2. Stock in Process : At Cost or Net realisable value, whichever is lower.
3. Stock of Finished Goods : At Cost or Net realisable value, whichever is lower.
4. Consumable Stores & Spares : At Cost or Net realisable value, whichever is lower.
5. Scrap : At Net realisable value

Cost of raw material and packing materials are determined using first in first out (FIFO) method. Costs of finished goods and stock in process include cost of raw material and packing materials, cost of conversion and other costs incurred in bringing the inventories to the present location and condition.

**(e) Revenue recognition:**

In Contact Centre Activity, revenue is recognized as the related services are performed, based on actual utilization or minimum utilization level, as appropriate, specified in the agreements.

In Claim Processing Activity, revenue is recognized based on number of claims processed, at contractual rates and terms as specified in the agreements.

In respect of other services, revenue for services rendered is recognized as per the terms of specific contracts.

Interest income is accounted on accrual basis and dividend income is accounted on right to receipt basis.

In respect of other heads of income, the Company follows the practice of accounting of such income on accrual basis.

**(f) Fair value measurement:**

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.



All assets and liabilities for which fair value is measured or disclosed in the financial statement are categorized within the fair value hierarchy.

#### **(g) Financial Instruments:**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. All the financial assets and liabilities are measured initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial asset and financial liabilities (other than financial assets and liabilities carried at fair value through profit or loss) are added or deducted from the fair value measured on initial recognition of financial asset or financial liability.

#### **(h) Financial assets**

##### **Classification and Measurement**

All the financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial asset (other than financial assets carried at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset.

Subsequent measurement of a financial assets depends on its classification i.e., financial assets carried at amortised cost or fair value (either through other comprehensive income or through profit or loss). Such classification is determined on the basis of Company's business model for managing the financial assets and the contractual terms of the cash flows.

The Company's financial assets primarily consists of cash and cash equivalents, trade receivables, loans to employees and security deposits etc. which are classified as financial assets carried at amortised cost.

##### **Amortised cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a financial assets that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is recognised using the effective interest rate method.

##### **Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables, the Company provides for lifetime expected credit losses recognized from initial recognition of the receivables.

##### **De-recognition of financial assets**

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

#### **(i) Income recognition**

Interest income

Interest income is recognised at contracted rate of interest.

**Dividends**

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

**(j) Provision, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably.

All known Liabilities, wherever material, are provided for and Liabilities, which are disputed, are referred to by way of Notes on Accounts.

Contingent assets are not recognized in the financial statements.

**(k) Taxes on Income**

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

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. 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 tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

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

**(l) Loans and Receivables**

Trade receivables and loans are initially measured at transaction value, which is the fair value and subsequently retained at cost less appropriate allowance for credit losses as most loans and receivable of the Company are current in nature. Where significant, non-current loans and receivables are

accounted for at amortized cost using effective rate method less appropriate allowance for credit losses. Interest is accounted for on the basis of contractual terms, where applicable and is included in interest income. Impairment losses are recognized in the profit or loss where there is an objective evidence that the Company will not be able to collect all the due amounts.

#### **(m) Investments**

At initial recognition, the Company measures its investments at its fair value plus costs that are directly attributable to the acquisition of the financial asset. Investments are designated as subsequently measured at fair value through profit or loss. The transaction costs are expenses immediately in statement of profit or loss. Movements in fair value of these assets re-taken in profit or loss.

#### **(n) Segment reporting**

##### **Identification of segments:**

The Company's operating businesses are organized and managed according to the nature of products and predominant source of the risk for the Company is business product, therefore business segment has been considered as primary segment. The analysis of geographical segments is based on the areas in which the Company operates.

##### **Segment policies:**

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

#### **(o) Earning per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders after deducting preference dividends and attributable taxes by the weighted average number of equity shares outstanding during the period.

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

#### **(p) Borrowing costs**

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

#### **(q) Leases:-**

##### **Policy applicable before April 1, 2019**

Leases are classified as finance leases whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

#### **(i) Operating Lease:**

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of

incentives (excluding inflationary increases where rentals are structured solely to increase in line with the expected general inflation to compensate for the lessor's inflationary cost increases, such increases are recognised in the year in which the benefits accrue) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis.

**(ii) Finance Lease:**

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

**Policy applicable after April 1, 2019**

The Company has adopted Ind AS 116 effective from April 1 2019 using modified retrospective approach. For the purpose of preparation of Standalone Financial Information, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 116 for year ended March 31 2020.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in substance fixed payments;

The lease liability is measured at amortised cost using the effective interest method.

The Company has used number of practical expedients when applying Ind AS 116: - Short-term leases, leases of low-value assets and single discount rate.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

The Company's leases mainly comprise land and building for office/warehousing use.

#### **(r) Employee benefits**

Retirement benefits in the form of Provident Fund contributed to Statutory Provident Fund is a defined contribution scheme and the payments are charged to the Profit and Loss Account of the year when the payments to the respective funds are due. There are no obligations for contribution payable to Provident Fund Authorities.

Superannuation Fund and Employees' State Insurance Corporation (ESIC) are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations for the contribution payable to the respective funds.

The company provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. In accordance with the Payment of Gratuity Act, 1972, the Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company. The liability was provided only for those employees who are covered under Gratuity Act as determined by the management.

#### **(s) Foreign Currency Transactions**

Transactions in foreign currencies are accounted at the exchange rates prevailing on the date of transaction or at rates that closely approximate the rate at the date of the transaction.

#### **Notes to Accounts:**

##### 1) Contingent Liability: Performance Bank Guarantee to Clients

Particular	Amount In Rs.	Amount In Rs.
	2019-20	2018-19
Performance Bank Guarantee	2,98,676	2,98,676

Bid Security/Earnest Money Deposit in form of Bank Guarantee to Clients:

Particular	Amount In Rs.	Amount In Rs.
	2019-20	2018-19
Earnest Money Deposit	21,32,000	21,32,000

- 2) The balances of sundry debtors, sundry creditors, loans and advances are subject to confirmation.
- 3) As explained to us, the provisions of Provident Fund Act, ESI Act, and Gratuity Act are applicable to the Company and have been dealt accordingly.
- 4) According to the information available with the Company, there are no amounts as at 31<sup>st</sup> March, 2020, due to suppliers who constitute a "Micro, Small and Medium Enterprises" as per MSMED Act, 2006.
- 5) The Board of Directors is of the opinion that all the liabilities have been adequately provided for.
- 6) Earnings per Share (EPS)

Particulars	2019-20	2018-19
Net profit as per profit and loss account	-5476715	19996700
Less: Preference dividend and Tax thereon	0	0
Net Profit for Calculation of basic/diluted EPS	-5476715	19996700
Weighted average number of equity shares	11375000	11375000
(in calculated basic/diluted EPS)	-0.48	1.76
[Nominal value of shares Rs.10 (Previous Year Rs.10)]		

#### 7) Auditors' Remuneration

Particulars	2019-20	2018-19
As Auditor		
- Statutory Audit	2,50,000	1,90,000
- Tax Audit	0	0
As Advisor, or in any other capacity	50,000	-
Reimbursement of expenses	54,000	-
<b>Total</b>	<b>3,54,000</b>	<b>1,90,000</b>

#### 8) Directors' Remuneration:

Particulars	2019-20	2018-2019
Directors' Remuneration	63,84,000	60,84,000
Perquisites	0	0
Contribution to provident and superannuation funds	0	0
Commission to Whole-time Directors	0	0
Directors' sitting fees	0	0
<b>Total</b>	<b>63,84,000</b>	<b>60,84,000</b>

- 9) Where the external evidence in the form of cash memos, bill, stamped receipt etc. were not available, the internal vouchers prepared and authorized by the company have been relied on.
- 10) During the period under audit, Insurance policy premium amount is charged to P&L account as consistent policy to charge in the year in which it is paid.
- 11) As explained by the management, there is no warranty liability, hence the provision for the same is not provided for.

### 12) Deferred Tax Liability:

As per Accounting Standard 22 on "Accounting for taxes on Income " issued by the Institute of Chartered Accountant of India, Deferred Tax assets/liabilities are as follows:

Particulars	2019-2020	2018-2019
Opening Balance of Deferred Tax liability/ (Assets)	(2890830)	(3174666)
Add/Less: Deferred Tax liability accrued during the year due to timing difference of Depreciation	1131385	283836
<b>Closing balance of Deferred Tax Liability/(Assets)</b>	<b>(1759445)</b>	<b>(2890830)</b>

P.N.: Deferred tax is measured based on the tax rates and the tax laws enacted by the Finance Act, 2020 @25.17%.

