



Date: 05/09/2019

The Head- Listing Compliance
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
FortMumbai- 400001

The Head- Listing Compliance
**National Stock Exchange of
India Ltd.**
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Mumbai - 400 051

The Manager
**The Calcutta Stock
Exchange Ltd.**
7, Lyons Range,
Murgighata, BBD Bagh,
Kolkata, West Bengal-
700001

Security Code: 511611

Stock Code: DCMFINSERV

Sub: Submission of Annual Report as per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Ma'am,

Please find attached herewith **Annual Report** for the **Financial Year 2018-19** as per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Submitted for your information and records.

Yours Sincerely,

For DCM Financial Services Limited

A handwritten signature in black ink, appearing to read 'Shantanu Deveshwar', is written over a light blue grid background.

(Shantanu Deveshwar)
Whole Time Director
DIN: 08268523

Place: New Delhi

DCM FINANCIAL SERVICES LIMITED

CIN:L65921DL1991PLC043087

Regd. Office: D 7/3, Okhla Industrial Area-II, New Delhi-110020

Tel-011-26387750

email ID: info@dfsionline.com

Website: www.dfsionline.com



**28th ANNUAL REPORT
2018-2019**

DCM FINANCIAL SERVICES LTD.

BOARD OF DIRECTORS

Mr. Surender Kumar

Whole-time Director
(Term of Appointment expired in AGM, 2018)

Ms. Daman Preet Kaur

Independent Director

Ms. Rajni Gupta

Independent Director

Ms. Richa Kalra

Independent Director

Mr. Shantanu Deveshwar

Whole Time Director

(Appointed as an Additional Director on 22.10.2018 and further Re-Appointed as Whole Time Director on 30.11.2018)

KEY MANAGERIAL PERSONNEL

Surender Kumar

Whole-time Director
(Term of Appointment expired in AGM, 2018)

Mr. Shantanu Deveshwar

Whole-time Director

(Appointed as an Additional Director on 22.10.2018 and further Re-Appointed as Whole Time Director on 30.11.2018)

Ms. Priya Sharma

Company Secretary & Chief Financial Officer
(Resigned w.e.f. 10.06.2019)

Ms. Somali Tiwari

Company Secretary & Chief Financial Officer
(Appointed w.e.f. 18.07.2019)

SECRETARIAL AUDITOR

Jain P & Associates

Company Secretaries

STATUTORY AUDITOR

Mukesh Aggarwal & Co.,

Chartered Accountants

102-103, IJS Palace, X-320, Delhi Gate Bazar, Asaf Ali Road, New Delhi- 110002

REGISTRAR & SHARE TRANSFER AGENT

MCS Share Transfer Agent Limited,

Address: F-65, 1st Floor, Okhla Industrial Area, Phase-1,

New Delhi-110020

Tel.: 011-41406149

E-mail: helpdeskdelhi@mcsregistrars.com

CIN

L65921DL1991PLC043087

CORPORATE OFFICE & REGISTERED OFFICE

D-7/3, Okhla Industrial Area, Phase-2, New Delhi-110020

SHARES LISTED AT NATIONAL STOCK EXCHANGE

Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex Mumbai - 400 051

BOMBAY STOCK EXCHANGE LIMITED

PhirozeJeejeebhoy Towers, Dalal Street, Mumbai-400001

CALCUTTA STOCK EXCHANGE LIMITED

7, Lyons Range, Dalhousie, Kolkata-700001

E-MAIL

info@dfsionline.com

WEBSITE

www.dfsionline.com

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 28th Annual General Meeting of the members of the Company will be held on **Monday, 30th September, 2019 at 11:00 A.M. at The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110030** to transact the following business (es):-

ORDINARY BUSINESS:

1. **Ordinary Resolution** to receive, consider and adopt Standalone & Consolidated Audited Financial Statements of the Company for the financial year ended on 31st March, 2019 together with the reports of the Auditor's and Directors' thereon and
2. To ratify appointment of **M/s Mukesh Aggarwal & Co., Chartered Accountant, (Firm Registration No. 000393N)** as the Statutory Auditors of the Company to hold office from the conclusion of ensuing Annual General meeting till the conclusion of the next Annual General Meeting of the company and to fix their remuneration.

In this regard, if thought fit, the members will pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139(2) and 142(1) of the Companies Act, 2013 and the rules made thereunder, as amended from time to time, pursuant to the recommendations of the audit committee, appointment of the Statutory Auditors of company **M/s Mukesh Aggarwal & Co., Chartered Accountant, (Firm Registration No. 011393N)**, be and is hereby ratified by the members of the company for the financial year 2018-19 at such remuneration as may be determined by the Board of Directors of the Company of the Company in consultation with the auditor."

SPECIAL BUSINESS:

2. **Re-appointment of Ms. Richa Kalra (DIN: 07632571) as an Independent Director**

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

"RESOLVED THAT subject to the approval of shareholders at the ensuing Annual General Meeting and pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, **Ms. Richa Kalra (DIN: 07632571)**, who was appointed as an Independent Director of the Company for a term of five years up to October 5, 2019, by the members at the 25th Annual General Meeting, in terms of Section 149 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a second term of five consecutive years commencing from **October 6, 2019** up to **October 5, 2024**, not liable to retire by rotation.

**By order of the Board of Directors
For DCM Financial Services Limited**

**(Shantanu Deveshwar)
Whole Time Director
(DIN: 08268523)**

Date: : 12.08.2019

Place: Delhi

NOTES:

1. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business(es) to be transacted at the Meeting is annexed hereto.
2. **A MEMBER WHO IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ONLY AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, PROXY FORMS DULY**

COMPLETED IN ALL RESPECTS SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.

A person can act as a proxy on behalf of members **not exceeding fifty** and holding in aggregate **not more than ten percent of the total share capital** of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person(s) or shareholder(s).

3. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send a Certified True Copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Relevant documents as referred to in the accompanying Notice along with the Statements are open for inspection by members at Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Annual General Meeting.
5. Brief details of Directors seeking re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) forms part of this notice.
6. The Register of Members and Share Transfer Books will remain closed from **Wednesday, 25th September, 2019 to Monday, 30th September, 2019 (both days inclusive)**.
7. Members holding shares in physical form are requested to consider converting their holding to dematerialized form as required under the amended SEBI guidelines and regulations to eliminate all risks associated with physical shares and for ease in portfolio management. Members may contact the Company or its Registrar & Share Transfer Agent (RTA), for assistance in this regard.
8.
 - a) The members who are holding shares in physical form are requested to intimate any change in their address with pin code immediately either to the Company or to its Registrar & Share Transfer Agent (RTA) promptly.
 - b) The members who are holding shares in demat form are requested to intimate any change in their address with pin code immediately to their Depository Participants.
9. The shares of the Company are at presently listed on **BSE Limited, National Stock Exchange of India Limited and Calcutta Stock Exchange Limited**.
10. Pursuant to the provisions under Section 108 of Companies Act, 2013 to be read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended from time to time along with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members, the facility to exercise their right to vote at the ensuing Annual General Meeting by Electronic Means. The business(s) proposed to be transacted as mentioned in the Annual General Meeting Notice may be transacted through voting by Electronic Means (Remote e-voting) as well. For this, Company is availing the services provided by **Central Depository Services (India) Limited (CDSL)**. The facility for voting through Ballot Paper will also be made available at the meeting venue, for the members who have not cast their votes by remote e-voting. They shall also be able to exercise their voting rights at the AGM by voting through ballot paper. Members who have already cast their vote by remote e-voting process prior to the date of meeting shall be eligible to attend the Annual General Meeting but shall not be entitled to cast their votes again through ballot process.

The instructions for e-voting by members are annexed to the Notice.

11. The Board of Directors of the company has appointed **M/s Jain P & Associates, Company Secretaries, as Scrutinizer** for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.
12. The Scrutinizer, after scrutinizing the votes cast at the meeting through Poll and through remote e-voting, shall, not later than three days of conclusion of the Meeting, make a **“Consolidated Scrutinizer’s Report”** and submit the same to the Chairman. The results declared along with the consolidated scrutinizer’s report shall be placed on website of the Company and on the website of Stock Exchange at www.bseindia.com and www.nseindia.com. The Report shall simultaneously be placed on Notice Board of the Company at premises of the Registered Office.
13. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the General Meeting.
14. The login ID and password for remote e-voting along with Process, Manner and Instructions for remote e-voting is being sent to Members who have not registered their E-mail ID(s) with the Company / their respective Depository Participants along with physical copy of the Notice.

Those Members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for remote e-voting along with Process, Manner and Instructions through E-mail.

15. Voting rights shall be reckoned on the Paid-up value of shares registered in the name of Member / Beneficial Owner (in case of shares in Dematerialized form) as on the **cut-off date i.e. Tuesday, 24th September, 2019.**

16. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, shall only be entitled to avail the facility of e-voting / Poll.

Note: A person who is not a Member as on the cut off date should treat this Notice for information purposes only.

17. No gifts, gift coupons, or cash in lieu of gifts shall be distributed to Members at or in connection with the General Meeting.

18. The Instructions for shareholders voting electronically are as under:

Date and Time of commencement of e-voting	September 27, 2019 from 09:00 A.M.
Date and Time of Conclusion of e-voting	September 29, 2019 till 05:00 P.M.

- i. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date through remote E-voting would not be entitled to vote at the meeting venue through Poll.
- iii. The shareholders should logon to the e-voting website of CDSL "www.evotingindia.com."
- iv. Click on Shareholders.
- v. Now Enter your User ID
 - a) For Shareholders holding Demat Account with CDSL: 16 digits beneficiary ID,
 - b) For Shareholders holding Demat Account with NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user then follow the steps given below:

For Members holding shares in Demat Form or Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00 00001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v).

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Members holding shares in physical form will then directly reach the Company Selection Screen. However, members holding shares in demat form will now reach 'Password Creation' menu where in they are required to mandatorily enter their log in password in then password field. Kindly note that this password is to be also used by 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.
- Note: It is strongly recommended not to share your password with any other person and take most care to keep your password confidential.*
- xi. For Members holding shares in physical form, the details can be used for remote e-voting on the resolutions contained in this Notice only.
- xii. Click on the EVSN for "DCM FINANCIAL SERVICES LIMITED" the relevant resolution on which you choose to vote.
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same you will find an 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's 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. Note for Non-Individual Shareholders and Custodians:-
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to tohelpdesk.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 form at in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- xxi. To address issues/grievances of shareholders relating to the ensuing AGM, including e-voting, the following official has been designated:

Name of Official	Shantanu Deveshwar
Designation	Whole-time Director
Address	D-7/3 Okhla Industrial Area, Phase-2, New Delhi-110020
Contact	011-26387750
E-mail	info@dfsionline.com

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013
READ WITH COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014**

ITEM NO.2

RE-APPOINTMENT OF MS. RICHA KALRA AS AN INDEPENDENT DIRECTOR

Ms. Richa Kalra (DIN: 07632571) was appointed as an Additional Director on the Board of the Company on October 06, 2016. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, members of the Company at the 25th Annual General Meeting held on November 30, 2016 approved the appointment of Ms. Richa Kalra as an Independent Director of the Company for a period of 3 years up to October 5, 2019.

As per the provisions of Section 149 of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company but shall be eligible for re-appointment, for another term of upto five years, on passing of a special resolution by shareholders.

The Company has received intimation in Form DIR-8 from Ms. Richa Kalra that, she is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act, declaration that she meets with the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 & Regulation 16(1)(b) of SEBI Listing Regulations and her consent to continue as an Independent Director.

The resolution seeks the approval of members for the re-appointment of Ms. Richa Kalra as an Independent Director of the Company commencing from October 6, 2019 up to October 5, 2024 in terms of Section 149 and other applicable provisions of the Act and Rules made there under. She is not liable to retire by rotation.

Based on the recommendations of the Nomination & Remuneration Committee and keeping in view the expertise of Ms. Richa Kalra, the Board of Directors at its meeting held on August 30, 2019 approved the continuance of office of Ms. Richa Kalra as mentioned in the resolution.

For your information and record, Ms Richa Kalra has vast experience in general management. Board considers that her association would be of immense benefit to the Company and it is desirable to avail her services as an Independent Director.

The nature of concern or interest, financial or otherwise, if any, in respect of the Appointment of Ms. Richa Kalra:

- (i) Directors: No other Director is interested
- (ii) Every other Key Managerial Personnel: NIL
- (iii) Relatives: NIL

Name	Richa Kalra
Director Identification Number (DIN)	07632571
Date of Birth	22/01/1979
Date of Appointment in the Board	06/10/2016
Qualification	Member of Institute of Company Secretaries of India
Experience	Ms Richa Kalra has vast experience as a Company Secretary ,general management in Corporate sector and has been actively involved in the field of education.
Shareholding in the Company	NIL
List of Directorship held in other companies	NIL
Names of Listed Entities in which the person holds membership of Committees of the Board	DCM Financial Services Limited
Relationship between Directors Inter-se	NA



CIN : L65921DL1991PLC043087

Name of the Company : DCM Financial Services Limited

Registered & Corporate Office : DCM Financial Services Limited Regd Office: D 7/3, Okhla Industrial Area- II, New Delhi 110020, **TEL :** 011 26387750, **Fax:** 91- 11-26385996

email ID : info@dfsionline.com, **Website :** www.dfsionline.com

GREEN INITIATIVE IN CORPORATE GOVERNANCE

E-COMMUNICATION REGISTRATION FORM

(In terms of Section 20 of the Companies Act, 2013)

Folio No. / DP ID & Client ID	
Name of 1st Registered Holder	
Name(s) of Joint Holder(s)	
Registered Address	
Email ID (to be registered)	

I/We shareholder(s) of **DCM Financial Services Limited** agree to receive communication from the Company in electronic mode under relevant provisions of the Companies Act, 2013. Please register my above e-mail in your records for sending communication through mail.