### 13) Value of Imports calculated on C.I.F. basis in respect of

Particulars	2018-2019	2017-2018
Raw Materials	0	0
Capital Goods	0	0
Repairs	0	0

### 14) Expenditure in Foreign Currency on account of:

Particulars	2019-2020	2018-2019
Interest	0	0
Consultancy Charges	0	0
Others	0	0

### 15) Earnings in Foreign Currency:

Particulars	2019-2020	2018-2019
Export of Goods on FOB Basis	0	0
Consultancy Charges	0	0
Others	0	0

**16) Related Party Disclosures:****Relationships:****Key Management Personnel:**

Alpit P Gor  
 Jayshree P Gor  
 Pravinchandra K Gor  
 Manish Joshi (CFO)  
 Parth Pandya (CS)  
 Subhasish Chakraborty  
 Umesh A. Bhadreswara  
 Vipul S. Pandit (ceased w.e.f. 22/02/2020)  
 Soumya Ranjan Kanhu Charan Pradhan  
 Kalpeshbhai C. Shukla  
 Nishith S. Desai (ceased w.e.f. 17/07/2019)  
 Bhavin Kiritkumar Pandya (w.e.f. 11/07/2019)  
 Kalpanaben Dipakbhai Suthar (w.e.f. 17/07/2019)  
 Jashubhai M. Patel (w.e.f. 04/03/2020)

**Relatives of Key Management Personnel:**

Vaishali Gor (Wife of Alpit Gor)

**Companies under the same management or relative of KMP having significant influence:**

Riddhi World Wide Express  
 VJO E-Solutions OPC Pvt Ltd  
 Riddhi Infocom Solutions LLP  
 Ganesh Homedelight Private Limited

**Related Party with whom Control Exists****Subsidiary Companies**

RCSPL Share Broking Pvt Ltd (ceased w.e.f. 31/03/2020 upon disinvestment)  
 RCSPL Multicommodities Pvt Ltd (ceased w.e.f. 31/03/2020 upon disinvestment)  
 Vibhin Online Services Pvt Ltd. (ceased w.e.f. 31/03/2020 upon disinvestment)

**1. Step Down Subsidiary Company**

RCSPL Share Broking IFSC Pvt Ltd (ceased w.e.f. 31/03/2020 upon disinvestment)

**Transactions carried out with related parties:**

Sr. No.	Name of the Relative	Relationship	Nature of Payment	Amount in Rs.	Previous Year
1	Alpit P Gor	Director	Remuneration	2400000	2400000
2	Alpit P Gor	Director	Reimbursement of Expenses	0	576234
3	Jayshree P Gor	Director	Remuneration	600000	600000
4	Pravinchandra K Gor	Director	Remuneration	2400000	2400000
5	Pravinchandra K Gor	Director	Reimbursement of Expenses	0	8365



6	Jayshree P Gor	Director	Office Rent	1800000	1950000
7	Jayshree P Gor	Director	Reimbursement of Expenses	600000	650000
8	Pravinchandra K Gor	Director	Office Rent	2832000	864000
9	VJO E-Solutions OPC Pvt Ltd	One Person Company of Wife of Director	Data Entry Charges Service Sales	1180000	0
10	Riddhi World Wide Express	Firm under the same management	Courier Charges/Data Entry Charges Paid	265432	592690
11	Riddhi World Wide Express	Firm under the same management	Purchase	11682000	0
12	VJO E-Solutions OPC Pvt Ltd	One Person Company of Wife of Director	Reimbursement of Expenses	600	0
13	Vaishali Gor	Wife of Director	Data Entry Charges	881000	24000
14	RCSPL Multicommodities Pvt Ltd	Subsidiary	Interest received	226116	83038
15	RCSPL Multicommodities Pvt Ltd	Subsidiary	Loans and Advances balance outstanding	3029955 (Dr.)	2826451(Dr.)
16	RCSPL Multicommodities Pvt Ltd	Subsidiary	Loans and Advances given	0	1270000
17	RCSPL Multicommodities Pvt Ltd	Subsidiary	Loans and Advances recieved	0	3600000
18	RCSPL Share Broking Pvt Ltd	Subsidiary	Loans and Advances given	156348	26402654
19	RCSPL Share Broking Pvt Ltd	Subsidiary	Repayment received for advances given	4961602	22497469
20	RCSPL Share Broking Pvt Ltd	Subsidiary	Purchase of Shares on Trading Platform	14921855	12993184
21	RCSPL Share Broking Pvt Ltd	Subsidiary	Trading Account balance outstanding	673743 (Cr.)	4961603 (Dr.)
22	RCSPL Share Broking Pvt Ltd	Subsidiary	Loans and Advances balance outstanding	19444753 (Dr.)	13333508(Dr.)
23	RCSPL Share Broking		Payment against	7339551	9300000

	Pvt Ltd	Subsidiary	purchase of shares over stock exchange		
24	RCSPL Share Broking Pvt Ltd	Subsidiary	Interest Income	1451101	944221
25	Vibhin Online Services P Ltd	Subsidiary	Interest Income	796453	195546
26	Manish V. Joshi	CFO	Salary	542952	552000
27	Umesh A. Bhadreswara	Director	Salary	984000	684000
28	Umesh A. Bhadreswara	Director	Reimbursement of Expenses	216000	216000
29	Manish V. Joshi	CFO	Reimbursement of Expenses	0	2797
30	Parth M. Pandya	CS	Salary	158400	132000
31	Parth M. Pandya	CS	Consultancy Charges	11750	0
32	Vibhin Online Services Pvt Ltd	Subsidiary	Loans Given	8550998	3581364
33	Vibhin Online Services Pvt Ltd	Subsidiary	Repayment received for advances given	1765640	965887
34	Vibhin Online Services Pvt Ltd	Subsidiary	Loan Balance outstanding	11970212 (Dr.)	4468046(DR.)
35	Riddhi World Wide Express	Firm under the same management	Re-imbusement of various taxes	0	63,60,000
36	RCSPL Share Broking Pvt Ltd	Subsidiary	Sale of Shares on Trading Platform	5969002	27277370
37	RCSPL Share Broking Pvt Ltd	Subsidiary	Receipt against sale of shares over stock exchange	4020450	15887147
38	Subhasish Chakraborty	Director	Reimbursement of Expenses	0	1325000
39	Subhasish Chakraborty	Director	Fees of Professional Director	2572222	0
40	Alpit P Gor	Director	Sale of Shares of Subsidiary RCSPL Share Broking Pvt Ltd	7554400	0
41	Pravinchandra K Gor	Director	Sale of Shares of Subsidiary RCSPL	7554400	0

			Share Broking Pvt Ltd		
42	Alpit P Gor	Director	Sale of Shares of Subsidiary Vibhin Online Services Pvt Ltd	1200000	0
43	Pravinchandra K Gor	Director	Sale of Shares of Subsidiary Vibhin Online Services Pvt Ltd	1200000	0
44	Alpit P Gor	Director	Sale of Shares of Subsidiary RCSPL Multicommodities Pvt Ltd	255000	0
45	Pravinchandra K Gor	Director	Sale of Shares of Subsidiary RCSPL Multicommodities Pvt Ltd	255000	0

16) The figures of the previous years have been regrouped/rearranged wherever necessary. The figures or the previous years are given in brackets. The Company has compiled the above accounts based on the revised/Modified schedule III applicable for the accounting period 2019-2020. The disclosure requirements are made in notes to accounts or by way of additional statements. The other disclosures as required by the Companies Act are made in the notes to accounts.

## 17) Financial Instruments and Related Disclosures

### I. Capital Management

The Company does not have borrowing and aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth plans as a going concern.

### II. Categories of Financial Instruments

		As at		As at		As at	
		March 31, 2020		March 31, 2019		April 1, 2018	
		Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>A</b>	Financial Assets						
	a) Measured at amortized cost						
	i) Cash and cash equivalents	102728613	102728613	58584627	58584627	6827981	6827981
	ii) Other bank balances, other than (i) above	-	-	-	-	-	-

	iii)Trade Receivables	79160697	79160697	38259615	38259615	46190113	46190113
	iv) Loans	40277612	40277612	26016022	26016022	18121199	18121199
	v)Other Financial Assets	1126358	1126358	2051088	2051088	490360	490360
	Sub-Total	223293280	223293280	124911352	124911352	71629653	71629653
	b) Measured at fair value through profit or loss						
	i) Investments in mutual funds and Bonds	2358254	2358254	0	0	0	0
	ii)Investment in unquoted equity share	0	0	51124000	51124000	51124000	51124000
	Sub-Total	2358254	2358254	51124000	51124000	51124000	51124000
	Total Financial Assets	225651534	225651534	176035352	77607771	122753653	122753653
<b>B</b>	Financial Liabilities						
	Measured at amortized cost						
	i) Trade Payables	31597120	31597120	12419601	12419601	28000884	28000884
	ii) Borrowings	47818878	47818878	40636362	40636362	58320092	58320092
	iii)Other Financial Liabilities	10361463	10361463	17029588	17029588	16724864	16724864
	Total Financial Liabilities	89777461	89777461	70085551	70085551	12145320	12145320

The carrying amounts of trade payables, other financial liabilities, cash and cash equivalents, other bank balances, trade receivables and other financial assets are considered to be the same as their fair values due to their short term nature.

Fair value in Mutual Funds has been considered as Level 1 as Hierarchy for the same are based on unadjusted prices in active market.

### III. Expected Credit Loss

The company has receivable balances on commercial trades, which are generally short term in nature. Further, financial instruments such as mutual funds and tax free bonds are made in high quality papers/counterparties. Accordingly, the Company has concluded that no provision for expected credit loss is required.

### IV. Financial Risk Management

There are no significant market risks or liquidity risk to which the Company is exposed.

Signature to Notes 1 to 23

In terms of our report of even date

**For, Nitin K. Shah & Co**

Chartered Accountants

FRN : 107140W

SD/-

(Vaibhav N. Shah)

Proprietor

Membership No. : F/116817

UDIN: 20116817AAAEI7416

Ahmedabad, Date:31<sup>st</sup> July, 2020

**For, Riddhi Corporate Services Limited**

SD/-

Mr. PravinchandraGor

Mr. AlpikumarGor

Mr. S.k.Pradhan

Mr. Manish Joshi

Mr. Parth Pandya

Managing Director

Wholetime Director

Independent Director

Chief Financial Officer

Company Secretary

Date:- 31<sup>st</sup> July, 2020

Place:- Ahmedabad

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF RIDDHI CORPORATE SERVICES LIMITED

#### Report on the Consolidated Ind AS Financial Statements

#### Opinion

1. We have audited the accompanying consolidated financial statements of RIDDHI CORPORATE SERVICES LIMITED ("the Holding Company"), its subsidiaries and its step-down subsidiary (the Holding Company, its subsidiaries and its step-down subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2020, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS"), of the consolidated state of affairs (financial position) of the Group as at March 31, 2020 and their consolidated profit (financial performance including other comprehensive income), their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
<b>1</b>	<b>Revenue Recognition</b>	
	<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances based on Contracts with Customers.</p> <p>The revenue recognition involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>	<p>We assessed the Company's process to identify the impact of Contracts with Customers. Our audit approach consisted of studying the internal system and IT platform used regarding the implementation and also testing of the design and operating effectiveness of the internal controls and substantive testing.</p> <p>We evaluated the design of internal controls relating to implementation of the new revenue accounting standard.</p> <p>We selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation. Samples in respect of recording and recognition of revenue were tested by checking the invoices and performance.</p> <p>Conclusion Our procedures did not identify any material exceptions.</p>
<b>2</b>	<b>Inter corporate deposit to Subsidiary</b>	
	<p>During the year, the Company has granted loan to its subsidiaries. We consider granting loan to Subsidiaries as a key audit matter as it constitutes significant percentage of loan given.</p> <p>The rate of interest charged is at par with rate charged for outsiders.</p>	<p>We have verified the relevant records and found the interest charges are in accordance with company policy. Based on the above procedure and, in our opinion the management's determination is considered to be reasonable.</p>
<b>3</b>	<b>Investment</b>	
	<p>Investments represents significant element of assets as disclosed in the financial statement. Due to the importance of the disclosures and the valuation of Investments, we considered this as a key audit matter.</p> <p>The company performs an impairment review of its investments periodically and records impairment changes. Further, the assessment of impairment involves significant management judgment.</p>	<p>We assessed and tested the design and operating effectiveness of the Company's key controls over investment activities and its valuation.</p> <p>We have also tested a sample of investments to ensure correct recording of investments, classification, recognition of income, profit/loss thereon and compliance with IndAS 109.</p> <p>In auditing the impairment of investment, we assessed the processes and key controls relating to valuation of investments. In addition, we performed valuation testing, on a sample basis of the Company's investments,</p>

		and assessed the adequacy of its impairment changes on investment at the year end. Accordingly based on our audit procedures, we' noted no reportable matters regarding investment and its valuation.

### **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

6. The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Consolidated Financial Statements**

7. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS 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 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

9. The Board of Directors of the companies included in the Group are also responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue



an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimate 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit's report to the related disclosures in the consolidated financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit'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 consolidated financial statements, including the disclosures and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance of the Holding Company 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.

13. 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.

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

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

15. As required by Section 143(3) of the Act, based on our audit 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 Group so far as it appears from our examination of those books;
- c) The consolidated Balance Sheet, the consolidated statement of Profit & Loss including Other comprehensive Income, consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;
- e) On the basis of the written representation received from the directors of the Group as on March 31, 2020 taken on record by the Board of Directors, none of directors of the Group's companies is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the opening effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.
- g) With respect to 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 information and explanation given to us, the Group has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by provision of Sec.197 read with Schedule V to the Act.

h) With respect to the other matter 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;

1. The consolidated financial statements have disclosed the impact of pending litigations on its financial position in its consolidated financial statements.
2. The Group did not have any Long Term Contracts including derivative contracts for which there were any material foreseeable losses.
3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

**Place: Ahmedabad**

**Date: 31/07/2020**

**For, Nitin K. Shah & Co.**

**Chartered Accountants**

**FRN: 107140W**

**Vaibhav N. Shah**

**Proprietor**

**M. Num: 116817**

**UDIN: 20116817AAAAEN6518**

### **Annexure A to Independent Auditors' Report of even date on the Consolidated Financial Statements of RIDDHI CORPORATE SERVICES LIMITED**

Referred to in paragraph 15(f) of the Independent Auditors' Report of even date to the members of RIDDHI CORPORATE SERVICES LIMITED on the Consolidated Ind AS financial statements for the year ended March 31, 2020

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

1. We have audited the internal financial controls over financial reporting of RIDDHI CORPORATE SERVICES LIMITED ("the Holding Company"), its subsidiaries and its step-down subsidiary company, as of March 31, 2020 in conjunction with our audit of the consolidated Ind AS financial statements for the year ended on that date.

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

2. The respective Board of Directors of the Holding Company, its subsidiaries and its step-down subsidiary company, 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 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.

#### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the 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.

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

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

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

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

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

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

#### **Opinion**

8. In our opinion, the Holding Company, its subsidiaries and its step down subsidiary company, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting, were operating effectively as at March 31, 2020, 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.

**Place: Ahmedabad**  
**Date: 31/07/2020**

**For, Nitin K. Shah & Co.**  
**Chartered Accountants**  
**FRN: 107140W**

**Vaibhav N. Shah**  
**Proprietor**  
**M. Num: 116817**  
**UDIN: 20116817AAAAEN6518**

RIDDHI CORPORATE SERVICES LIMITED				
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2020				
CIN No L74140GJ2010PLC062548				
Particulars	Note No.	Amount (In Rs.) 31.03.2020	Amount (In Rs.) 31.03.2019	Amount (In Rs.) 01.04.2018
<b>ASSETS</b>				
<b>A. Non-Current Assets</b>				
<b>(i) Fixed Assets</b>				
(a) Plant, Property and Equipment	2	20298475	6658477	9452357
(b) Capital Work-in-Progress	2	0	4880808	1611270
(c) Investment Properties		0	0	0
(d) Goodwill on Consolidation		0	480030	480030
(e) Other Intangible Assets	2	0	708512	563101
(f) Intangible Assets under Development	2	0	2200000	0
(g) Biological Assets other than bearer Plants		0	0	0
<b>(ii) Financial Assets</b>				
(a) Investments	3	138666634	225017887	239988806
(b) Trade Receivables		38197263	11312686	8846149
(c) Loans	4	3979077	4051812	7663443
(c) Others		1126358	2051088	490360
<b>(iii) Deferred Tax Assets (Net)</b>				
	5	1759445	8423714	3075069
<b>(iv) Other Non Current Assets</b>				
	6	0	2759727	0
<b>B. Current Assets</b>				
(i) Inventories	7	0	5019824	0
<b>(ii) Financial Assets</b>				
(a) Investments		0	0	0
(b) Trade Receivables	8	40963433	41539608	46478670
(c) Cash & Cash Equivalents	9	102728613	74163465	10557043
(d) Loans	10	36298535	17361205	15838248
(d) Others	11	0	6137487	6150584
(iv) Current Tax Assets (Net)	12	19330961	23542654	16788380
(v) Other Current Assets	13	0	1708	158695
<b>TOTAL ASSETS</b>		<b>403348794</b>	<b>436310692</b>	<b>368142205</b>
<b>EQUITY AND LIABILITIES</b>				
<b>A. Equity</b>				
Equity Share Capital	14	113750000	113750000	32500000
Other Equity	15	137148761	122122598	194734768
Non-Controlling Interest		0	16847	1588390
<b>Total Equity</b>		<b>250898761</b>	<b>235889445</b>	<b>228823158</b>
<b>B. Liabilities</b>				
<b>Non-Current Liabilities</b>				
<b>(i) Financial Liabilities</b>				
(a) Borrowings	16	135805	265879	1023523
(b) Trade Payables				
A) total outstanding dues of micro enterprises and small enterprises; and				
B) total outstanding dues of creditors other than micro enterprises and small enterprises.	17	18380868	9365924	1595184
(c) Other financial liabilities (other than those specified in item (b), to be specified)		0	0	0
(ii) Provisions		0	0	0
(iii) Deferred Tax Liabilities		0	0	0
(iv) Other Non Current Liabilities		0	0	0
<b>Current Liabilities</b>				
<b>(i) Financial Liabilities</b>				
(a) Borrowings	18	47683073	102273572	89464081
(b) Trade Payables				
A) total outstanding dues of micro enterprises and small enterprises; and				
B) total outstanding dues of creditors other than micro enterprises and small enterprises.	19	13216252	16228991	29920463
(c) Other Financial Liabilities	20	10361463	18950449	17315795
(ii) Provisions	21	18673409	0	0
(iii) Current Tax Liabilities (Net)		0	0	0
(iii) Other Current Liabilities		43999162	53336431	0
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>403348794</b>	<b>436310692</b>	<b>368142205</b>
		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Significant Accounting Policies &amp; Notes on Financial Statements

1

**As per our report of even date****For, Nitin K. Shah & Co**

Chartered Accountants

FRN : 107140W

SD/-

(Vaibhav N. Shah)

Proprietor

Membership No. : F/116817

UDIN: 20116817AAAEN6518

Ahmedabad, Date:31<sup>st</sup> July, 2020**For, Riddhi Corporate Services Limited**