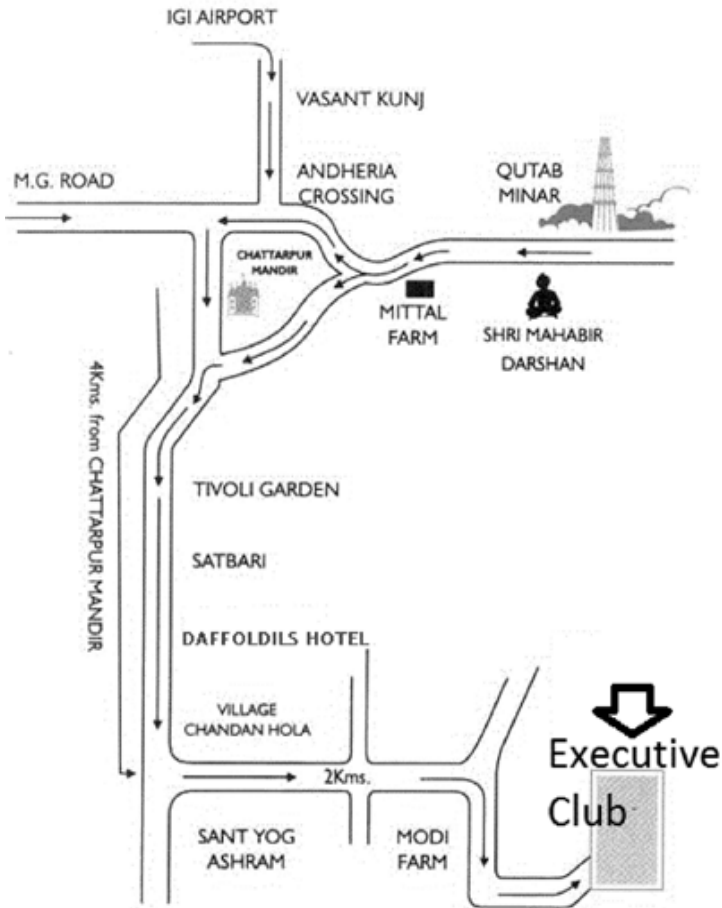
Signature:- _____

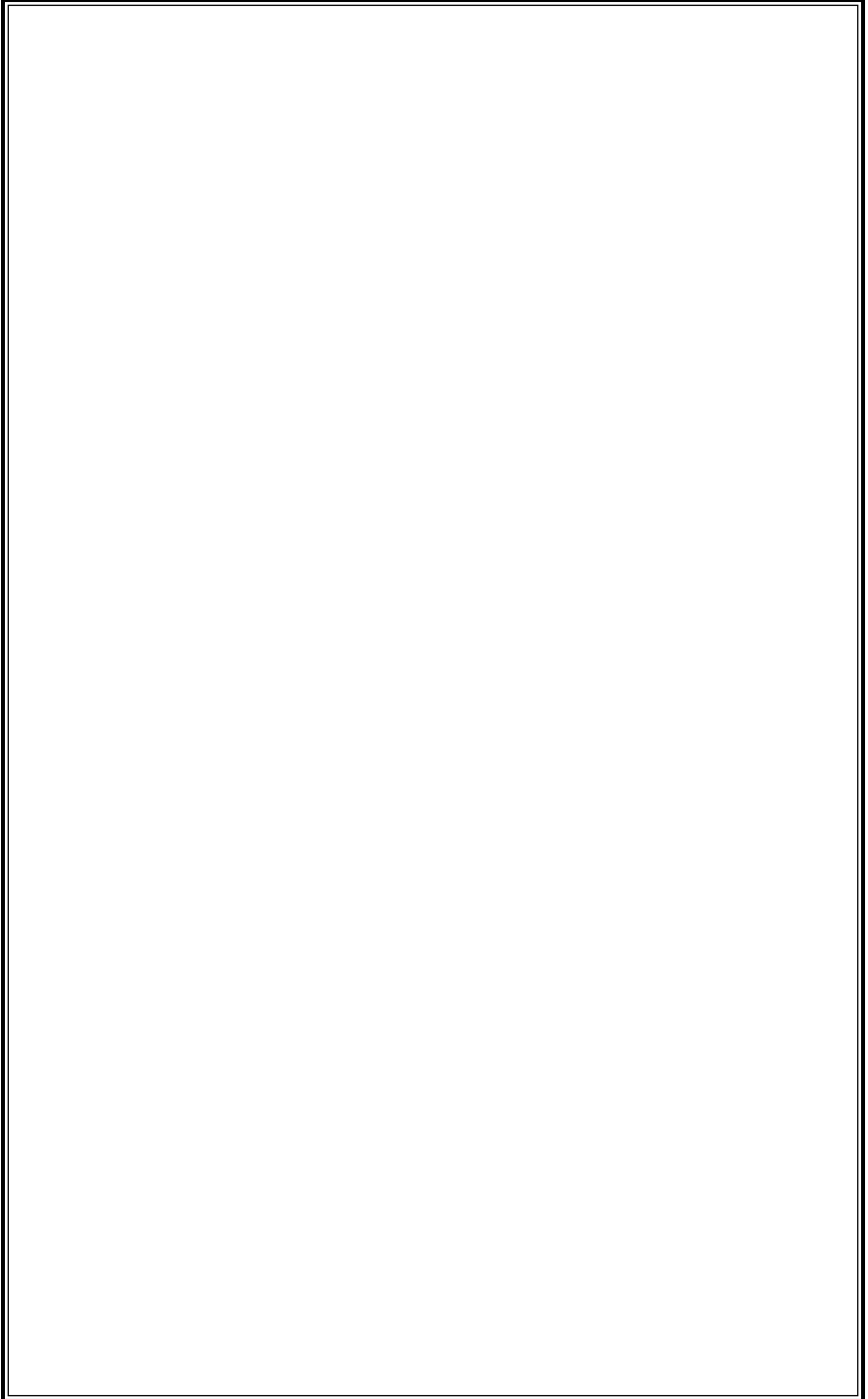
(First Holder)

Date: _____

***Note: Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.**

ROUTE MAP FROM QUTAB MINAR





DIRECTOR'S REPORT

To

The Shareholders of the Company,

Your Directors are pleased to present this 28th Annual Report together with the Audited Annual Financial Statements for the year ended March 31, 2019.

FINANCIAL HIGHLIGHTS - AT A GLANCE

Overall Performance of your Company

- The Financial Year 2018-19 had been a little tumultuous for the Company as your Company has shown a conventional performance during the year under review. The net Loss of your Company had gone up from Rs. 7,51,721/- in the Financial Year 2017-18 to Rs. 93,59,392/- in the Financial Year 2018-19.

The financial summary, performance highlights operations/state of affair of your Company for the year are summarized below:

(Amount in Rupees)

PARTICULARS	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Income from Business Operations	-	-	-	-
Other Income	29,936,823	72,516,125	29,962,982	72,541,369
Total Income	29,936,823	72,516,125	29,962,982	72,541,369
Less: Expenditure except Depreciation	31,892,790	54,929,472	31,873,215	53,150,632
Profit/Loss before Depreciation and Tax	(1,955,967)	17,586,653	(1,910,233)	19,390,737
Less: Depreciation	3,131,728	3,142,697	3,199,362	3,203,955
Profit/Loss before Tax	(5,087,695)	14,443,956	(5,109,596)	16,186,782
Less: Tax Expense	-	3,900,462	-	3,900,462
Add: Deferred Tax Asset	(4,340,950)	(11,090,671)	4,382,745	11,152,166
Less: Prior Period Taxes	18,574	83,170	76,694	83,170
Net Profit/Loss after tax	(9,447,219)	(630,348)	(9,569,034)	1,050,984
Add: Other Comprehensive Income	87,827	(121,373)	87,827	(121,373)
Net Profit/Loss for the period	(9,359,392)	(751,721)	(9,481,207)	929,611
Earnings per share:				
Basic	(0.42)	(0.03)	(0.43)	0.04
Diluted	(0.42)	(0.03)	(0.43)	0.04

DIVIDEND

With a view of augmenting financial resources for generating stable growth in future, the Board of Directors of the company have not declared any dividend for the current financial year.

RESERVES

The Board proposes no amount to transfer to the reserves as the company is running under loss.

SHARE CAPITAL

During the year under review, the Company has not issued any shares including Equity Shares, Shares with Differential Voting Rights, Stock Options, Sweat Equity, etc. The Company has not bought back any equity shares during the year 2018-19.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed Dividend declared or paid by the Company, the provisions of Section 125 of the Companies Act, 2013 do not apply.

DEPOSITS

During the year under review, the Company has not accepted any deposits in terms of section 73 of the Companies Act, 2013. However, as on 31.3.2019, there are 50928 fixed deposits aggregating to Rs.52,37,46,858/- are payable and the Court has appointed the committee of Justice Anil Kumar, former Judge of Delhi High Court and who has invited claims from Depositors for the verification and payment as per report/scheme. Once this exercise is complete and a report is submitted to the Court, the numbers and the value of un-claimed deposits will be known.

SUBSIDIARY / ASSOCIATE/ JOINT VENTURES COMPANIES OF THE COMPANY

The Company has One Subsidiary Company named as 'Global IT options Limited'.During the year under review, there were no associate and joint ventures of the Company. A statement about Subsidiary Company is mentioned in Form AOC-1 marked as "Annexure-A" with this report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section of this Annual Report.

CHANGE IN DIRECTORS /KEY MANAGERIAL PERSONNEL DURING THE YEAR

The details about the changes in Directors or Key Managerial Personnel by way of Appointment, Re – designation, Resignation, Death,Dis-qualification, variation made or withdrawn etc. are as follows:

S. No.	Name	Designation	Appointment	Cessation
	Ms. Poonam Kumari	Company Secretary & Chief Financial Officer	02.04.2018	05.07.2018
	Ms. Priya Sharma	Company Secretary & Chief Financial Officer	05.07.2018	10.06.2019
	Mr. Shantanu Deveshwar	Additional Director	22.10.2018	-
	Mr. Shantanu Deveshwar	Whole-time Director	30.11.2018	-
	Ms. Rajni Gupta	Additional Director	12.02.2018	-
	Ms. Rajni Gupta	Independent Director	30.11.2018	-
	Mr. Surender Kumar	Whole-time Director	30.12.2003	01.12.2018
	Ms. Somali Tiwari	Company Secretary & Chief Financial Officer	18.07.2019	-

The Board places on record its appreciation for the services rendered by Mr. Surender Kumar who resigned from the office of Whole-time Director.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF COMPANIES ACT, 2013

All Independent Directors have given declarations under section 149(7)that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and Rules made thereunder to be read with SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015.

EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return under sub section 3 of Section 92 of the Companies Act, 2013 in Form MGT-9 is annexed herewith as "Annexure C."

NUMBER OF MEETINGS OF THE BOARD & COMMITTEES

During the year under review Board Meetings, Audit Committee Meetings, Nomination & Remuneration Committee Meetings, Stakeholders' Relationship Committee Meetings and other Meetings were convened, the details of which are given in Corporate Governance Report. The maximum interval between any two meetings didn't exceed 120 days, as prescribed in the Companies Act, 2013.

AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of section 177 of the Companies Act, 2013 to be read with Regulation 18 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015. The Composition of Audit Committee is given in the Corporate Governance Report which forms the integral part of this Annual Report.

NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee of the Company is constituted in line with the provisions of section 178 of the Companies Act, 2013 to be read with Regulation 19 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015. The Composition of the Committee is given in the Corporate Governance Report which forms the integral part of this Annual Report.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee of the Company is constituted in line with the provisions of section 178 of the Companies Act, 2013 to be read with Regulation 20 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015. The Composition of the Committee is given in the Corporate Governance Report which forms the integral part of this Annual Report.

VIGIL MECHANISM COMMITTEE

The Vigil Mechanism Committee of the Company is constituted in line with the provisions of section 177 of the Companies Act, 2013 to be read with Regulation 22 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015.

BOARD ANNUAL EVALUATION

The provisions of section 134(3)(p) of the Companies Act, 2013 read with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 mandate that a Formal Annual Evaluation is to be made by Board of its own performance and that of its Committee and individual Directors. Schedule IV of the Companies Act, 2013 states that performance evaluation of the Independent Director shall be done by Directors excluding the Director being evaluated. The Board carried out a formal annual performance evaluation as per the criteria/framework laid down by the Nomination & Remuneration Committee of the company and adopted by the Board. The evaluation was carried out through a structured evaluation process to judge the performance of individual Directors including the Chairman of the Board. They were evaluated on parameters such as their education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement & contribution, independence of judgment, decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders.

The performance evaluation of the Independent Directors was carried out by the entire Board except the participation of concerned Independent Director whose evaluation was to be done. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Board was satisfied with the evaluation process and approved the evaluation results thereof.

STATUTORY AUDITOR AND SECRETARIAL AUDITOR WITH THEIR QUALIFICATION, RESERVATION OR ADVERSE REMARKS ALONG WITH THE EXPLANATION OR COMMENTS BY THE DIRECTORS**A. STATUTORY AUDITOR**

The members at the Annual General Meeting held on 30th November, 2017 appointed **M/s Mukesh Aggarwal & Co., Chartered Accountants (Firm Registration No. 000393N)** as Statutory Auditors of the Company for a period of Five years to hold office till the conclusion of 31st Annual General Meeting of the Company subject to ratification at every AGM. . But, the requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away by Companies Amendment Act, 2017 vide notification dated May 7, 2018 issued by Ministry of Corporate Affairs, New Delhi. Thus, M/s. Mukesh Aggarwal & Co., Chartered Accountants shall continue to act as Statutory Auditor for the Financial Year 2019-20.

Qualification(s) and Directors' comments on the report of Statutory Auditor:

- Justice Anil Kumar as one man committee was appointed vide order dated:- 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The one man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. Under Scheme of One Man Committee, Interest of Rs 235 Lacs are payable to Debenture Holders and Rs 1,448 Lacs are payable to Fixed Depositors under Phase-2 of Schedule of Payments laid down by One Man Committee. Presently the said committee has waived any further payment of Interest to Fixed Depositors, Debenture-holders and other lenders, however on complete liquidation of properties and investments, if any surplus remains after payment to all stakeholder creditors, then further payment of Interest would be decided. All stakeholders creditors which are covered under scheme has given its consent to the scheme. No provision of Rs. 1,683 Lacs as laid down under the the scheme towards Interest on Debentures and Fixed Deposits, have been provided in the financial statements on the outstanding amount of Debentures and Fixed Deposits.

Had interest of Rs. 1,683 Lacs been provided for in the financial statements of year ending 31st March 2018 on outstanding amount of Debentures and Fixed Deposits, the Net Profit before tax would have been lowered by Rs. 1,683 Lacs and Net Profit after tax would have been lowered by Rs. 1,340 Lacs as at 31st March, 2018. The cumulative net loss as well as Current Liabilities as at 31st March, 2019 would have been higher by Rs 1,340 Lacs. The same has been explained in Note 17.1 and Note 17.4

Director's Comment:

In the year 2017, the Hon'ble Court has appointed a Committee to implement the report of One Man Committee and the committee is implementing the scheme. Once the implantation is over, the Court may decide payment of interest, if any. Keeping in view of this, the interest has not been provided in the books.

- For redemption of 'B' series debentures of Rs. 2014.98 Lacs debenture redemption reserve is required to be created. Debenture redemption reserve of Rs. 2014.98 Lacs has not been created due to insufficient profits. The same has been explained in Note 17.1.

Director's Comment:

Creation Debenture Redemption Reserve - Non creation of debenture redemption reserve is self-explanatory and cannot be created due to insufficient profits.

- The value of assets charged as security in favor of banks, debenture-holders & financial institutions have been depleted over a period of time. The depletion has not yet been ascertained by the Company. To the extent of shortfall, if any, the liability is unsecured, whereas the same has been shown as secured. The same has been explained in Note 17.1, 17.2 and 17.3.

Director's Comment:

Depletion in the value of Assets charged to Banks/Institution and Debentures Notes 17.1, 17.2 & 17.3, It relates to ascertainment of Security against Debentures and Bank Loan, which could not be ascertained since the Company has litigation with various Lease and Hire Purchase customers and the matters are sub-judice, hence confirmations and acknowledgments are not feasible.

- Balance confirmation of bills receivable and payable, advances recoverable in cash or in kind, receivables and payables relating to lease and hire purchase, lease security deposit of which party wise details are not available. Balance confirmation of inter-corporate deposits, balance of ex-employees, margin against L/C, loans from institutions, banks, and other receivables and payables have not been received from the parties/persons concerned. In the absence of balance confirmation the closing balances as per books of accounts have been incorporated in the final accounts and have been shown, unless otherwise stated by the management about its recoverability in the financials including considering the NPA Provisions, are good for recovery/ payment. Time barred debts under the Limitations Act have not been separately ascertained and written off or provided for. In the absence of such confirmation & corresponding reconciliation, it is not feasible for us to determine financial impact on the financials and the amount referred as payable in the financials can differ. Please refer Note No-38

Director's Comment:

'Balance Confirmation of Bills Receivable and Payable, advances recoverable in cash or in kind, receivables and payables relating to lease and hire purchase and lease security deposit- Note 40-In view of litigation with creditors mentioned in the Note 38, it's not possible to obtain the balance confirmations.

5. The subsidiary company namely, Global IT Options Limited has from 1st June 2014 to 31st March, 2018 incurred expenditure of Rs 22.84 Lacs for & on behalf of its Holding Company (i.e. DCM Financial Services Limited) and the same balance is outstanding as on 31st March 2019 also. It comes under the category of short term funding which is in-fact Inter-Corporate Deposit. In case of Inter-Corporate Deposit, Section 186 of Companies Act, 2013 stipulates to charge interest at a rate not less than the bank declared by Reserve Bank of India. No Interest has been provided on outstanding balance of Rs 22.84 Lacs by Company to its subsidiary - Global IT Options Limited with effect from 1-June-2014. It is a non-compliance of Section 186 of the Companies Act, 2013, which could attract penalties. We have discounted this liability considering the borrowing with interest @10% p.a. in FY 2015-16 considering that the same will be paid in FY 2019-20.

Director's Comment:

'Short-Term Funding by Global IT Options Limited- Para (vi): In view of restriction imposed by the Hon'ble High Court of Delhi on the operations of bank accounts since 2006, assistance of Rs. 22.84 lacs has been taken to meet the essential expenses and obligations from Global IT Options Limited. The Company being sick and as the scheme of arrangement pending before the Court does not provide payment of any interest to creditors, the subsidiary company has given this amount without interest and element of interest and its payment will be decided once the Court appointed Committee accepts this claim and liquidity position improves.

6. As per the Guidance Note on Accounting for credit available in respect of Minimum Alternative Tax, MAT Credit is an asset to be recognized in the Financial Statement when it is 'Probable' that the future economic benefits associated with it will flow to the enterprise and asset has a cost or value that can be measured reliably. In the previous periods, the company has already recorded MAT Credit Entitlement of Rs 28.52 Lacs in the books of accounts. Considering that the matter is Scheme of One Man Committee is still under process and Hon'ble Delhi High Court has held that the revival of Company will be decided later-on depending on the successful implementation of scheme of One Man Committee, there is no virtual certainty that future economic benefit would flow to company. Considering this, we are of opinion that such MAT Credit Entitlement of Rs 28.52 Lacs needs to be derecognized.

Had MAT Credit of Rs 28.52 Lacs had been reversed in financial statements in previous years, the net profit after tax would have been lower by Rs 28.52 Lacs and net profit after tax would have been lowered by Rs. 28.52 Lacs in respective previous years and consequently the net cumulative loss would have been higher by Rs 28.52 Lacs for the financial year ending 31st March 2019. In addition to, non-current loans and advances would have been lowered by Rs 28.52 Lacs after considering the tax effects.

Director's Comment:

MAT Credit Entitlement-Para (ix): The Fresh Restructuring Scheme filed by the Company once fully approved by the Hon'ble Delhi High Court, adequate finances and opportunities would be available in the foreseeable future to enable the Company to start operating on a profitable basis. Therefore, Company can avail MAT Credit in near future when it will become profitable.

7. Contingent liabilities and Other Commitments

- (i) During the year ended 30th June, 2011 the company's tenant had filed a claim of Rs. 10,000,000 against the company due to damages suffered by the tenant which is still pending under arbitration proceedings as on 31st March, 2019.

Director's Comment:

There are certain disputes with the tenant and the claim of tenant is contested.

- (ii) There is a demand of Rs. 3,458,902 raised by Income Tax Department for the Assessment Year 2006-07 and Rs. 357,542 for the Assessment Year 2012-13 for payment of income tax under the Income Tax Act, 1961, which is disputed by the company and pending before the appropriate authorities as on 31st March 2019.

Director's Comment:

The Company has filed necessary application for the rectification for the deletion of said demand, however the same is pending.

- (iii) There is an award passed by the arbitrator against the company in the matter of MS Shoes East Limited on May 28, 2012 for Rs. 5,128,320 i.e. the claim amount, along with Rs. 30,680,848 towards interest cost for an underwriting given by the company in the year 1995 for the public issue of M/s MS Shoes East Ltd. Furthermore, an incidental cost which includes arbitration venue rent, record keeping cost, administrative cost and stamp paper charges amounting to Rs. 549,280, had been awarded to the company. The total financial impact comes to Rs. 36,358,448 which has been contested by Company before Hon'ble Delhi High Court.

Director's Comment:

Company has preferred an appeal/objections before Hon'ble High Court of Delhi in the MS Shoes East Limited matter against the arbitration order and the same pending adjudication.

- (iv) Due to dispute with the builder namely M/s NBCC Ltd. from which the company had purchased an office premises in the year 1995, regarding a claim of Rs. 28,829,634 on account of increase in super area and certain other expenditure which the builder i.e. M/s NBCC Ltd. had incurred and the same is pending in arbitration. Breakup of the amount of Rs. 28,829,634 mentioned supra is as follows:

S. No.	Description	Amount (In Lacs)
1.	Difference in super area Vs. provisional area	22,928,254/-
2.	Claim of property tax	319,100/-
3.	Claim of ground rent	2,167,190/-
4.	Allied charges	782,210/-
5.	Augmentation of Electric sub station	132,880/-
6.	Loss of profit	2,000,000/-
7.	Arbitration cost	500,000/-
TOTAL		28,829,634/-

Director's Comment:

Company is contesting the claim of NBCC, which is pending arbitration under the Indian Arbitration Act.

B. SECRETARIAL AUDITOR

Pursuant to provision of section 204 of the Companies act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, the Company has appointed **M/s Jain P & Associates, Company Secretaries** to undertake Secretarial Audit of the Company.

The Secretarial Audit was conducted by **Ms. Preeti Mittal**, Company Secretary, and the report thereon is annexed herewith as "**Annexure- D.**".

Qualification(s) and Directors' comments on the report of Secretarial Auditor:

Observations in the report are on the basis of facts and are self explanatory.

INTERNAL AUDITOR

The Company had appointed **M/s. STVG & Co., Chartered Accountants** as **Internal Auditor** of the Company to carry out the Internal Audit Functions. The Internal Auditor submits a "Quarterly Report" to the Audit Committee for its review.

PARTICULAR OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not given any loan(s) or guarantee(s) and has not made any investment covered under the provision of the section 186 of the Companies Act, 2013 during the year under review.

All investments made during the year were within the stipulated limits of law.

PARTICULAR OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 OF THE COMPANIES ACT, 2013

In the financial year 2018-19, company did not enter into any contracts or arrangements with any related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Form AOC-2 is attached as "Annexure B"

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year of the Company to which this financial statement relate and on the date of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

To the best of the Management's knowledge, there has been no material order passed by any regulator or Court or Tribunal impacting the Going Concern status of the Company's operations.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT-GO

The requisite information with regard to conservation of energy, technology absorption and foreign exchange earnings and outgo, in terms of the Section 134(3)(m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 is given below:

	Conservation of energy	
1.	the steps taken or impact on conservation of energy	Nil
2.	the steps taken by the company for utilizing alternate sources of energy	Nil
3.	the capital investment on energy conservation equipment	Nil

	Technology absorption	
1.	the efforts made towards technology absorption	Nil
2.	the benefits derived like product improvement, cost reduction, product development or import substitution	Nil
3.	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	Nil
4.	the details of technology imported	Nil
5.	the year of import	Nil
6.	whether the technology been fully absorbed	Nil.
7.	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Nil
8.	the expenditure incurred on Research and Development	Nil
	Foreign exchange earnings and Outgo	
1.	The Foreign Exchange earned in terms of actual inflows during the year	Nil
2.	The Foreign Exchange outgo during the year in terms of actual outflows	Nil

Further, there were no foreign exchange earnings and outgo during the year under review.