SD/-

Mr. PravinchandraGor

Mr. AlpitkumarGor

Mr. S.k.Pradhan

Mr. Manish Joshi

Mr. Parth Pandya

Date:- 31<sup>st</sup> July, 2020

Managing Director

Wholtime Director

Independent Director

Chief Financial Officer

Company Secretary

Place:- Ahmedabad

RIDDHI CORPORATE SERVICES LIMITED CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2020 CIN No L74140GJ2010PLC062548			
Particulars	Note No.	Consolidated Pnl	Consolidated Pnl
		Amount (In Rs.) FY 2019-20	Amount (In Rs.) FY 2018-19
<b>A. INCOME</b>			
I) Revenue from Operations	22	814699158	595294844
II) Other Income	23	12714607	13906838
<b>III TOTAL INCOME (I+II)</b>		<b>827413765</b>	<b>609201682</b>
<b>IV. EXPENDITURE</b>			
a) Cost of Material Consumed			
b) Purchase of Service/Operating Expenses/ Cost of Material Consumed	24	197774663	175233339
c) Changes in Inventory of Finished Goods, Work In Progress & Stock In Trade	25	2409439	-4180501
d) Employee Benefit Expenses	26	507116791	328362434
e) Finance Costs	27	5224717	6921181
f) Depreciation and Amortisation Expenses	28	3517249	3707428
g) Other Expenses	29	71745931	88434496
<b>TOTAL EXPENSES (IV)</b>		<b>787788789</b>	<b>598478377</b>
(V) Profit/(loss) before exceptional items and tax (III-IV)		39624976	10723305
(VI) Exceptional items		3967921	0
(VII) Profit/(loss) before tax from Continuing Operations (V-VI)		35657055	10723305
<b>(VIII) Tax Expenses</b>			
a) Current year Tax		14506999	7942388
b) Deferred Tax		6664269	-5348645
<b>(IX) Profit/(Loss) for the period from continuing operations (VII-VIII)</b>		<b>14485787</b>	<b>8129562</b>
X Profit/(Loss) from discontinued operations		0.00	0.00
XI Tax Expenses of discontinued operations		0.00	0.00
XII Profit/(loss) from Discontinued operations (after tax) (X-XI)		0.00	0.00
<b>XIII Profit/(loss) for the period (IX+XII)</b>		<b>14485787</b>	<b>8129562</b>
<b>XIV Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to Profit or loss		0.00	0.00
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.00	0.00
B (i) Items that will be reclassified to profit or loss		0.00	0.00
(ii) Income tax relating to items that will be reclassified to profit or loss		0.00	0.00
<b>XV Total Other Comprehensive Income for the period</b>		<b>0.00</b>	<b>0.00</b>
<b>XVI Total Comprehensive Income for the period (XIII+XIV)(Comprising profit (Loss) and other comprehensive income for the period)</b>		<b>14485787</b>	<b>8129562</b>
<b>NET PROFIT ATTRIBUTABLE TO:</b>			
a) Owners of the Company		15026164	9698723
b) Non-Controlling Interest		-540376	-1569161
<b>OTHER COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>			
a) Owners of the Company		0.00	0.00
b) Non-Controlling Interest		0.00	0.00
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>			
a) Owners of the Company		15026164	9698723
b) Non-Controlling Interest		-540376	-1569161
<b>XVII Earnings per equity share:</b>			
(1) Basic		1.27	0.71
(2) Diluted		1.27	0.71

**As per our report of even date****For, Nitin K. Shah & Co**

Chartered Accountants

FRN : 107140W

SD/-

(Vaibhav N. Shah)

Proprietor

Membership No. : F/116817

UDIN: 20116817AAAEN6518

Ahmedabad, Date:31<sup>st</sup> July, 2020**For, Riddhi Corporate Services Limited**

SD/-

Mr. PravinchandraGor

Mr. AlpitkumarGor

Mr. S.k.Pradhan

Mr. Manish Joshi

Mr. Parth Pandya

Managing Director

Wholetime Director

Independent Director

Chief Financial Officer

Company Secretary

Place:- Ahmedabad

Consolidated Cash Flow Statement		
Particulars	Year ended	Year ended
	31-03-2020	31-03-2019
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>NET PROFIT BEFORE TAX AS PER STATEMENT OF PROFIT AND LOSS</b>	<b>35657055</b>	<b>10723305</b>
<b>ADD/(LESS): - Adjustment for :</b>		
Depreciation	3517249	3707428
Finance Cost	5224717	6921181
Interest Income and Interest Income	(16625758)	(15511091)
Loss/ (Profit) on sale Investment	1437956	1260031
Loss on sale Subsidiary	33106200	0
Adjustment in Consolidation due to sale of subsidiary- IND AS	(29138279)	0
Bad Debts	39764	54163
<b>Operating Profit before changes in working capital</b>	<b>33218904</b>	<b>7155017</b>
Increase/ (Decrease) in Trade Payables Current	(3012739)	(13691472)
Increase/ (Decrease) in Trade Payables Non Current	901494	7770740
Increase/ (Decrease) in Other current Liabilities/ Provision	747154	54971085
Decrease/ (Increase) in Trade receivables	(26348166)	2418362
Decrease/ (Increase) in Short term Loans and advances	(18937330)	(1522957)
Decrease/ (Increase) in Inventories	5019824	(5019824)
Decrease/ (Increase) in Other Current Assets	6139195	170084
<b>Cash generated from operations</b>	<b>5841786</b>	<b>52251035</b>
<b>Direct Taxes Paid (Net of Refunds)</b>	<b>(10295306)</b>	<b>(14696662)</b>
<b>Net Cash Flow From Operating Activities</b>	<b>(4453520)</b>	<b>37554373</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Fixed Assets	(9367927)	(6823539)
Sale of Fixed Assets	0	1062
Interest Income	16625758	15511091
(Increase) /Decrease in other loans and advances	72735	3611631
(Increase) /Decrease in Non Current Financial Assets	924730	(1560728)
(Increase) /Decrease in Non Current Assets	2759727	(2759727)
(Purchase)/Sales of Investment	86351253	14970920
Loss/ (Profit) on sale Investment	(1437956)	(1260031)
Consolidation adjustment effect on sale of subsidiaries	0	0
Adjustment on account of Minority Interest on sale of subsidiary	523529	0
Loss on sale Subsidiaries	(33106200)	0
Adjustment in Consolidation due to sale of subsidiary- IND AS	29138279	0
Goodwill on consolidation adjustment for sale of subsidiaries	480030	0
<b>Net Cash From Investment Activities</b>	<b>92963958</b>	<b>21690678</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance Cost	(5224717)	(6921181)
Increase in/ (Repayment) of Long term Borrowings	(130074)	(757644)
Increase in/ (Repayment) of Short term Borrowing	(54590499)	12809491
Dividend Distribution Tax Paid	0	(119295)
Dividend Paid	0	(650000)
<b>Net Cash From Financing Activities</b>	<b>(59945289)</b>	<b>4361371</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS [A+B+C]</b>	<b>28565149</b>	<b>63606422</b>
Cash and Cash Equivalents at the beginning of the year	74163465	10557043
<b>Closing Cash and Cash Equivalents</b>	<b>102728614</b>	<b>74163465</b>

Note: The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS-7) Statement of Cashflows.

**As per our report of even date**

**For, Nitin K. Shah & Co**

Chartered Accountants

FRN : 107140W

SD/-

(Vaibhav N. Shah)

Proprietor

Membership No. : F/116817

UDIN: 20116817AAAAEN6518

Ahmedabad, Date:31<sup>st</sup> July, 2020

**For, Riddhi Corporate Services Limited**

SD/-

Mr. PravinchandraGor

Mr. AlpitkumarGor

Mr. S.k.Pradhan

Mr. Manish Joshi

Mr. Parth Pandya

Managing Director

Wholtime Director

Independent Director

Chief Financial Officer

Company Secretary

Date:- 31<sup>st</sup> July, 2020

Place:- Ahmedabad



Notes Forming Part of the Consolidation Financial Statements			
Particulars	Amount (In Rs.)	Amount (In Rs.)	Amount (In Rs.)
	31.03.2020	31.03.2019	01.04.2018
<b>FINANCIAL ASSETS - NON CURRENT</b>			
<b>NOTE NO. 3</b>			
<b>INVESTMENTS (Measured at Amortised Cost)</b>			
Fixed Deposit Axis Bank	132006785	224108157	221389928
<b>Unquoted Equity Shares-Subsidiary Companies, Associates and JV Fully Paid up: (Measured at Cost)</b>			
Vibhin Online Services P Ltd - (No.9000 Shares)	0	0	0
RCSPL Multicommodities Pvt Ltd -(No.459000 Shares)	0	0	0
RCSPL Share Broking Pvt Ltd - (No.3770200 Shares)	0	0	0
Riddhi online Services LLP	0	0	0
Investment by Sharebroking in IFSC Limited	0	0	0
<b>Quoted Equity Shares (Measured at Fair Value through Pnl)</b>			
Investments in Listed securities	4301595	909730	18598878
Investments in Mutual Funds- Liquid Funds	2358254	0	0
	<b>138666634</b>	<b>225017887</b>	<b>239988806</b>
<b>NOTE NO. 4</b>			
<b>LOANS (Measured at Amortised Cost)</b>			
Security Deposit (Unsecured Considered Good)	3979077	4051812	7663443
<b>TOTAL</b>	<b>3979077</b>	<b>4051812</b>	<b>7663443</b>
<b>NOTE NO. 5</b>			
<b>Deferred Tax Asset (net)</b>			
Balance as Balance sheet of Previous Year	8423714	3075069	259891
Add : Addition/ (reduction) during the year	-6664269	5348645	2815178
<b>Total</b>	<b>1759445</b>	<b>8423714</b>	<b>3075069</b>
<b>NOTE NO. 6</b>			
<b>Other Non-Current Financial Assets</b>			
<b>Unsecured Considered Good</b>			
Deposit with Government Authorities- Measure at Cost	45000	45000	45000
Advance Recoverable in Cash or in Kind- Measured at Amortised Cost	1081358	2006088	445360
<b>TOTAL</b>	<b>1126358</b>	<b>2051088</b>	<b>490360</b>
<b>NOTE NO. 6</b>			
<b>Other Non-Current Assets</b>			
<b>Unsecured Considered Good</b>			
Capital Advances to Volupia Developers Private Limited	0	2759727	0
<b>TOTAL</b>	<b>0</b>	<b>2759727</b>	<b>0</b>