RISK MANAGEMENT

The provisions of SEBI Regulations for formation of Risk Management Committee are not applicable to the Company. However, as per section 134 (3) (n) of Companies Act 2013, the company regularly maintains a proper check in normal course of its business regarding risk management. Currently, the company does not identify any element of risk which may threaten the existence of the company.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The company does not fall under the criteria of net worth, turnover or profit for applicability of Corporate Social Responsibility (CSR) provisions as per Section 135 of the Companies Act, 2013, hence the same are not applicable to the company for the period under review.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

As per Regulation 22 of the SEBI Regulations, 2015, in order to ensure that the activities of the Company & its employees are conducted in a fair & transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior, the company has adopted a vigil mechanism policy.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of "The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013" and Rules made thereunder, your Company has constituted Internal Complaints Committee (ICC) at its workplaces. During the year, no complaints were filed with the Company.

CORPORATE GOVERNANCE REPORT

As per Reg. 34 of SEBI Regulation, 2015 to be read with Part A of Schedule V of the said regulations, a separate section on corporate governance practices followed by the company, together with the certificate from the Practicing Company Secretary confirming compliance forms an integral part of this Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a robust and comprehensive Internal Financial Control system commensurate with the size, scale and complexity of its operation. The system encompasses the major processes to ensure reliability of financial reporting, compliance with policies, procedures, laws, and regulations, safeguarding of assets and economical and efficient use of resources.

The Company has performed an evaluation and made an assessment of the adequacy and the effectiveness of the Company's Internal Financial Control System. The Statutory Auditors of the Company have also reviewed the Internal Financial Control system implemented by the Company on the financial reporting and in their opinion, the Company has, in all material respects, adequate Internal Financial Control system over Financial Reporting and such Controls over Financial Reporting were operating effectively as on 31st March, 2019 based on the internal control over financial reporting criteria established by the Company.

The policies and procedures adopted by the Company ensures the orderly and efficient conduct of its business and adherence to the company's policies, prevention and detection of frauds and errors, accuracy & completeness of the records and the timely preparation of reliable financial information.

The Internal auditors continuously monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management with regard to the internal control framework.

Audit committee meets regularly to review reports submitted by the Internal Auditors. The Audit Committee also meet the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system and compliance to accounting policies and procedures followed by the Company.

PERSONNEL RELATIONS

Your Directors hereby place on record their appreciation for the services rendered by executives, staff and other workers of the Company for their hard work, dedication and commitment. During the year under review, relations between the Employees and the Management continued to remain cordial.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

The company has One Executive Director and the remuneration paid to him is disclosed in Form MGT-9.

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:

- a) Employed throughout the year "**Annexure F**"
- b) Employed for part of the year "**Annexure F**"

The remuneration paid to all Key Managerial Personnel was in accordance with the remuneration policy as adopted by the company.

REMUNERATION POLICY OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board on the recommendation of Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management Personnel and fixation of their remuneration thereof. The Policy contains, inter-alia, directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director, etc.

FAMILIARIZATION POLICY

Pursuant to the provisions of Regulation 25(7) of Listing Regulations, 2015, the Board has framed a policy to familiarize Independent Directors about the Company.

LISTING AGREEMENT

The shares of the Company are presently listed at BSE Limited, National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited.

All statutory dues including Annual Listing Fees for the Financial Year 2019-20 has been paid by the Company.

CODE OF CONDUCT

The Board of Directors has laid down the code of conduct for all Board Members and members of the Senior Management of the Company. Additionally, all Independent Directors of the company shall be bound by duties of Independent Directors as set out in Companies Act, 2013 to be read with SEBI Listing Regulations, 2015.

All Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the Code of Conduct.

DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of Section 134(3) of the Companies Act 2013, the Directors, would like to state as follows:

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

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for assistance and co-operation received from the various stake holders including Financial Institutions, Banks, Governmental authorities and other business associates who have extended their valuable support and encouragement during the year under review.

Your Directors take the opportunity to place on record their deep appreciation of the committed services rendered by the employees at all levels of the Company, who have contributed significantly towards Company's performance and for enhancing its inherent strength. Your Directors also acknowledge with gratitude the encouragement and support extended by our valued stakeholders.

**For and on behalf of the Board
For DCM Financial Services Limited**

Shantanu Deveshwar
Whole Time Director
DIN:08268523

Rajni Gupta
Independent Director
DIN:07242992

Date: 12.08.2019

Place: Delhi

MANAGEMENT DISCUSSION AND ANALYSIS

We submit herewith the "Management Discussion and Analysis Report" on the business of the Company as applicable to the extent relevant.

INDUSTRY STRUCTURE AND DEVELOPMENT

India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises of commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities.

So far, Non-banking Finance Companies NBFC(s) have scripted a great success story. Their contribution to the economy has grown in leaps and bounds. In terms of financial assets, NBFC(s) have recorded a healthy growth. With the ongoing stress in the public sector banks due to mounting of bad debts, their appetite to lend (especially in rural areas) is deteriorating.

Industry Overview

Non-banking financial companies (NBFCs) form an integral part of the Indian financial system. They play an important role in nation building and financial inclusion by complementing the banking sector in reaching out credit to the unbanked segments of society, especially to the micro, small and medium enterprises (MSMEs), which form the cradle of entrepreneurship and innovation. NBFCs' ground-level understanding of their customers' profile and their credit needs give them an edge, as does their ability to innovate and customize products as per their clients' needs. This makes them the perfect conduit for delivering credit to the unbanked and SMEs. However, NBFCs operate under certain regulatory constraints, which put them at a disadvantage position vis-à-vis banks. While there has been a regulatory convergence between banks and NBFCs on the asset side, on the liability side, NBFCs still do not enjoy a level playing field. This needs to be addressed to help NBFCs realize their full potential and thereby perform their duties with greater efficiency.

The asset financing NBFCs in the recent past, akin to banks, have witnessed muted growth with the primary sales of assets somewhat tapered down due to high interest, inflation and back to back below par monsoon. Some of the sectors which have been majorly impacted include Commercial Vehicle (CV), Construction Equipment (CE) and passenger auto sectors. However, the past year saw initial signs of revival of these sectors giving hope for brighter days ahead, especially with softening of interest rates and a better monsoon.

OPPORTUNITIES, CHALLENGES AND OUTLOOK

Opportunities

NBFCs have served the unbanked customers by pioneering into retail asset-backed lending, lending against securities and micro finance. Following variables in the external environment may be seen as opportunities for the Company:

- NBFCs aspire to emerge as a one-stop shop for all financial services
- The sector has witnessed moderate consolidation activities in recent years, a trend expected to continue in the near future
- New banking license-related guidelines issued by RBI place NBFCs ahead in competition for licenses owing largely to their rural network
- New RBI guidelines on NBFCs with regard to capital requirements, provisioning norms & enhanced disclosure requirements are expected to benefit the sector in the long run

Challenges

Competitive rivalry between big players is intense in the industry

- Financial services companies often compete on the basis of offering lower financing rates, higher deposit rates and investment services;
- Stringent regulatory norms prevent new entrants;
- Customers prefer to invest their money with a reputed financial services company offering a wide range of services;
- Low bargaining power of suppliers as the industry is highly regulated by RBI;
- Medium bargaining power of customers. Although customers do not have much bargaining power, they can easily switch to another company based on the terms and quality of services provided.

Outlook

However, the year has started on a positive note. Inflation continues to be low, RBI has cut rates further and most importantly, monsoon forecast is expected to be good. Infrastructure is also expected to see positive traction especially in Roads and Mining sector. Crude prices remain low and green shoots of economic recovery are visible.

Faster and more effective decision making and implementation of various initiatives already launched by the incumbent government are key drivers for the economic recovery. Reduction in global crude oil prices and consumer inflation numbers has provided the Indian government with a window of opportunity to put in place the building blocks for a sustained growth trajectory. The government continues to focus on roads and infrastructure projects by removing bottlenecks. Ongoing process of launching small banks and payment banks are key growth drivers for the asset finance industry. While signs of recovery are clearly seen in certain product segments, the upcoming financial year is expected to be a year of consolidation, so that the industry is ready for the next phase of growth. GDP growth is expected to improve on the back of proactive government initiatives and revival of commercial activity.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial statements have been prepared in accordance with the requirements of the Companies Act, 2013 and applicable accounting standards issued by the Institute of Chartered Accountants of India. The details of the financial performance of the Company are appearing in the Balance Sheet, Profit & Loss Accounts and other financial statements forming part of this annual report.

INTERNAL CONTROL SYSTEM

Given the magnitude and nature of its business, the Company has maintained sound and commercial practice with an effective internal control system. The system ensures that all transactions are authorized, recorded and reported correctly to safeguard the assets of the Company and protect them from any loss due to unauthorized use or disposition. The adequate internal information system is in place to ensure proper information flow for the decision-making process. The Company also has well-established processes and clearly defined roles and responsibilities for people at various levels. The control mechanism also involves well documented policies, authorization guidelines commensurate with the level of responsibility and standard operating procedures specific to the respective businesses, adherence to which is strictly ensured. Internal audit is carried out frequently to create awareness and to take corrective actions on the respective units or areas, which need rectification. These reports are then reviewed by the "Management Team" and the "Audit Committee" for follow-up action.

HUMAN RESOURCE DEVELOPMENT

The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potential of its employees attracting and retaining the best manpower available by providing high degree of motivation.

Your Company believes in trust, transparency & teamwork to improve employees productivity at all levels.

CAUTIONARY STATEMENT

The management discussion and analysis report containing your Company's objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and regulations. The statements in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the governmental regulations, tax regimes, forex markets, economic developments within India and the countries with which the Company conducts business and other incidental factors.

**On behalf of the Board of Directors
For DCM Financial Services Limited**

Date: 12.08.2019
Place: New Delhi

Shantanu Deveshwar
Whole-time Director
DIN: 08268523

Form AOC-I

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rupees)

S. No.	Particulars	Details
1	Name of the subsidiary	Global IT Options Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4	Share capital	1,00,00,200
5	Reserves & surplus	(78,02,916)
6	Total assets	24,05,260
7	Total Liabilities	24,05,260
8	Investments	46,128
9	Turnover	NIL
10	Profit before taxation	(21,900)
11	Provision for taxation	41,795
12	Profit after taxation	(121,815)
13	Proposed Dividend	NIL
14	% of shareholding	90% approx.

- Names of subsidiaries which are yet to commence operations: **NIL**
- Names of subsidiaries which have been liquidated or sold during the year: **NIL**

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

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

1. Names of Associate Companies/Joint Ventures which are yet to commence operations:
NIL
2. Names of Associate Companies/Joint Ventures which have been liquidated or sold during the year: **NIL**

**On behalf of the Board of Directors
For DCM Financial Services Limited**

**Shantanu Deveshwar
Whole Time Director
DIN:08268523**

**Rajni Gupta
Independent Director
DIN:07242992**

Date: 12.08.2019

Place: Delhi

Form AOC-2

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

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

	Details of contracts or arrangements or transactions not at Arm's Length basis		
1	a)	Name(s) of the related party and nature of relationship	Nil
	b)	Nature of contracts/arrangements/ transactions	Nil
	c)	Duration of the contracts/ arrangements/ transactions	Nil
	d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
	e)	Justification for entering into such contracts or arrangements or transactions.	Nil
	f)	Date(s) of approval by the Board	Nil
	g)	Amount paid as advances, if any	Nil
	h)	Date on which the special resolution was passed in General Meeting as required under first proviso to section 188.	Nil
	Detail of material contracts or arrangement or transactions at Arm's Length basis		-
2	a)	Name(s) of the related party and nature of relationship	Nil
	b)	Nature of contracts/arrangements /transactions	Nil
	c)	Duration of the contracts/arrangements/ transactions	Nil
	d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Nil
	e)	Date(s) of approval by the Board, if any	Nil
	f)	Amount paid as advances, if any	Nil

On behalf of the Board of Directors
For DCM Financial Services Limited

Shantanu Deveshwar
Whole Time Director
DIN: 08268523

Rajni Gupta
Independent Director
DIN: 07242992

Date: 12.08.2019
Place: Delhi

Add: D-7/3 Okhla Industrial Area,
Phase-2 New Delhi-11002

Add: D-7/3 Okhla Industrial Area,
Phase-2 New Delhi-110020

Somali Tiwari
Company Secretary & Chief
Financial Officer

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
DCM FINANCIAL SERVICES LIMITED

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014

I. REGISTRATION AND OTHER DETAILS:

- (i) CIN : L65921DL1991PLC043087
- (ii) Registration Date : 13-Feb-91
- (iii) Name of the Company : **DCM FINANCIAL SERVICES LIMITED**
- (iv) Category of the Company : Company Limited by shares
- (v) Sub-category of the Company : Indian Non-Government Company
- (vi) Address of the Registered office & contact details : D-7/3 Okhla Industrial Area,
Phase-2, New Delhi-110020
Phone No.: 91-11-26387750
- (vii) Whether listed company : Yes
- (viii) Name, Address & contact details of the Registrar & Transfer Agent, if any. : Name: MCS Share Transfer Agent Ltd.
Add: F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi- 110020
Ph.: 011-4140 6149, Fax. 011-4170 9881

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/ service
1	NA	NA

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	Share holding
1	Global IT Options Limited (formerly known as DFS Securities Limited)	U67110DL-1995PLC069223	Subsidiary	90%

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
(1)	Indian									
a)	Individual/ HUF	15	-	15	0.00%	15	-	15	0.00%	0.00%
b)	Central Govt	-	-	-	-	-	-	-	-	-
c)	State Govt(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corp.	-	-	8,739,937	39.50%	8,739,937	-	8,739,937	39.50%	0.00%
e)	Banks / FI	8,739,937	-	-	-	-	-	-	-	-
f)	Any other	-	-	-	-	-	-	-	-	-
	Sub Total (A) (1)	8,739,952	-	8,739,952	39.50%	8,739,952	-	8,739,952	39.50%	-
(2)	Foreign									
a)	NRI Individuals	-	-	-	-	-	-	-	-	-
b)	Other Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corp.	-	-	-	-	-	-	-	-	-
d)	Any other	-	-	-	-	-	-	-	-	-
	Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
	TOTAL (A)	8,739,952	-	8,739,952	39.50%	8,739,952	-	8,739,952	39.50%	0.00%
B.	Public Shareholding									
1.	Institutions									
a)	Mutual Funds	-	33,700	33,700	0.15%	-	33,700	33,700	0.15%	0.00%
b)	Banks / FI	-	1,352,700	1,352,700	6.11%	-	1,352,700	1,352,700	6.11%	0.00%
c)	Central Govt	-	-	-	-	-	-	-	-	-
d)	State Govt(s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FIs	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others (specify)	-	-	-	-	-	-	-	-	-
	Sub-total (B)(1):-	-	1,386,400	1,386,400	6.27%	-	1,386,400	1,386,400	6.27%	0.00%
2.	Non-Institutions									
a)	Bodies Corp.									
i)	Indian	1,206,258	67,817	1,274,075	5.75%	1,064,226	67,817	1,132,043	5.11%	0.64%
ii)	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	5,711,176	1,773,541	7,484,717	33.83%	5,727,126	1,737,374	7,464,500	33.74%	-0.09%
ii)	Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2,575,450	100,500	2,675,950	12.09%	2,751,999	100,500	2,852,299	12.89%	0.80%
c)	Others (specify)									
	Non Resident Indians	103,960	460,000	563,960	2.54%	100,260	449,600	549,860	2.49%	0.05%
	Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
	Foreign Nationals	-	-	-	-	-	-	-	-	-
	Clearing Members	-	-	-	-	-	-	-	-	-
	Trusts	-	-	-	-	-	-	-	-	-
	Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
	Sub-total (B)(2):-	9,596,844	2,401,858	11,998,702	54.23%	9,643,411	2,355,291	11,998,702	54.23%	0.00%
	Total Public (B)	9,596,844	3,788,258	13,385,102	60.50%	9,643,411	3,741,691	13,385,102	60.50%	0.00%
C.	Shares held by Custodian for GDRs & AZZDRs									
	Grand Total (A+B+C)	18,336,796	3,788,258	22,125,054	100.00%	18,383,363	3,741,691	22,125,054		

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2018]			"Shareholding at the end of the year [As on 31-March-2019]"			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mr. Vivek Bharat Ram	15	0.00%	0	15	0.00%	0	0
2	DCM Services Limited	6,352,487	28.71%	0	6,352,487	28.71%	0	0
3	Shriram Global Enterprises Ltd.	312,450	1.41%	0	312,450	1.41%	0	0
4	Intellect Capital Services Private Ltd.	2,075,000	9.38%	0	2,075,000	9.38%	0	0
	Total	8,739,952	39.50%	0	8,739,952	39.50%	0	0

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

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the year [As on 31-March-2019]	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			8,739,952	39.50%	8,739,952	39.50%
	"Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer /bonus/ sweat equity etc)"			No Change during the year			
	At the end of the year			8,739,952	39.50%	8,739,952	39.50%

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDR's and ADR's)

Sl. No.	Name of Share holders	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the year [As on 31-March-2019]	
		No. of shares	% of total shares	No. of shares	% of total shares
1	PUNJAB & SIND BANK				
	At the beginning of the year	1,319,900	5.96%	1,319,900	5.96%
	Change During the year	No changes during the year			
	At the end of the year (or on the date of separation, if separated during the year)	1,319,900	5.96%	1,319,900	5.96%
2	CENTENNIAL CORPORATION PRIVATE LTD				
	At the beginning of the year	600,000	2.71%	600,000	2.71%
	Change During the year: Sale of Shares"	-	0.00%	310	0.00%
	At the end of the year	600,000	2.71%	600,000	2.71%
3	KOKILABEN BHARATKUMAR PARIKH				
	At the beginning of the year	275,391	1.24%	275,391	1.24%
	"Change During the year:	No changes during the year			
	At the end of the year	275,391	1.24%	275,391	1.24%
4	BHARATKUMAR HARIKRISHNA PARIKH				
	At the beginning of the year	240,270	1.09%	240,270	1.09%
	Change During the year:				
	At the end of the year	240,270	1.09%	240,270	1.09%

5	AMAZING CAPITAL SERVICES PRIVATE LTD.				
	At the beginning of the year	176,602	0.80%	176,602	0.80%
	Change During the year:	No changes during the year			
	At the end of the year	176,602	0.80%	176,602	0.80%
6	PRADEEP KUMAR SHARMA				
	At the beginning of the year	123,200	0.56%	123,200	0.56%
	Change During the year:	No changes during the year			
	At the end of the year	123,200	0.56%	123,200	0.56%
7	AJAY GUPTA				
	At the beginning of the year	83,250	0.38%	83,250	0.38%
	Change During the year:				
	Purchase	-	-	14,421	0.07%
	At the end of the year	83,250	0.38%	97,671	0.44%
8	TRIVENI B				
	At the beginning of the year	-	0.00%	-	0.00%
	Change During the year:				
	Purchase	-	-	110,034	0.49%
	Sale	-	-	43,240	0.19%
	At the end of the year	-	0.00%	66,794	0.30%
9	SOHAG V. NANAVATI				
	At the beginning of the year	47,800	0.22%	47,800	0.22%
	Change During the year:				
	Purchase	-	-	9,345	0.04%
	At the end of the year	47,800	0.22%	57,145	0.26%
10	MADHU GUPTA				
	At the beginning of the year	56,472	0.26%	56,472	0.26%
	Change During the year:	No changes during the year			
	At the end of the year	56,472	0.26%	56,472	0.26%
11	BHUPINDER SINGH				
	At the beginning of the year	56,165	0.25%	56,165	0.25%
	Change During the year:	No changes during the year			
	At the end of the year	56,165	0.25%	56,165	0.25%

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and Key Managerial Personnel	"Shareholding at the beginning of the year		"Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	NIL			
1.	SURENDER KUMAR (Resigned w.e.f. 01.12.2018)	Nil			
2.	RAJNI GUPTA	Nil			
3.	DAMAN PREET KAUR4.	Nil			
4.	RICHA KALRA	Nil			
5.	PRIYA SHARMA	Nil			
6.	"SHANTANU DEVESHWAR (appointed w.e.f. 22/10/2018)"	Nil			
	At the end of the year	NIL			

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount In Rs.)

	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	262,595,188	131,457,258	547,709,136	941,761,582
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		262,595,188	131,457,258	547,709,136	941,761,582
Change in Indebtedness during the financial year					
•	Addition	-	11,068,726	-	11,068,726.00
•	Reduction	35,195,313	-	21,245,671	56,440,984.00
Net Change		-	-	-	-
Indebtedness at the end of the financial year					
i)	Principal Amount	227,399,875	142,525,984	526,463,465	896,389,324
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		227,399,875	142,525,984	526,463,465	896,389,324

*Note: Element of interest as is dependent on sanction of scheme by the Honble High Court of Delhi, hence could not be ascertained and shown above "

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

S. No.	Particulars of Remuneration		Name of MD/WTD/ Manager		Total Amount (Rupees)
	Name		Whole-time Director	Whole-time Director	
	Designation		"Surender Kumar (Resigned w.e.f. 01/12/2018"	Shantanu Deveshwar (Appointed w.e.f. 30/11/2018)	
1	Gross salary				
	(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	277,230.00	Nil	277,230.00
	(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	
	(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	-
2	Stock Option		Nil	Nil	-
3	Sweat Equity		Nil	Nil	-
4	Commission		Nil	Nil	-
	- as % of profit		Nil	Nil	-
	- others, specify		Nil	Nil	-
5	Others, please specify		Nil	Nil	-
	Total (A)		277,230.00		277230
	Ceiling as per the Act				

B. Remuneration to other Directors

S. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rupees)
1	Independent Directors	Richa Kalra	Daman Pree Kaur	Rajni Gupta	
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil
2	Other Non-Executive Directors	Nil	Nil	Nil	Nil
	Fee for attending board committee meetings				
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil	Nil
Overall Ceiling as per the Act					

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

S. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (Rupees)
		CFO & CS		
	Designation	COMPANY SECRETARY		
	Name	Ms. Poonam Kumari (resigned w.e.f.05/07/2018)	Ms. Priya Sharma (appointed w.e.f. 05/07/2018)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	74,166.00	221,744.00	295,910.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	
2	Stock Option	Nil	Nil	
3	Sweat Equity	Nil	Nil	
4	Commission	Nil	Nil	
	- as % of profit	Nil	Nil	
	- others, specify	Nil	Nil	
5	Others, please specify	Nil	Nil	
	Total	74,166.00	221,744.00	295,910.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			Nil		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			Nil		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			Nil		
Punishment					
Compounding					

**“For and on Behalf of the Board of Directors
For DCM Financial Services Limited”**

Shantanu Deveshwar
Whole Time Director
DIN:08268523
Add: D-7/3 Okhla Industrial Area,
Phase-2 New Delhi-110020

Rajni Gupta
Independent Director
DIN:07242992
Add: D-7/3 Okhla Industrial Area,
Phase-2 New Delhi-110020

Date: 12.08.2019
Place: Delhi

Form No. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014

To

The Members**M/s DCM FINANCIAL SERVICES LIMITED**

D-7/3, Okhla Industrial Area, Phase-2

New Delhi-1 10020

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

Based on our verification of the **DCM Financial 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2019** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings-
- (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 (Listing Obligations & Disclosure Requirements) Regulations, 2015
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (e) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 -
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **Not applicable during the period under review.**
 - (g) 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;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not applicable during the period under review.**
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **Not applicable during the period under review.**
 - (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

- (vi) The Environment (Protection) Act, 1986
- (vii) The EPF & Misc. Provisions Act, 1952;
- (viii) Industrial and Labour Laws;

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

- (i) Secretarial Standards (SS-1 & SS-2) issued by The Institute of Company Secretaries of India

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

We 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 and Key Managerial personnel of the Company that took place during the year under review were carried out in compliance with the provision of the Act.
- As per the management's representation, 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.
- As per the management's representation, majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there is one case pending with Hon'ble Delhi High Court against the company, the noting of the same is given below.

1. It is imperative to mention here that the R.B.I. had filed a petition for winding up of the Company being CP No 296/2004. The petition for winding up was heard on 6th March, 2006 and the Hon'ble Court directed that the Company shall not operate its bank accounts without the permission of the court. It is further pertinent to mention that the order is still in operation.
2. The Company had issued non-convertible debentures in the year 1995-96 on private placement basis, wherein the Central Bank of India had been appointed as their Debenture Trustee. Further, at the time when redemption of the said debentures got due, the Company was ordered by Reserve Bank of India to make re-payment to the deposit holders in priority to any other "Creditor" including the Redemption of these Debentures. However, due to serious financial and cash flow constraints being faced by the Company, the Company could not make payment to any party. Thereafter, the matter went to the Hon'ble High Court in the form of a scheme which got approved on 10th August, 2017.

Further, as required under the approved scheme, the Company has duly initiated the process of making repayment to the Deposit Holders.

We further report that based on review of compliance mechanism established by the Company, we are of the opinion that there are adequate systems and processes in place in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines:-

- As informed, the Company has responded appropriately to notices received from various statutory/ regulatory authorities including initiating actions for corrective measures, wherever found necessary.

For Jain P & Associates,
Company Secretaries

Preeti Mittal

ACS No.: 41759

C P No.:17079

Place: Noida

Date: 12.08.2019

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

[Annexure to the Secretarial Audit Report for the Financial Year ended 31st March, 2019]

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. 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 future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Jain P & Associates,
Company Secretaries

Place: Noida
Date: 12.08.2019

Preeti Mittal
ACS No.: 41759
C P No.:17079

Secretarial Compliance Report of DCM Financial Services Limited for the year ended March 31, 2019

We, Jain P & Associates, have examined:

- (a) all the documents and records made available to us and explanation provided by **DCM Financial Services Limited** ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2019 ("Review Period") in respect of compliance with the provisions of
 - (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder, and
 - (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable for the said review period**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable for the said review period**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable for the said review period**
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **Not Applicable for the said review period**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as applicable and circulars/ guidelines issued thereunder; and based on the above examination, We hereby report that, during the Review Period:
 - (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

S. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
NA			

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.

- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

S. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
NA				

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

S. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended March 31, 2019	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
NA				

**For Jain P & Associates,
Company Secretaries**

Preeti Mittal
ACS No.: 41759
C P No.:17079

Place: Noida
Date: 12.08.2019

A Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S.No.	Name of Employees	Designation of the employee
1	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	Mr. Surender Kumar Ratio:1:1.29
2	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	Nil
3	The percentage increase in the median remuneration of employees in the financial year	1 %
4	The number of permanent employees on the rolls of the Company	6 as on 31st March 2019& 1 Whole Time Director
5	The explanation on the relationship between average increase in remuneration and Company performance	Factors considered for giving increments: A Performance of the Company B Inflation C Employee performance
6	Comparison of remuneration of the Key Managerial Personnel against the performance of the Company	Not applicable as there is no revenue from operations. The remuneration and perquisites of WTD are approved by the Central Government
7	Variations in the market capitalization of the Company, price earnings ratio as the closing date of current FY and previous FY and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer	The market capitalization of the Company has decreased to Rs 2.66 Cr as on 31st March 2019from Rs. 5.18 Cr as on 31st March 2018. Over the same period, the price earnings ratio moved from0.03 to(-)90.42 The stock price of the Company as at 31stMarch 2019 has decreased by 83% since the last rights offer in April 1997
8	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Salary increment KMP = NIL Salary Increment other than KMP = 31.53%
9	Comparison of each remuneration of Key Managerial personnel against the performance of the Company	Mr. Surender Kumar : A Remuneration for FY 2018-19: Rs 2.77lacs B. % of gross Revenue for FY 2018-19: Not applicable as there is no revenue from operations. Profit for FY 2018-19= Rs (-)94.49 lacs C. % of Profit for FY 2018-19: (-) 2.93% As other KMP has worked only for the part of year, hence not comparable to the performance of the Company
10	The key parameters for any variable component of remuneration availed by the directors	N.A (as no variable component in remuneration paid during the year)
11	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	1:10.42
12	Affirmation that the remuneration is as per the remuneration policy	The Company affirms remuneration is as per remuneration policy of the Company

A Statement showing details of top ten employees in terms of remuneration drawn as required under Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S. No.	Name of Employees	Designation of the employee	Remuneration received Rs in Lacs	nature of employment, whether contractual or otherwise	qualifications and experience of the employee	date of commencement of employment	the age of such employee	the last employment held by such employee before joining the company	the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
1	Surender Kumar 1.4.18 to 30.11.18	Whole Time Director	2.77	Contractual	Bachelor of Science	1.12.2015*	80	Punjab National Bank	Nil	No
2	Vikram Dogra	Vice President- Operations	20.55	Regular	B.Com	23.6.1998	62	Usha International Ltd.	100	No
3	Ajit Kumar	Executive Accounts	4.71	Regular	B.Com	25-08-2006	39	First Employment	Nil	No
4	Devi Prasad Semwal	Assistant	3.59	Regular	12th	03-11-1997	54	Pertech Comput- ers Ltd	100	No
5	Rajender Prasad	Assistant	2.79	Regular	B.A	01-05-1998	47	Cure Fast Remedies Ltd	100	No
6	Hari Bahadur	Peon	2.21	Regular	4th	01-07-1995	50	First Employment	Nil	No

* For the Current tenure.

• Employee who have worked for a full year have been shown in the statement

B. No employee of the Company has drawn remuneration aggregating to Rs. 1.02 Cr per annum or Rs. 8.50 per month during the year under report.

COMPLIANCE WITH CODE OF CONDUCT

I, **Shantanu Deveshwar**, being Whole Time Director of the Company do hereby declare that all the Directors and Senior Management Personnel have affirmed compliance with the code of the conduct of the company for the financial year ended on March 31, 2019.

Date: 12.08.2019
Place: New Delhi

Shantanu Deveshwar
Whole Time Director
(DIN: 08268523)

CEO/CFO CERTIFICATION

I, **Somali Tiwari**, being **Chief Financial Officer**, of DCM Financial Services Limited do hereby confirm and certify that:

1. I have reviewed the financial statements and the cash flow statement for the financial year and that to the best of my knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. there are, to the best of my knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violate the listed entity's code of conduct.
3. I accept responsibility for establishing and maintaining internal control for financial reporting and have evaluated the effectiveness of internal control system of the listed entity pertaining to financial reporting and have disclosed to the auditor along with the audit committee, deficiencies in the design or operation of such internal control(s), if any, of which I am aware and the steps I have taken or proposed to take to rectify these deficiencies.
4. during the year under reference:
 - a. there were no significant changes in internal control system over financial reporting;
 - b. there were no significant changes in accounting policies and that the same have been disclosed in the notes to the financial statements; and
 - c. there were no instance(s) of significant fraud involved therein, if any, of which the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For DCM FINANCIAL SERVICES LIMITED

Date: 12.08.2019
Place: New Delhi

Somali Tiwari
Chief Financial Officer

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

(In terms of Regulation 34(3) and Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
DCM FINANCIAL SERVICES LIMITED

We have examined the report of Corporate Governance presented by the Board of Directors of **DCM FINANCIAL SERVICES LIMITED** for the year ended 31st March, 2019 as stipulated in Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the same.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and according to the information and explanation given to us, the Company has taken required steps to comply with the conditions of corporate governance, to the extent applicable and as stipulated in the aforesaid SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

We state that no investor grievance is pending for the period exceeding one month against the Company as per records maintained by the Stakeholders' Relationship Committee together with the status of Investor Grievance as on SEBI SCORES Portal.

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

**For M/s Jain P. Associates
Company Secretaries**

**Preeti Mittal
Partner
C. P. No. 17079
M. No. 41759**

**Date: 12.08.2019
Place: New Delhi**

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your Company is committed to practice good Corporate Governance in all its activities and processes. The Directors' endeavor is to create an environment of fairness, equity and transparency with the underlying objective of securing long-term shareholder value, while, at the same time, respecting the rights of all stakeholders.

The Company adheres to the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (hereinafter referred to as SEBI (LODR) Regulations, 2015 or SEBI Regulations) and your management is taking all possible steps to fulfill its commitment in a judicious, fair and transparent manner.

II. BOARD OF DIRECTORS

The Board is entrusted with the ultimate responsibility of management, general affairs, direction and performance of the Company and had been vested with the requisite powers, authorities and duties.

A. Composition and Category of the Board of Directors

As on 31st March 2019, there were Four Directors comprising One Whole Time Director, and Three Non-Executive Independent Directors.

The Board of Directors had appointed Mr. Shantanu Deveshwar (DIN: 08268523), as an Additional Director of the Company w.e.f. October 22, 2018.

Mr. Surender Kumar retired from the directorship w.e.f. December 01, 2018 due to completion of his tenure as a Whole-time Director of the Company.

The board consists of eminent persons with considerable professional experience in business, industry, finance, audit and law. None of the Director is a member of more than ten committees and Chairman of more than five Committees across all the Companies in which they are directors. All the members have made disclosures regarding their directorship and memberships in various committees.

As on 31st March, 2019, the composition of Board of Directors is in conformity with Regulation 17 of SEBI Regulations, 2015 and the provisions of Companies Act, 2013.

Category and attendance of each of the Directors at the Board Meetings held during 2018-19 and the last Annual General Meeting is given below:

Name	Category	Number of Board Meetings held during the year 2018-2019		Whether attended last AGM for FY 2017-18	No. of Membership/ Chairpersonship in mandatory Committees	
		Held	Attended		Chairpersonship	Membership
1. Mr. Surender Kumar (retired w.e.f.01.12.2018)	Whole-time Director	6	6	Yes	0	4
2. Ms. Daman PreetKaur	Independent Director	9	9	Yes	0	3
3. Ms. RichaKalra	Independent Director	9	9	Yes	4	0
4. Ms. Rajni Gupta	Independent Director	9	9	Yes	0	2
5. Mr. Shantanu Deveshwar (appointed as Additional Director w.e.f.22.10.2018)	Whole-time Director	5	5	Yes	0	4

Mr. Shantanu Deveshwar and Mr. Surender Kumar are relatives to each other as defined in Section 2 (77) of Companies Act, 2013 and Rule 4 of the companies (Specification of definitions details) Rules, 2014.

During the period, the Board of Directors of your Company met 9 times. The dates on which the meetings were held are 02/04/2018, 30/05/2018, 05/07/2018, 13/08/2018, 22/10/2018, 14/11/2018, 03/12/2018, 12/02/2019, 13/03/2019 and the gap requirement of 120 days between two meetings have been complied with. The necessary quorum was present for all the meetings.

The company issued formal letters of appointment to Independent Directors in the manner as provided in the Companies Act, 2013.

The company has also formulated a policy to familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

B. Non-Executive Directors Compensation and Disclosures

The Company does not have any pecuniary relationship with any Non-Executive Directors. No remuneration was given to any of the Non-Executive Director during the financial year 2018-19.

C. Familiarization Program for Directors

The Company has Familiarization Program Module (“the Program”) for Independent Directors (“ID”) of the Company. As per the requirement regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company is required to familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through this programme.

D. Skill/Expertise/Competence of the Board of Directors

E. In the opinion of the Board the independent directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements), 2015 and are independent of the management.

F. During the year, none of the Independent Director has resigned from the post of directorship pursuant to Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

III. COMMITTEES OF THE BOARD

The terms of reference of Board Committees are determined by the Board from time to time. Presently the Company has **Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Internal Compliant Committee and Vigil Mechanism Committee**. All the decisions pertaining to the constitution of the Committees, appointment of members, and fixing of terms of reference for committee members are taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

A. Audit Committee

- i. The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Regulations, 2015 read with Section 177 of Companies Act, 2013.
- ii. The term of reference of the Audit Committee is as per Part C of Schedule II of the SEBI (LODR) Regulations, 2015 and provisions of Companies Act 2013.
- iii. The Audit Committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings.
- iv. The previous Annual General Meeting (AGM) of the Company was held on 30th November, 2018 and was attended by Ms. Richa Kalra, Chairperson of the Audit Committee.
- v. The composition of the Audit Committee and the details of meetings attended by its members are given below:

S. No.	Name	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	RichaKalra	Chairperson	4	4
2.	Surender Kumar*	Member	3	3
3.	Rajni Gupta	Member	4	4
4.	Shantanu Deveshwar**	Member	1	1

* retired from the directorship and member of committee with effect from 01st December, 2018.

**appointed as a director and member of committee member w.e.f.22/11/2018.

- vi. Four Audit Committee meetings were held during the year 2018-19 on 30/05/2018, 13/08/2018, 14/11/2018, & 12/02/2019
- vii. The necessary quorum was present for all the meetings.
- viii. The role of the audit committee includes the following:
 - 1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
 - 2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
 - 3. Approval of payment to statutory auditors for any other services rendered by the statutory auditor;
 - 4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;
 - g. modified opinion(s) in the draft audit report;
 - 5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 - 7. Reviewing and monitoring the auditor's independence & performance, and effectiveness of audit process;
 - 8. Approval or any subsequent modification of transactions of the listed entity with related parties;
 - 9. Scrutiny of inter-corporate loans and investments;
 - 10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
 - 11. Evaluation of internal financial controls and risk management systems;
 - 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - 14. Discussion with internal auditors of any significant findings and follow up thereon;
 - 15. Reviewing the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 - 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the whistle blower mechanism;
 19. Approval of appointment of chief financial officer after assessing the qualification, experience and background, etc. of the candidate;
 20. Carrying out any other function as is mentioned in the terms of reference of the audit committee
- ix. The audit committee shall **mandatorily** review the following information:
1. Management discussion and analysis of financial condition and results of operations;
 2. Statement of significant related party transactions (as defined by the audit committee), submitted by the management;
 3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 4. Internal audit reports relating to internal control weaknesses; and
 5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
 6. Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- x. **Audit & other duties**
1. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 2. Discussion with internal auditors of any significant findings and follow up there on.
 3. Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and Internal Auditors considering their independence and effectiveness and their replacement and removal.
 4. To recommend to the Board the remuneration of the Statutory Auditors and internal auditors.
 5. To grant approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions subject to the approval of the Board.