**CURRENT ASSETS****NOTE NO. 7****INVENTORIES**

Equity Shares held for trading	0	4180499	0
Uncertified Contract Work	0	839325	0
<b>TOTAL</b>	<b>0</b>	<b>5019824</b>	<b>0</b>

**FINANCIAL ASSETS****NOTE NO. 8****TRADE RECEIVABLES**

Unsecured Considered Good	40963433	41539608	46478670
	<b>40963433</b>	<b>41539608</b>	<b>46478670</b>

**NOTE NO. 9****CASH & CASH EQUIVALENTS**

Balance with Scheduled Banks	95596418	70491629	8557688
Cash in Hand	7132195	3671836	1999355
	<b>102728613</b>	<b>74163465</b>	<b>10557043</b>

**NOTE NO.10****LOANS****(Unsecured and Considered Good)**

Security Deposit	0	16025000	15838248
Tender Deposit	1853615	1336205	0
<b>To Related Parties</b>			
RCSPL Multicommodities Private Limited- Subsidiary	3029955	0	0
RCSPL Share Broking Pvt Limited-Subsidiary	19444753	0	0
Vibhin Online- Subsidiary	11970212	0	0
	<b>36298535</b>	<b>17361205</b>	<b>15838248</b>

**NOTE NO. 11****Other Financial Assets**

Interest Receivable	0	556974	528804
GST Receivable	0	135331	580920
Advance receivable in Cash or Kind	0	5445182	5040860
	<b>0</b>	<b>6137487</b>	<b>6150584</b>

**NOTE NO. 12****Current Tax Assets**

Advance Income Tax /TDS (Net)	19330961	23542654	16788380
	<b>19330961</b>	<b>23542654</b>	<b>16788380</b>

**NOTE NO. 13****Other Current Assets**

Prepaid Expenses	0	1708	0
Prepaid Bank Guarantee	0	0	158695
	<b>0</b>	<b>1708</b>	<b>158695</b>

Notes Forming Part of the Consolidation Financial Statements			
Particulars	Amount (In Rs.)	Amount (In Rs.)	Amount (In Rs.)
	31.03.2020	31.03.2019	01.04.2018
<b>NOTE NO. 14</b>			
<b><u>EQUITY SHARE CAPITAL</u></b>			
<b>Authorised Capital</b>			
(1,13,75,000.00 Equity shares of Rs. 10 Each Fully Paid-Up)	113750000.00	113750000.00	32500000.00
(Previous Year 113,75,000.00 Equity shares of Rs. 10 Each Fully Paid-Up)			
<b>Issued, Subscribed and Paid Up Capital</b>			
(1,13,75,000.00 Equity shares of Rs. 10 Each Fully Paid-Up)	113750000.00	113750000.00	32500000.00
(Previous Year 113,75,000.00 Equity shares of Rs. 10 Each Fully Paid-Up)			
	<b>113750000.00</b>	<b>113750000.00</b>	<b>32500000.00</b>
<b>14.1) The reconciliation of the number of shares outstanding is set out below :-</b>			
Particulars	No. of Shares	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	11375000	3250000	3250000
Add : Bonus Shares issued during the year	0.00	8125000	0.00
Equity Shares at the end of the year	<b>11375000</b>	<b>11375000</b>	<b>3250000</b>
<b>14.2) The details of Shareholders holding more than 5% shares :-</b>			
Name of the Shareholder (% of Holding)	No. of Shares (% of holding)	No. of Shares (% of holding)	No. of Shares (% of holding)
Alpit P Gor	2737000 24.06%	2737000 24.06%	782000 24.06%
Pravinchandra K Gor	2495500 21.94%	2495500 21.94%	713000 21.94%
Jayshreeben P Gor	2495500 21.94%	2495500 21.94%	713000 21.94%
Nishith Shrishbhai Desai	777000 6.83%	777000 6.83%	223000 6.86%
<b>14.3) Terms/rights attached to equity Shares:</b>			
The company has only one class of equity shares referred to as equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share and dividend as and when declared by the company.			

**NOTE NO. 15****OTHER EQUITY****A) General Reserve**

As per Balance sheet of Previous Financial Year	20477111	20477111	20477111
Add : Addition in Current Year	0	0	0
Less : Utilized in Current Year	0	0	0
	<u>20477111</u>	<u>20477111</u>	<u>20477111</u>

**B) Securities Premium**

As per Balance sheet of Previous Financial Year	32750000	114000000	114000000
Add : Addition in Current Year	0	0	0
Less : Utilized in Current Year for Issue of Bonus Shares	0	81250000	0
	<u>32750000</u>	<u>32750000</u>	<u>114000000</u>

**C) Retained Earnings**

As per Balance sheet of Previous Financial Year	68895487	60257657	66281516
Add : Transfer from Profit of the Current Year	15026164	9698723	0
Add : Adjustment on account of sale of subsidiaries- as per Para B98 of IND AS-110	0	0	0
Less : Dividend Paid	0	650000	0
Less : Dividend Distribution Tax	0	119295	0
Less : Earlier Year Adjustment	0	291599	0
Add : Adjustment on Account of Transition to Ind AS- Defferred Tax	0	0	2815052
Less : Adjustment on Account of Transition to Ind AS- Fair Value of Security Deposit	0	0	3084932
Add : Adjustment on Account of Transition to Ind AS- Trade Payables	0	0	622419
Less : Adjustment on Account of Transition to Ind AS- Fair Value of Investment in equity Shares	0	0	2154455
Less : Adjustment on Account of Transition to Ind AS- Fair Value of Loans and Advance receivable in cash or kind	0	0	179280
Less : Adjustment on Account of transition in Ind AS- Preliminary exp Written off	0	0	481630
Less : Adjustment on Account of transition in Ind AS- Trade Receivables			3561033
	<u>83921650</u>	<u>68895487</u>	<u>60257657</u>

**TOTAL (A+B+C)**

<u>137148761</u>	<u>122122598</u>	<u>194734768</u>
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Notes Forming Part of the Consolidation Financial Statements			
Particulars	Amount (In Rs.)	Amount (In Rs.)	Amount (In Rs.)
	31.03.2020	31.03.2019	01.04.2018
<b>NON CURRENT LIABILITIES</b>			
<b>FINANCIAL LIABILITIES</b>			
<b>NOTE NO. 16</b>			
<b>Long Term Borrowing</b>			
<b>A) Secured- Measured at Amortised Cost</b>			
Secured Loans from Banks	0	130074	887718
	<b>0</b>	<b>130074</b>	<b>887718</b>
<b>B) Unsecured- Measured at Cost</b>			
From Directors	135805	135805	135805
	<b>135805</b>	<b>135805</b>	<b>135805</b>
<b>TOTAL (A+B)</b>	<b>135805</b>	<b>265879</b>	<b>1023523</b>
<b>NOTE NO. 17</b>			
<b>Trade Payables</b>			
Other than Micro and Small Enterprise	18380868	9365924	1595184
	<b>18380868</b>	<b>9365924</b>	<b>1595184</b>
<b>CURRENT LIABILITIES</b>			
<b>FINANCIAL LIABILITIES</b>			
<b>NOTE NO. 18</b>			
<b>Short Term Borrowings</b>			
<b>A) Secured</b>			
Bank Overdraft	47683073	79400572	89464081
	<b>47683073</b>	<b>79400572</b>	<b>89464081</b>
<b>B) Unsecured</b>			
Riddhi Loan from RSCPL Multicommodities Private Limited	0	0	0
IFSC Loan From Sharebroking	0	0	0
Sharebroking Loan from Riddhi	0	0	0
Loan from Directors	0	22573000	0
Corporate Deposit Others	0	300000	0
Multi Comm. Loan from Riddhi	0	0	0
Riddhi Corporate Services loan to Vibhin	0	0	0
	<b>0</b>	<b>22873000</b>	<b>0</b>
<b>TOTAL (A+B)</b>	<b>47683073</b>	<b>102273572</b>	<b>89464081</b>
<b>NOTE NO. 19</b>			
<b>Trade Payables</b>			
Other than Micro and Small Enterprise	13216252	16228991	29920463
Multi - Creditor Riddhi	0	0	0
	<b>13216252</b>	<b>16228991</b>	<b>29920463</b>
<b>NOTE NO. 20</b>			
<b>Other Financial Liabilities</b>			
Audit Fees Payable	0	40000	40000
Current Maturities of Long Term Debt	130074	397299	0
EPF/ESIC/Professional Tax Payable	2121776	2056373	683541
Employee benefit Expense payable	0	148762	436259
TDS Payable	209868	1916842	1303988
GST Payable	7389744	10887715	10857433
Others Payables	0	1392498	132833
Service Tax Payable	468193	0	185250
Business Deposits			
Shree Rang Logistics Private Limited	0	2033268	2033268
Riddhi Infocom Solution LLP	0	0	1568887
Others	41809	77692	74336
	<b>10361463</b>	<b>18950449</b>	<b>17315795</b>
<b>NOTE NO. 21</b>			
<b>Provisions</b>			
Gratuity Provision	2668409	0	0
Data Entry Charges Provision	16005000	0	0
	<b>18673409</b>	<b>0</b>	<b>0</b>
<b>NOTE NO. 21</b>			
<b>Other Current Liabilities</b>			
Advance from Customers	43999162	53336431	0
	<b>43999162</b>	<b>53336431</b>	<b>0</b>