B. Stakeholders Relationship Committee (erstwhile Shareholders' Grievance Committee)

- i. Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR Regulations, 2015, the Board has constituted Stakeholders' Relationship Committee to specifically look into the mechanism of redressal of grievances of shareholders and other security holders. Headed by Ms. Richa Kalra, the Non-Executive Independent Director.
- ii. The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

S. No.	Name of the Member	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Richa Kalra	Chairperson	4	4
2.	Surender Kumar*	Member	3	3
3.	Daman Preet Kaur	Member	4	4
4.	Shantanu Deveshwar**	Member	1	1

**** retired from the directorship and member of committee with effect from 01st December, 2018.**

**** appointed as a director and member of committee member w.e.f. 22/11/2018.**

- iii. Four Stakeholders' Relationship Committee meetings were held during the year 2018-19 on 30/05/2018, 13/08/2018, 14/11/2018, 12/02/2019. The necessary quorum was present for all the meetings

iv. **Functions and Terms of Reference:**

The Committee considers and resolves the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

The functioning and broad terms of reference of the Stakeholders' Relationship Committee of the Company are as under:

- To consider and resolve the grievance of security holders of the Company.
- To review important circulars issued by SEBI /Stock Exchanges
- To take note of compliance of Corporate Governance during the quarter/year.
- To approve request for share transfer and transmissions.
- To approve request pertaining to demat of shares/sub-division/consolidation/issue of renewed/duplicate share certificate etc.

v. **Name, designation and address of Compliance Officer:**

Name	Somali Tiwari
Designation	Company secretary & Compliance officer
Address	D 7/3, Okhla Industrial Estate Area,Phase-2, New Delhi-110020

vi. **Details of investor complaints received and redressed during the year 2018-19 are as follows:**

No. of Complaints pending as on 01.04.2018	No. of Complaints received during the year 2018-19	No. of Complaints resolved during the year	No. of Complaints not resolved during the year to the satisfaction of shareholders	No. of Complaints pending as on 31.03.2019
Nil	11	11	Nil	Nil

C. **Nomination & Remuneration Committee**

- i. Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Board has duly constituted the Nomination & Remuneration Committee, with all members being Non-Executive Directors and Independent Director as Chairperson. The composition of Nomination & Remuneration Committee is as follows::

S. No.	Name	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Richa Kalra	Chairperson	6	6
2.	Daman Preet Kaur	Member	6	6
3.	Rajni Gupta	Member	6	6

The committee meetings were held on 30/05/2018, 05/07/2018, 13/08/2018, 22/10/2018 14/11/2018 and 12/02/2019

ii. **The terms of reference of the committee are as follows:**

- Formulation of the criteria for determining qualification, positive attributes and independence of a director and to recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

- b) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- c) Devising a policy on diversity of board of directors;
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- e) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- f) The remuneration policy as adopted by the company envisages the payment of remuneration according to qualification, experience and performance at different levels of the organization. The workers at the factory as well as those rendering clerical, administrative and professional services are suitably remunerated according to the industry norms.

iii. Performance Evaluation Criteria For Independent Directors:

Performance Evaluation Criteria of Board members including Independent Directors as approved by the Board provides:

- a) Each of the director(s) are required to assign the rating on different parameters for the evaluation of board, independent director(s) and committees of the Board of Directors and has to submit the same to the Nomination & Remuneration Committee.
- b) The rating is to be assigned on a scale of five for the purpose of evaluation of performance as under:

Rating Scale	Scale Performance
5	Exceptionally Good
4	Good
3	Satisfactory
2	Needs Improvement
1	Unacceptable

- c) The Nomination & Remuneration Committee shall receive the Evaluation Forms in sealed cover and summarize the results. The Chairperson of the Nomination & Remuneration Committee may have discussions with individual director where clarification or interpretation is required.
- d) The Chairperson of the NRC shall develop a report on the basis of evaluation rating received. The Committee shall review the result and submit its recommendation for the consideration of Board.
- e) The Board shall review the recommendations of the Nomination & Remuneration Committee and issue necessary directions.

iv. Remuneration of Directors

The remuneration payable to all Directors including Managing Director, if any is decided by the shareholders in the General Meeting. As per the Companies Act, 2013, the Board of Directors of the Company is empowered to determine the sitting fee payable to Independent Directors within the ceiling prescribed under the Companies Act, 2013.

None of the Independent Directors were paid any sitting fees during the financial year 2018-19.

Remuneration of Executive Directors for the financial year 2018-19

(Amount in ₹Rs)

S. No.	Name of Director	Designation	Salary	Benefits	Performance Related Pay (PRP) for the year 2018-19	Total
1.	Surender Kumar (resigned w.e.f. 01/12/2018)	Whole-time Director	277230	Nil	Nil	277230
2.	Shantanu Deveshwar (appointed w.e.f 30/11/2018)	Whole-time Director	Nil	Nil	Nil	Nil

The Company had not given any stock options during the year 2018-19.

Except as mentioned above, there was no pecuniary relationship or transaction with Non-Executive Directors vis-a-vis the Company during the financial year 2018-19.

Criteria of making payment to non-executive directors is available on the website of the company.

V. GENERAL BODY MEETING

a) Annual General Meeting

The details of last three Annual General Meetings (AGM) of shareholders held were as under

Financial Year	Date	Venue	Time	Whether any Special Resolution passed
2015-16	30th November, 2016	Executive Club, 439, Village Shahoorpur, P.O. FatehpurBeri, New Delhi 110030	10:00 A.M.	Nil
2016-17	30th November, 2017	Executive Club, 439, Village Shahoorpur, P.O. FatehpurBeri, New Delhi 110030	10:30 AM	Nil
2017-18	30th November, 2018	Executive Club, 439, Village Shahoorpur, P.O. FatehpurBeri, New Delhi 110030	11:00 AM	01

b) No Extraordinary General Meeting of Members was held during the year under review.

c) No Postal Ballot was conducted during the year under review.

VI. MEANS OF COMMUNICATION

Quarterly/ Half Yearly/ Annual Financial Results notice, advertisement and other official news are published both in vernacular language newspapers and English National newspapers regularly. The said results are also displayed/uploaded on the Company's website i.e. www.dfsionline.com

VII. GENERAL SHAREHOLDER INFORMATION

S. No.	Particulars	Information
1.	Annual General Meeting:	28th
	Day	30th September, 2019
	Date& Time	Monday, 11:00 A.M.
	Venue	Executive Club, 439, Village Shahoorpur, P.O. FatehpurBeri, New Delhi 110030
2.	Financial year	April 1, 2018 to March 31, 2019
3.	Financial Calendar 2019-20 Results for quarter/ year ending : (Tentative Schedule) (a) 30th June, 2019 (b) 30th September, 2019 (c) 31st December, 2019 (d) 31st March, 2020	On or before 14th day of August, 2019 On or before 14th day of November, 2019 On or before 14th day of February, 2020 On or Before 30th day of May, 2020
4.	Book Closure	September 25, 2019 to September 30, 2019.
5.	Listed on	NSE, BSE& CSE
6.	Dividend payment date	The Company has not recommended or paid any dividend during the financial year under review.
7.	Stock Exchange Code	BSE Security Code: 511611 NSE Stock Code: DCMFINSERV CSE: 014032

VIII. DISCLOSURE

- a) There have been no materially significant related party transactions which may have potential conflict with the interests of the Company at large.
Accordingly, the disclosure of Related Party Transactions as required under section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is attached with the Directors' Report.
- b) During last three year under review, the company has complied with all the mandatory requirements of the SEBI (LODR) Regulations, 2015, except the following:

S. No.	Relevant Regulation	Particulars of Non-compliance	Amount involved	Remarks
1.	Regulation 24	In case of Subsidiary Companies, at least one of the Independent Directors on Board of the Holding Company shall act as the Director on the Board of Directors of its "Material Unlisted Subsidiary". The Company has not complied with the said requirement for the Financial Year 2016-17	-	The Said non-compliance has been complied with.

- c) The Company has in place vigil mechanism and whistle blower policy under which employees can report any violation of applicable laws and regulations and the Code of Conduct of the Company. Vigil Mechanism of the Company provides adequate safeguards against victimization of persons who use such mechanism and no personnel have been denied access to the Audit Committee.
- d) The Company has complied with all the mandatory requirements of Listing Regulations.
- e) Global IT Options Limited is the subsidiary of our Company. The Company has in place policy for determining 'material' subsidiaries and the same is also placed on Company's website i.e. www.dfsonline.com and web-link of the same is <http://dfsonline.com/policy/8.pdf>

- f) The Company has in place Policy for Related Party Transaction and the same is also placed on Company's website i.e. www.dfsionline.com and web-link of the same is <http://dfsionline.com/policy/7.pdf>
- g) Information pertaining to the disclosure of commodity price risks and commodity hedging activities is not applicable to the Company.
- h) The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).
- i) A certificate from a Jain P & Associates, Company Secretary in practice that none of the Directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board, Ministry of Corporate Affairs or any such statutory authority, forms part of this report.
- j) There were no instances where the Board has not accepted any recommendation of any committee of the board which was mandatorily required during the financial year in concern.
- k) Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network of the statutory auditor is Rs. 4,52,530/-
- l) There were no complaints filed/pending/disclosed of in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the financial year in concern.
- m) A Practicing Company Secretary has carried out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd (CDSL) and the total issued and listed capital. The said Audit Report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

IX. The Company has duly complied with all the Corporate Governance requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

X. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10)

It is to confirm that the Company has not incurred any non-compliance of any information contained in this Corporate Governance Report.

XI. DISCLOSURE REGARDING SHARES IN SUSPENSE ACCOUNT

- (a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: NIL
- (b) Number of shareholders who approached issuer for transfer of shares from suspense account during the year: NIL
- (c) Number of shareholders towhom shares were transferred from suspense account during the year: NIL
- (d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: NIL
- (e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: NIL

XII. RISK MANAGEMENT

As per Regulation 21 of SEBI Regulations, 2015, the Company is not required to constitute Risk Management Committee.

XIII. INDEPENDENT DIRECTORS

The Board of the Company has been duly constituted with an optimum combination of Executive Directors, Non-Executive and Independent Directors. All the members are financially literate and possess sound knowledge of accounts, audit, finance, law, etc.

Presently, the Board of the Company comprises of following3 (Three) Independent Directors:

- i) Ms. Richa Kalra
- ii) Ms. Rajni Gupta
- iii) Ms. Daman Preet Kaur

Meeting of Independent Directors

As required by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a meeting of the Independent Directors of the Company was convened during the year to oversee and review the performance of Non Independent Directors and of the Board as a whole.

XIV. MANAGEMENT DISCUSSION AND ANALYSIS

A separate chapter on Management Discussion and Analysis is given in this Annual Report.

XV. CEO/CFO CERTIFICATION

The Chief Financial Officer of the Company, has furnished a certificate relating to financial statements and internal control systems as per the format prescribed under Regulation 17(8) of the SEBI (LODR) Regulations, 2015 and the Board took the same on record.

XVI. COMPLIANCE CERTIFICATION

Compliance Certificate for Corporate Governance obtained from Jain P & Associates, Company Secretaries is annexed herewith.

XVII. CODE OF CONDUCTS

Details of various policies and codes required to be framed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 are given under the head "Investors" on the website of the company i.e. www.dfsonline.com

XVIII. Market price data- high, low during each month of the financial year 2018-19:

The Market price data is given in the table mentioned below:

BSE Limited:

Month	High(Rs.)	Low(Rs.)	Closing(Rs.)
April '18	2.21	1.80	2.17
May '18	3.10	2.20	2.75
June '18	2.94	2.50	2.73
July '18	3.04	2.50	2.60
August '18	2.47	2.35	2.35
Sep '18	2.70	2.45	2.70
Oct '18	2.85	2.29	2.30
Nov '18	2.40	1.97	1.97
Dec '18	1.98	1.89	1.97
Jan '19	1.88	1.05	1.05
Feb '19	1.05	0.88	0.96
March '19	0.98	0.91	0.91

NSE Limited:

Month	High(Rs.)	Low(Rs.)	Closing(Rs.)
April '18	-	-	-
May '18	-	-	-
June '18	2.50	2.20	2.25
July '18	2.35	2.20	2.35
August '18	2.45	1.90	1.95
Sep '18	2.20	1.85	2.05
Oct '18	2.15	1.70	1.80
Nov '18	1.80	1.60	1.60
Dec '18	1.65	1.40	1.40
Jan '19	1.35	1.30	1.25
Feb '19	1.25	1.20	1.20
March '19	1.25	1.15	1.15

Calcutta Stock Exchange

The trading in shares of the Company is currently being suspended. Therefore, market price data is not available for the financial year 2018-19.

XIX. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2019:

Shareholding of Nominal value of Rs. 10/-	No. of Shareholders	% of Shareholders	No. of Shares held	Amount	% to total
Up to 5000	21878	98.71	7030846	7030846	31.78
5001-10000	150	0.68	1104336	11043360	5.00
10001-20000	60	0.27	835627	8356270	3.78
20001-30000	28	0.13	704075	7040750	3.18
30001-40000	8	0.04	273991	2739910	1.24
40001-50000	8	0.04	366942	3669420	1.66
50001-100000	5	0.02	334247	3342470	1.51
100001 & above	10	0.05	11474990	114749900	31.86
Total	22163	100.00	22125054	221250540	100.00

Categories of Equity Shareholders as on March 31, 2019

	Category	No. of Shares	% of Holding
1.	Promoters Holding		
	i. Promoters		
	Indian Promoters	8,739,952	39.50%
	Foreign Promoters	-	-
	ii. Persons acting in concert	-	-
	Sub Total	8,739,952	39.50%
2.	Non Promoters Holding		
	i. Institutional Investor	-	-
	ii. Mutual Fund and UTI	33,700	0.15%
	iii. Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions/ Non Govt. Institutions)	1,352,700	6.11%
	iv. FII's	-	-
	Sub Total	1,386,400	6.27%
3.	Others		
	i. Corporate Bodies	5,99,690	2.71%
	ii. Indian Public	10,316,799	46.63%
	iii. NRI's/OCB's	5,49,860	2.49%
	iv. Any Other (HUF/Firm/Foreign Companies) Clearing Member	5,32,353	2.40%
	Sub Total	11,998,702	54.23%
	Grand Total	2,21,25,054	100%

XX. DEMATERIALIZATION OF SHARES AND LIQUIDITY

The shares of the Company are in the compulsory dematerialized segment and are available for trading with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Share Capital Audit Report regarding reconciliation of the total issued, listed and capital held by depositories in a dematerialized form with respect to the Equity Share Capital of the Company was obtained from the Practicing Company Secretary for each quarter during the year and submitted to the Stock Exchanges within the stipulated time.