	As at 31-03-2020	As at 31-03-2019
<b>NOTE NO. - 22</b>		
<b>REVENUE FROM OPERATIONS</b>		
Revenue from Sales of Services		
- Domestic	814650239	595294844
- Exports	48919	0
<b>TOTAL</b>	<b>814699158</b>	<b>595294844</b>
<b>NOTE NO. - 23</b>		
<b>OTHER INCOME</b>		
Interest Income	15403099	13916285
Dividend Income	20134	58001
Other Income	1202525	1536805
Fair Value at Amortised cost- Security Deposit	363824	1825645
Fair Value at Amortised cost- Tradepayables	1237330	2276737
Fair Value at Amortised cost- Loans and Advances Receivable	-4699957	-399109
Fair Value Through Pnl- Investments	-812347	-5307527
<b>TOTAL</b>	<b>12714607</b>	<b>13906838</b>
<b>NOTE NO. - 24</b>		
<b>Purchase of Service/Operating Expenses/ Purchase of stock</b>		
Pickup and delivery Charges	19820466	7931729
Data Entry Charges	160091948	77201284
CAF Retrieval Expense	6306	239155
Project Expense	16405099	17777706
Stock Purchase	0	70998463
Others	1450844	1085002
<b>TOTAL</b>	<b>197774663</b>	<b>175233339</b>
<b>NOTE NO. - 25</b>		
<b>Changes in Inventory</b>		
Opening Stock	5019826	0
Less: Closing Stock	2610387	4180501
<b>TOTAL</b>	<b>2409439</b>	<b>-4180501</b>
<b>NOTE NO. - 26</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Staff Welfare Expense	141360	72210
Conveyance Charges	225622	225458
Salary & Other Allowance Etc.	498484383	322963395
Gratuity Provision	2668409	0
Contribution to statutory funds	5597017	5101371
<b>TOTAL</b>	<b>507116791</b>	<b>328362434</b>

<b>NOTE NO. - 27</b>		
<b>FINANCE COST</b>		
Interest on Bank Over Draft A/c	5052186	6377473
Interest on Corrola Altis	34160	71115
Interest to Others	138371	472593
	<b>5224717</b>	<b>6921181</b>
<b>TOTAL</b>		
<b>NOTE NO. - 28</b>		
<b>DEPRECIATION &amp; AMORTISATION EXPENSES</b>		
Depreciation Expenses	3517249	3707428
	<b>3517249</b>	<b>3707428</b>
<b>TOTAL</b>		
<b>NOTE NO. - 29</b>		
<b>OTHER EXPENSES</b>		
Insurance	212212	138015
Computer Accesories, Repair, Software	587705	192800
Computer Web Hosting Expense	2857220	2375979
Bank Charges & Comm	122662	454768
Bad Debts	39764	54163
Audit Fees	142200	248200
Application Fees	0	260000
Demat Charges	-3351	149566
GST Exp	0	317568
Internet and Leaseline Exp	337445	594062
NSE-BSE-NSDL-CDSL-NISM-Charges	91712	109358
Printing & Stationary	404101	287126
Telephone Expenses	3197077	1970227
Tender Fee	61309	67400
Travelling Exps	8485220	4407574
Transportation Charges	417963	637039
Legal & Prof Chg	9515962	11176602
Electric Expenses	2942648	1260031
Office Exps	4374978	3033560
Rent Expenses	16532061	10782168
Repairs & Maintanance	1303350	1831448
Brokerage Charges & Stamp Duty	446730	3724421
Security Expenses	63430	61551
Software Charges	290934	54693
Interest on Late Payment of Ser Tax/GST	576927	828579
Interest on Late Payment	23753	108189
Profit/Loss on Sale of Investments	1687705	7517416
Profit/Loss on FO	1899680	29711689
Annual Fee Charges	268025	1308970
	<b>56879423</b>	<b>83663162</b>
<b>TOTAL (A)</b>		
<b>Selling &amp; Distribution Expenses</b>		
Advertisement Expenses	14866508	4771334
	<b>14866508</b>	<b>4771334</b>
<b>TOTAL (B)</b>		
	<b>71745931</b>	<b>88434496</b>
<b>TOTAL (A+B)</b>		

**NOTE 1****Significant Accounting Policies and Notes on Accounts:****Nature of Operations:**

The Company's principal activity is providing solutions under document management, inbound and outbound contact centre, data entry, software development, verification services and recruitment services.

**1. Significant Accounting Policies:****1) Basis of Preparation of Consolidated Financial Statements:-****(i) Basis of preparation and consolidation**

The consolidated financial statements relate to RIDDHI CORPORATE SERVICES LIMITED ('the Company') and its following subsidiaries:

**Information Pertaining to Subsidiaries**

Name of the Company	Country of Incorporation	% of voting power held as at 31.03.2020	% of voting power held as at 31.03.2019
RCSPL Share Broking Pvt. Ltd.	India	0	90
RCSPL Multi Commodities Pvt. Ltd.	India	0	90
Vibhin Online Services Pvt. Ltd.	India	0	100

**Information Pertaining to Step Down Subsidiary (Subsidiary of RCSPL Share Broking Pvt Ltd)**

Name of the Company	Country of Incorporation	% of voting power held as at 31.03.2020	% of voting power held as at 31.03.2019
RCSPL Share Broking IFSC Pvt. Ltd.	India	100	100

These consolidated financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The Group has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First-Time Adoption of Indian Accounting Standards. The transition was carried out from Indian



Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### **(ii) Basis of consolidation**

The consolidated financial statements up to year ended March 31, 2019 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

The Company consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as disclosed in Note (i) above. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain / loss from such transactions, are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

#### **(iii) Historical cost convention**

The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention except certain financial assets and liabilities are measured at fair value (refer accounting policy regarding financial instruments).

#### **(iv) Classification of assets and liabilities**

The classification of assets and liabilities into current and non-current, wherever applicable, are based on normal operating cycles of business activities of the Company, which is twelve months.

### **2) Summary of Significant Accounting Policies:**

#### **a) Property, Plant and Equipment:**

All items of Property, plant and equipment except land are shown at cost, less accumulated depreciation and impairment, if any. The cost of an item of property, plant and equipment comprises its cost of acquisition inclusive of inward freight, import duties, and other nonrefundable taxes or levies and any cost directly attributable to the acquisition / construction of those items; any trade discounts and rebates are deducted in arriving at the cost of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to

the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

Gain or losses arising on disposal of property, plant and equipment are recognised in profit or loss.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognized as at April 01, 2018 measured as per the previous GAAP (Indian GAAP) and use that carrying value as the deemed cost of property, plant and equipment.

**(b) Depreciation and amortisation:**

Depreciation has been provided based on useful life assigned to each asset in accordance with Schedule II of the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.

**(c) Impairment of assets**

At the date of balance sheet, if there are indications of impairment and the carrying amount of the cash generating unit exceeds its recoverable amount (i.e. the higher of the fair value less costs of disposal and value in use), an impairment loss is recognised. The carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss in the profit or loss. The impairment loss recognised in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

**(d) Inventories:**

The cost of various categories of inventory is determined as follows:

1. Raw material and Packing Materials: At Cost including local taxes (Net of setoff) or Net realizable value, whichever is lower.
2. Stock in Process : At Cost or Net realisable value, whichever is lower.
3. Stock of Finished Goods : At Cost or Net realisable value, whichever is lower.
4. Consumable Stores & Spares : At Cost or Net realisable value, whichever is lower.
5. Scrap : At Net realisable value

Cost of raw material and packing materials are determined using first in first out (FIFO) method. Costs of finished goods and stock in process include cost of raw material and packing materials, cost of conversion and other costs incurred in bringing the inventories to the present location and condition.

**(e) Revenue recognition:**

In Contact Centre Activity, revenue is recognized as the related services are performed, based on actual utilization or minimum utilization level, as appropriate, specified in the agreements.

In Claim Processing Activity, revenue is recognized based on number of claims processed, at contractual rates and terms as specified in the agreements.

In respect of other services, revenue for services rendered is recognized as per the terms of specific contracts.

Interest income is accounted on accrual basis and dividend income is accounted on right to receipt basis.

In respect of other heads of income, the Company follows the practice of accounting of such income on accrual basis.

Income from share trading activity is recognized on selling of shares.

Revenue from advisory and consultancy services is recognized on rendering of services/work performed. Revenue from Depository operations is considered to accrue as one time Transaction charges based on the calendar year. Income from shares and securities brokerage activities is considered as accrued on the trade date of the transaction.

Income from shares and securities brokerage activities is considered as accrued on the trade date of the transaction.

Income from Brokerage, Demat Charges, Fund Mobilization and Corporate Advisory services are exclusive of service tax/GST.

Revenue from other support services arising out of web based application or mobile based application software products are recognized when the services are performed.

In respect of other heads of income, the Company follows the practice of accounting of such income on accrual basis.

**(f) Fair value measurement:**

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statement are categorized within the fair value hierarchy.

**(g) Financial Instruments:**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. All the financial assets and liabilities are measured initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial asset and financial liabilities (other than financial assets and liabilities carried at fair value through profit or loss) are added or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**(h) Financial assets**

**Classification and Measurement**

All the financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial asset (other than financial assets carried at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset.

Subsequent measurement of a financial assets depends on its classification i.e., financial assets carried at amortised cost or fair value (either through other comprehensive income or through profit or loss). Such classification is determined on the basis of Company's business model for managing the financial assets and the contractual terms of the cash flows.

The Company's financial assets primarily consists of cash and cash equivalents, trade receivables, loans to employees and security deposits etc. which are classified as financial assets carried at amortised cost.

#### **Amortised cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a financial assets that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is recognised using the effective interest rate method.

#### **Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables, the Company provides for lifetime expected credit losses recognized from initial recognition of the receivables.

#### **De-recognition of financial assets**

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

#### **(i) Income recognition**

Interest income

Interest income is recognised at contracted rate of interest.

#### **Dividends**

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

#### **(j) Provision, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably.

All known Liabilities, wherever material, are provided for and Liabilities, which are disputed, are referred to by way of Notes on Accounts.

Contingent assets are not recognized in the financial statements.

**(k) Taxes on Income**

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

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. 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 tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

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

**(l) Loans and Receivables**

Trade receivables and loans are initially measured at transaction value, which is the fair value and subsequently retained at cost less appropriate allowance for credit losses as most loans and receivable of the Company are current in nature. Where significant, non-current loans and receivables are accounted for at amortized cost using effective rate method less appropriate allowance for credit losses. Interest is accounted for on the basis of contractual terms, where applicable and is included in interest income. Impairment losses are recognized in the profit or loss where there is an objective evidence that the Company will not be able to collect all the due amounts.

**(m) Investments**

At initial recognition, the Company measures its investments at its fair value plus costs that are directly attributable to the acquisition of the financial asset. Investments are designated as subsequently measured at fair value through profit or loss. The transaction costs are expenses immediately in statement of profit or loss. Movements in fair value of these assets re taken in profit or loss.

**(n) Segment reporting****Identification of segments:**

The Company's operating businesses are organized and managed according to the nature of products and predominant source of the risk for the Company is business product, therefore business segment has been considered as primary segment. The analysis of geographical segments is based on the areas in which the Company operates.

**Segment policies:**

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

**(o) Earning per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders after deducting preference dividends and attributable taxes by the weighted average number of equity shares outstanding during the period.

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

**(p) Borrowing costs**

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

**(q) Leases:-****Policy applicable before April 1, 2019**

Leases are classified as finance leases whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

**(i) Operating Lease:**

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases where rentals are structured solely to increase in line with the expected general inflation to compensate or the lessor's inflationary cost increases, such increases are recognised in the year in which the benefits accrue) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis.

**(ii) Finance Lease:**

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

**Policy applicable after April 1, 2019**

The Company has adopted Ind AS 116 effective from April 1 2019 using modified retrospective approach. For the purpose of preparation of Consolidated Financial Information, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 116 for year ended March 31 2020.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in substance fixed payments;

The lease liability is measured at amortised cost using the effective interest method.

The Company has used number of practical expedients when applying Ind AS 116: - Short-term leases, leases of low-value assets and single discount rate.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

The Company's leases mainly comprise land and building for office/warehousing use.

#### **(r) Employee benefits**

Retirement benefits in the form of Provident Fund contributed to Statutory Provident Fund is a defined contribution scheme and the payments are charged to the Profit and Loss Account of the year when the payments to the respective funds are due. There are no obligations for contribution payable to Provident Fund Authorities.

Superannuation Fund and Employees' State Insurance Corporation (ESIC) are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the year when the



contributions to the respective funds are due. There are no other obligations for the contribution payable to the respective funds.

The company provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. In accordance with the Payment of Gratuity Act, 1972, the Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company. The liability was provided only for those employees who are covered under Gratuity Act as determined by the management.

#### (s) Foreign Currency Transactions

Transactions in foreign currencies are accounted at the exchange rates prevailing on the date of transaction or at rates that closely approximate the rate at the date of the transaction.

#### Notes to Accounts:

##### 1) Contingent Liability: Performance Bank Guarantee to Clients

Particular	Amount In Rs.	Amount In Rs.
	2019-20	2018-19
Performance Bank Guarantee	2,98,676	2,98,676

Bid Security/Earnest Money Deposit in form of Bank Guarantee to Clients:

Particular	Amount In Rs.	Amount In Rs.
	2019-20	2018-19
Earnest Money Deposit	21,32,000	21,32,000

Counter guarantees in respect of guarantees given by banks to the Stock Exchanges towards base capital, margin deposits etc

Particular	Amount In Rs.	Amount In Rs.
	2019-20	2018-19
Bank Guarantees	0	8,00,000
Bank Guarantees By Holding Co.	0	1,32,00,000

Pledged fixed deposits (including Interest) with the exchanges

Particular	Amount In Rs.	Amount In Rs.
	2019-20	2018-19
Pledged fixed deposits with the exchange	1,46,25,000	1,34,00,000

2) The balances of sundry debtors, sundry creditors, loans and advances are subject to confirmation.

3) As explained to us, the provisions of Provident Fund Act, ESI Act, and Gratuity Act are applicable to the Company and have been dealt accordingly.

4) According to the information available with the Company, there are no amounts as at 31<sup>st</sup> March, 2020, due to suppliers who constitute a “Micro, Small and Medium Enterprises” as per MSMED Act, 2006.

5) The Board of Directors is of the opinion that all the liabilities have been adequately provided for.

6) Earnings Per Share (EPS)

Particulars	2019-20	2018-19
Net profit as per profit and loss account	14485787	8129562
Less: Preference dividend and Tax thereon	0	0
Net Profit for Calculation of basic/diluted EPS	14485787	8129562
Weighted average number of equity shares	11375000	11375000
(in calculated basic/diluted EPS)	1.27	0.71
[Nominal value of shares Rs.10 (Previous Year Rs.10)]		

#### 7) Auditors' Remuneration

Particulars	2019-20	2018-19
As Auditor		
- Statutory Audit	3,02,700	2,48,200
- Tax Audit	0	0
As Advisor, or in any other capacity	50,000	-
Reimbursement of expenses	54,000	-
<b>Total</b>	<b>4,06,700</b>	<b>2,48,200</b>

#### 8) Directors' Remuneration:

Particulars	2019-20	2018-2019
Directors' Remuneration	65,60,000	65,56,000
Perquisites	0	0
Contribution to provident and superannuation funds	0	0
Commission to Whole-time Directors	0	0
Directors' sitting fees	0	0
<b>Total</b>	<b>65,60,000</b>	<b>65,56,000</b>

9) Where the external evidence in the form of cash memos, bill, stamped receipt etc. were not available, the internal vouchers prepared and authorized by the company have been relied on.

10) During the period under audit, Insurance policy premium amount is charged to P&L account as consistent policy to charge in the year in which it is paid.

11) As explained by the management, there is no warranty liability, hence the provision for the same is not provided for.

## 12) Deferred Tax Liability:

As per Accounting Standard 22 on “Accounting for taxes on Income “ issued by the Institute of Chartered Accountant of India, Deferred Tax assets/liabilities are as follows:

Particulars	2019-2020	2018-2019
Opening Balance of Deferred Tax liability/ (Assets)	(8423714)	(3075069)
Add/Less: Deferred Tax liability accrued during the year due to timing difference of Depreciation	6664269	(5348645)
<b>Closing balance of Deferred Tax Liability/(Assets)</b>	<b>(1759445)</b>	<b>(8423714)</b>

P.N.: Deferred tax is measured based on the tax rates and the tax laws enacted by the Finance Act, 2020 @25.17%.

## 13) Value of Imports calculated on C.I.F. basis in respect of

Particulars	2019-2020	2018-2019
Raw Materials	0	0
Capital Goods	0	0
Repairs	0	0

## 14) Expenditure in Foreign Currency on account of:

Particulars	2019-2020	2018-2019
Interest	0	0
Consultancy Charges	0	0
Others	0	0

## 15) Earnings in Foreign Currency:

Particulars	2019-2020	2018-2019
Export of Goods on FOB Basis	0	0
Consultancy Charges	0	0
Others	0	0

**16) Related Party Disclosures:****Relationships:****Key Management Personnel:**

Alpit P Gor

Jayshree P Gor

Pravinchandra K Gor

Manish Joshi (CFO)

Parth Pandya (CS)

Subhasish Chakraborty

Umesh A. Bhadreswara

Vipul S. Pandit (ceased w.e.f. 22/02/2020)

Soumya Ranjan Kanhu Charan Pradhan

Kalpeshbhai C. Shukla

Nishith S. Desai (ceased w.e.f. 17/07/2019)

Bhavin Kiritkumar Pandya (w.e.f. 11/07/2019)

Kalpanaben Dipakbhai Suthar (w.e.f. 17/07/2019)

Jashubhai M. Patel (w.e.f. 04/03/2020)

**Relatives of Key Management Personnel:**

VaishaliGor (Wife of Alpit Gor)

**Companies under the same management or relative of KMP having significant influence:**

Riddhi World Wide Express

VJO E-Solutions OPC Pvt Ltd

Riddhi Infocom Solutions LLP

GaneshHomedelight Private Limited

**Related Party with whom Control Exists****Subsidiary Companies**

RCSPL Share Broking Pvt Ltd (ceased w.e.f. 31/03/2020 upon disinvestment)

RCSPL Multicommodities Pvt Ltd (ceased w.e.f. 31/03/2020 upon disinvestment)

Vibhin Online Services Pvt Ltd. (ceased w.e.f. 31/03/2020 upon disinvestment)

**2. Step Down Subsidiary Company**

RCSPL Share Broking IFSC Pvt Ltd (ceased w.e.f. 31/03/2020 upon disinvestment)

## Transactions carried out with related parties:

Sr. No.	Name of the Relative	Relationship	Nature of Payment	Amount in Rs.	Previous Year
1	Alpit P Gor	Director	Remuneration	2400000	2400000
2	Alpit P Gor	Director	Reimbursement of Expenses	0	576234
3	Jayshree P Gor	Director	Remuneration	600000	600000
4	Pravinchandra K Gor	Director	Remuneration	2400000	2400000
5	Pravinchandra K Gor	Director	Reimbursement of Expenses	0	8365
6	Jayshree P Gor	Director	Office Rent	1800000	1950000
7	Jayshree P Gor	Director	Reimbursement of Expenses	600000	650000
8	Pravinchandra K Gor	Director	Office Rent	2832000	864000
9	VJO E-Solutions OPC Pvt Ltd	One Person Company of Wife of Director	Data Entry Charges Service Sales	1180000	0
10	Riddhi World Wide Express	Firm under the same management	Courier Charges/Data Entry Charges Paid	265432	595146
11	Riddhi World Wide Express	Firm under the same management	Purchase	11682000	0
12	VJO E-Solutions OPC Pvt Ltd	One Person Company of Wife of Director	Reimbursement of Expenses	600	0
13	Vaishali Gor	Wife of Director	Data Entry Charges	881000	24000
14	RCSPL Multicommodities Pvt Ltd	Subsidiary	Interest received	226116	83038
15	RCSPL Multicommodities Pvt Ltd	Subsidiary	Loans and Advances balance outstanding	3029955 (Dr.)	2826451(Dr.)
16	RCSPL Multicommodities Pvt Ltd	Subsidiary	Loans and Advances given	0	1270000
17	RCSPL Multicommodities Pvt Ltd	Subsidiary	Loans and Advances recieved	0	3600000
18	RCSPL Share Broking Pvt Ltd	Subsidiary	Loans and Advances given	156348	26402654
19	RCSPL Share Broking Pvt Ltd	Subsidiary	Repayment received for	4961602	22497469

			advances given		
20	RCSPL Share Broking Pvt Ltd	Subsidiary	Purchase of Shares on Trading Platform	14921855	12993184
21	RCSPL Share Broking Pvt Ltd	Subsidiary	Trading Account balance outstanding	673743 (Cr.)	4961603 (Dr.)
22	RCSPL Share Broking Pvt Ltd	Subsidiary	Loans and Advances balance outstanding	19444753 (Dr.)	13333508(Dr.)
23	RCSPL Share Broking Pvt Ltd	Subsidiary	Payment against purchase of shares over stock exchange	7339551	9300000
24	RCSPL Share Broking Pvt Ltd	Subsidiary	Interest Income	1451101	944221
25	Vibhin Online Services P Ltd	Subsidiary	Interest Income	796453	195546
26	Manish V. Joshi	CFO	Salary	542952	552000
27	Umesh A. Bhadreswara	Director	Salary	984000	684000
28	Umesh A. Bhadreswara	Director	Reimbursement of Expenses	216000	216000
29	Manish V. Joshi	CFO	Reimbursement of Expenses	0	2797
30	Parth M. Pandya	CS	Salary	158400	132000
31	Parth M. Pandya	CS	Consultancy Charges	11750	0
32	Vibhin Online Services Pvt Ltd	Subsidiary	Loans Given	8550998	3581364
33	Vibhin Online Services Pvt Ltd	Subsidiary	Repayment received for advances given	1765640	965887
34	Vibhin Online Services Pvt Ltd	Subsidiary	Loan Balance outstanding	11970212 (Dr.)	4468046(DR.)
35	Riddhi World Wide Express	Firm under the same management	Re-imbursement of various taxes	0	63,60,000
36	RCSPL Share Broking Pvt Ltd	Subsidiary	Sale of Shares on Trading Platform	5969002	27277370
37	RCSPL Share Broking Pvt Ltd	Subsidiary	Receipt against sale of shares over stock exchange	4020450	15887147

38	Subhasish Chakraborty	Director	Reimbursement of Expenses	0	1325000
39	Subhasish Chakraborty	Director	Fees of Professional Director	2572222	0
40	Alpit P Gor	Director	Sale of Shares of Subsidiary RCSPL Share Broking Pvt Ltd	7554400	0
41	Pravinchandra K Gor	Director	Sale of Shares of Subsidiary RCSPL Share Broking Pvt Ltd	7554400	0
42	Alpit P Gor	Director	Sale of Shares of Subsidiary Vibhin Online Services Pvt Ltd	1200000	0
43	Pravinchandra K Gor	Director	Sale of Shares of Subsidiary Vibhin Online Services Pvt Ltd	1200000	0
44	Alpit P Gor	Director	Sale of Shares of Subsidiary RCSPL Multicommodities Pvt Ltd	255000	0
45	Pravinchandra K Gor	Director	Sale of Shares of Subsidiary RCSPL Multicommodities Pvt Ltd	255000	0
46	Riddhi Worldwide Express	Firm under same management	Courier Contract Deposit and Cancellation	0	11,50,000
47	Riddhi Worldwide Express	Firm under same management	Security Deposit against trade and cancellation	0	5,00,000
48	Maulik R Shah	Director	Travelling Exp reimbursement	0	30096
49	Maulik R Shah	Director	Salary	0	472000
50	Alpit P Gor	Director	Travelling Expense reimbursement	0	7000
51	Pravinchandra K Gor	Director	Travelling Expense reimbursement	0	7000
52	Maulik R Shah	Director	Reimbursement Exp	0	11073

53	RCSPL Multi Commodities Pvt Ltd	Subsidiary	Payment to Creditors	0	11910
54	Purvi Manishkumar Joshi	Wife of CFO	Remisier	14129	0
55	Rajan B Shah	Brother in Law of Director	Salary	176000	0

16) The figures of the previous years have been regrouped / rearranged wherever necessary. The figures or the previous years are given in brackets. The Company has compiled the above accounts based on the revised/Modified schedule III applicable for the accounting period 2019-2020. The disclosure requirements are made in notes to accounts or by way of additional statements. The other disclosures as required by the Companies Act are made in the notes to accounts.

## 17) Financial Instruments and Related Disclosures

### I. Capital Management

The Company does not have borrowing and aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth plans as a going concern.

### II. Categories of Financial Instruments

		As at		As at		As at	
		March 31, 2020		March 31, 2019		April 1, 2018	
		Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>A</b>	Financial Assets						
	a) Measured at amortized cost						
	i) Cash and cash equivalents	102728613	102728613	74163465	74163465	10557043	10557043
	ii) Other bank balances, other than (i) above	-	-	-	-	-	-
	iii) Trade Receivables	79160697	79160697	52852294	52852294	55324819	55324819
	iv) Loans	40277612	40277612	21413017	21413017	23501691	23501691
	v) Other Financial Assets	1126358	1126358	2051088	2051088	490360	490360
	Sub-Total	223293280	223293280	150479864	150479864	89873913	89873913
	b) Measured at fair value through profit or loss						
	i) Investments in mutual funds and Bonds	2358254	2358254	0	0	0	0
	ii) Investment in unquoted equity share	0	0	0	0	0	0
	Sub-Total	2358254	2358254	0	0	0	0



	Total Financial Assets	225651534	225651534	150479864	150479864	122753653	122753653
<b>B</b>	Financial Liabilities						
	Measured at amortized cost						
	i) Trade Payables	31597120	31597120	25594915	25594915	31515647	31515647
	ii) Borrowings	47818878	47818878	102539451	102539451	90487604	90487604
	iii) Other Financial Liabilities	10361463	10361463	18950449	18950449	17315795	17315795
	Total Financial Liabilities	89777461	89777461	147084815	147084815	139319046	139319046

The carrying amounts of trade payables, other financial liabilities, cash and cash equivalents, other bank balances, trade receivables and other financial assets are considered to be the same as their fair values due to their short term nature.

Fair value in Mutual Funds has been considered as Level 1 as Hierarchy for the same are based on unadjusted prices in active market.

### III. Expected Credit Loss

The company has receivable balances on commercial trades, which are generally short term in nature. Further, financial instruments such as mutual funds and tax free bonds are made in high quality papers/counterparties. Accordingly, the Company has concluded that no provision for expected credit loss is required.

### IV. Financial Risk Management

There are no significant market risks or liquidity risk to which the Company is exposed.

### 18) Capital & other Commitments

The followings are the estimated amount of contractual commitments of the company:-

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Sub Ordinate Debt in Subsidiaries	NIL	NIL
(ii) Other Commitment	NIL	NIL

**19)** In the case of the following subsidiary and step down subsidiary, there are losses as at the balance sheet date, the subsidiary has no intention of curtailing the scale of operations and have projected increased Stock broking and Commodities broking. Also, the subsidiaries have been able to meet their financial obligations in the ordinary course of the business complimented by the continuing financial support offered from Riddhi Corporate Services Limited. Accordingly, these consolidated financial statements have been prepared assuming that such Subsidiaries will continue as a going concern. The details are as follows:

Name of the Step down Subsidiary	Accumulated Losses as at March 31, 2020	Accumulated Losses as at March 31, 2019
RCSPL SHARE BROKING IFSC PVT LTD	0	-10000
RCSPL SHARE BROKING PRIVATE LIMITED	-2810014	-2061000
RCSPL MULTICOMMODITIES PRIVATE LIMITED	-5176150	-15523863

Signature to Notes 1 to 29

In terms of our report of even date

**As per our report of even date**

**For, Nitin K. Shah & Co**

Chartered Accountants

FRN : 107140W

SD/-

(Vaibhav N. Shah)

Proprietor

Membership No. : F/116817

UDIN: 20116817AAAEN6518

Ahmedabad, Date:31<sup>st</sup> July, 2020

**For, Riddhi Corporate Services Limited**

SD/-

Mr. PravinchandraGor

Mr. AlpitkumarGor

Mr. S.k.Pradhan

Mr. Manish Joshi

Mr. Parth Pandya

Managing Director

Wholetime Director

Independent Director

Chief Financial Officer

Company Secretary

Date:- 31<sup>st</sup> July, 2020

Place:- Ahmedabad

# **RIDDHI CORPORATE SERVICES LIMITED**

**CIN: L74140GJ2010PLC062548**

**Registered Office:-**

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