Number of shares held in dematerialized and physical mode as on 31st March 2019.

Particulars	Total Shares	% to Equity
Shares in dematerialized form with NSDL	15,896,027	71.85
Shares in dematerialized form with CDSL	2,487,336	11.24
Physical	3,741,691	16.91
Total	22,125,054	100

ISIN of the Company : INE891B01012

The names and addresses of the depositories are as under:

1. National Securities Depository Limited

Trade World, A-Wing, 4th & 5th Floors,

Kamala Mills Compound,

SenapatiBapatMarg,

Lower Parel, Mumbai - 400 013

2. Central Depository Services (India) Limited

Marathon Futurex, A-Wing, 25th floor,

NM Joshi Marg, Lower Parel, Mumbai 400013

XXI. Company Details:

Registered Office	D-7/3, Okhla Industrial Area, Phase-2, New Delhi-110020
PlantLocation	Same as Above
Addressfor communication	Same as Above

The phone numbers and e-mail addresses for communication are given below:

Particulars	Telephone Number	Fax No.
Registered Office:		
D-7/3 Okhla Industrial Area,Phase-2 New Delhi DL 110020	011-26387750	
Corporate Office:		
D-7/3 Okhla Industrial Area,Phase-2 New Delhi DL 110020	011-26387750	

As per Circular of the Securities & Exchange Board of India dated 22.01.2007, exclusive e-mail address for redressal of Investor Complaints is info@dfsionline.com

On behalf of Board of Directors
For DCM Financial Services Limited

Date: 12.08.2019
Place: New Delhi

Shantanu Deveshwar
Whole-time Director
DIN: 08268523

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DCM FINANCIAL SERVICES LIMITED
REPORT ON THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of DCM FINANCIAL SERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, and the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- (a) In the case of the Balance Sheet, of the State of Affairs of the Company as at March 31, 2019; and
- (b) In the case of Statement of Profit and Loss account, of the loss for the year ended on date March 31, 2019.
- (c) In the case of Cash Flow Statement for the year ended on date March 31, 2019.
- (d) In the case of Statement of changes in equity for the year ended on date March 31, 2019.

Basis for Qualified Opinion

- (i) Justice Anil Kumar as one man committee was appointed vide order dated:- 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The one man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. Under Scheme of One Man Committee, Interest of Rs 235 Lacs are payable to Debenture Holders and Rs 1,448 Lacs are payable to Fixed Depositors under Phase-2 of Schedule of Payments laid down by One Man Committee. Presently the said committee has waived any further payment of Interest to Fixed Depositors, Debenture-holders and other lenders, however on complete liquidation of properties and investments, if any surplus remains after payment to all stakeholder creditors, then further payment of Interest would be decided. All stakeholders creditors which are covered under scheme has given its consent to the scheme. No provision of Rs. 1,683 Lacs as laid down under the the scheme towards Interest on Debentures and Fixed Deposits, have been provided in the financial statements on the outstanding amount of Debentures and Fixed Deposits.

Had interest of Rs. 1,683 Lacs been provided for in the financial statements of year ending 31st March 2018 on outstanding amount of Debentures and Fixed Deposits, the Net Profit before tax would have been lowered by Rs. 1,683 Lacs and Net Profit after tax would have been lowered by Rs. 1,340 Lacs as at 31st March, 2018. The cumulative net loss as well as Current Liabilities as at 31st March, 2019 would have been higher by Rs 1,340 Lacs. The same has been explained in Note 17.1 and Note 17.4

- (ii) For redemption of 'B' series debentures of Rs. 2014.98 Lacs debenture redemption reserve is required to be created. Debenture redemption reserve of Rs. 2014.98 Lacs has not been created due to insufficient profits. The same has been explained in Note 17.1.
- (iii) The value of assets charged as security in favor of banks, debenture-holders & financial institutions have been depleted over a period of time. The depletion has not yet been ascertained by the Company. To the extent of shortfall, if any, the liability is unsecured, whereas the same has been shown as secured. The same has been explained in Note 17.1, 17.2 and 17.3.
- (iv) Balance confirmation of bills receivable and payable, advances recoverable in cash or in kind, receivables and payables relating to lease and hire purchase, lease security deposit of which party wise details are not available. Balance confirmation of inter-corporate deposits, balance

of ex-employees, margin against L/C, loans from institutions, banks, and other receivables and payables have not been received from the parties/persons concerned. In the absence of balance confirmation the closing balances as per books of accounts have been incorporated in the final accounts and have been shown, unless otherwise stated by the management about its recoverability in the financials including considering the NPA Provisions, are good for recovery/ payment. Time barred debts under the Limitations Act have not been separately ascertained and written off or provided for. In the absence of such confirmation & corresponding reconciliation, it is not feasible for us to determine financial impact on the financials and the amount referred as payable in the financials can differ. Please refer Note No-38

- (v) The subsidiary company namely, Global IT Options Limited has from 1st June 2014 to 31st March, 2018 incurred expenditure of Rs 22.84 Lacs for & on behalf of its Holding Company (i.e. DCM Financial Services Limited) and the same balance is outstanding as on 31st March 2019 also. It comes under the category of short term funding which is in-fact Inter-Corporate Deposit. In case of Inter-Corporate Deposit, Section 186 of Companies Act, 2013 stipulates to charge interest at a rate not less than the bank declared by Reserve Bank of India. No Interest has been provided on outstanding balance of Rs 22.84 Lacs by Company to its subsidiary - Global IT Options Limited with effect from 1-June-2014. It is a non-compliance of Section 186 of the Companies Act, 2013, which could attract penalties. We have discounted this liability considering the borrowing with interest @10% p.a. in FY 2015-16 considering that the same will be paid in FY 2019-20

- (vi) As per the Guidance Note on Accounting for credit available in respect of Minimum Alternative Tax, MAT Credit is an asset to be recognized in the Financial Statement when it is 'Probable' that the future economic benefits associated with it will flow to the enterprise and asset has a cost or value that can be measured reliably. In the previous periods, the company has already recorded MAT Credit Entitlement of Rs 28.52 Lacs in the books of accounts. Considering that the matter is Scheme of One Man Committee is still under process and Hon'ble Delhi High Court has held that the revival of Company will be decided later-on depending on the successful Implementation of scheme of One Man Committee, there is no virtual certainty that future economic benefit would flow to company. Considering this, we are of opinion that such MAT Credit Entitlement of Rs 28.52 Lacs needs to be derecognized.

Had MAT Credit of Rs 28.52 Lacs had been reversed in financial statements in previous years, the net profit after tax would have been lower by Rs 28.52 Lacs and net profit after tax would have been lowered by Rs. 28.52 Lacs in respective previous years and consequently the net cumulative loss would have been higher by Rs 28.52 Lacs for the financial year ending 31st March 2019. In addition to, non-current loans and advances would have been lowered by Rs 28.52 Lacs after considering the tax effects.

- (vii) Contingent liabilities and Other Commitments

- (a) During the year ended 30th June, 2011 the company's tenant had filed a claim of Rs. 10,000,000 against the company due to damages suffered by the tenant which is still pending under arbitration proceedings as on 31st March, 2019.
- (b) There is a demand of Rs. 3,458,902 raised by Income Tax Department for the Assessment Year 2006-07 and Rs. 357,542 for the Assessment Year 2012-13 for payment of income tax under the Income Tax Act, 1961, which is disputed by the company and pending before the appropriate authorities as on 31st March 2019.
- (c) There is an award passed by the arbitrator against the company in the matter of MS Shoes East Limited on May 28, 2012 for Rs. 5,128,320 i.e. the claim amount, along with Rs. 30,680,848 towards interest cost for an underwriting given by the company in the year 1995 for the public issue of M/s MS Shoes East Ltd. Furthermore, an incidental cost which includes arbitration venue rent, record keeping cost, administrative cost and stamp paper charges amounting to Rs. 549,280, had been awarded to the company. The total financial impact comes to Rs. 36,358,448 which has been contested by Company before Hon'ble Delhi High Court.
- (d) Due to dispute with the builder namely M/s NBCC Ltd. from which the company had purchased an office premises in the year 1995, regarding a claim of Rs. 28,829,634 on account of increase in super area and certain other expenditure which the builder i.e. M/s NBCC Ltd. had incurred and the same is pending in arbitration. Breakup of the amount of Rs. 28,829,634 mentioned supra is as follows:

S. No.	Description	Amount
1.	Difference in super area Vs. provisional area	22,928,254/-
2.	Claim of property tax	319,100/-
3.	Claim of ground rent	2,167,190/-
4.	Allied charges	782,210/-
5.	Augmentation of Electric sub station	132,880/-
6.	Loss of profit	2,000,000/-
7.	Arbitration cost	500,000/-
TOTAL		28,829,634/-

Key Audit Matters

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

- (i) We draw attention to Note 36 in the financial statements, which indicates that the Company incurred a net loss of Rs. 93,59,392 during the year ended March 31, 2019 and, as of that date, the Company's current liabilities exceeded its total assets by Rs 28,13,13,602. The accumulated loss as on 31st March, 2019 stands to Rs. 85,41,86,911 /-(Previous year Rs. 84,48,27,519/-). As on 31st March, 2019, the Company's total liabilities exceeded to its total assets by Rs. 43,19,65,184/- (Previous year Rs. 42,26,05,793/-).

As stated in Note 36, these events or conditions, along with other matters as set forth in Note 36 which are as under :-

The Company is not carrying on any business as to comply with the directives of the Reserve Bank of India, the company ceased to accept deposits from September 1997 and the company's application to RBI for certificate of registration (CoR) as a NBFC had been rejected by the RBI in year 2004. The Company contends that the Scheme of One Man Committee shall be implemented in full and other aspect of fresh restructuring scheme such issuance of equity to SBI Home Finance Limited and Pressman Leasing, would be approved/decided upon by the Hon'ble Delhi High Court and accordingly the decision on revival of Company would be taken by Hon'ble Delhi High Court. It indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

- (ii) We draw attention to Note 26 in the financial statements regarding successful implementation of scheme of One Man Committee on which continuity and revival of the Company is completely dependent which not only includes successful implementation of Schedule of payments described under Phase-I and Phase-II, but also realisability of funds from the disposal of Fixed Assets especially Building which is under dispute with Tenant as well as NBCC.
- (iii) We draw attention to Note 32 in the financial statements on the deposit Rs. 195,000,000 with the Hon'ble Delhi High Court. DCM Services Ltd, as a promoter had committed to bring in Rs. 195,000,000 as a promoter contribution upon sanction of their restructuring scheme under erstwhile Section 391 of the Indian Companies Act, 1956 which is under implementation by One Man Committee appointed with the direction of Hon'ble Delhi High Court. The Court vide order dated 06.05.2008 has asked DCM Services Limited to deposit Rs. 195,000,000 with the Court and pursuant to the court order DCM Services Limited deposited Rs 50,000,000 on 16.07.2010, Rs 67,000,000 on 18.11.2010, Rs. 39,000,000 on 21.04.2011 &Rs. 39,000,000 on 27.04.2012 aggregating to Rs. 195,000,000 on behalf of the promoters with the Registrar, Hon'ble Delhi High Court. All the funds are with Delhi High Court along-with accrued interest thereon. No financial impact of this has been recorded in the financials of the company till 31st March, 2019 as there is no clarity provided by Hon'ble High Court of Delhi on whether Company would have to issue any shares against such contribution as per SEBI guidelines or such amount would be refundable to DCM Services Limited by company or there would be no liability on the Company to either to pay the said amount or issue any shares in lieu of that. Till Company gets any clarity on this matter, no financial entry has been recorded in the books of accounts.

- (iv) Pursuant to sub-section 5 of section 203 Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company is required to appoint a Whole Time Company Secretary, non-compliance of which the company shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees. However during the year ended March 31st, 2017, the Company was in contravention of the aforesaid provision. As explained to us, the management has made various attempts to appoint a Whole Time Company Secretary, however was unable to appoint Whole Time Company Secretary in the absence of suitable candidate. The Company has made relevant disclosures in the Board of Directors meeting regarding this issue.

However during the year ended March 31st, 2018, the Company has appointed Whole Time Company Secretary with effect from 22nd April, 2017.

Regarding non appointment of Whole Time Company Secretary till 22nd April, 2017, it is non-compliance of Section 203 of Companies Act, 2013, which could attract penalties. Presently it is not feasible to determine the financial impact on the financial.

- (v) Pursuant to section 149 of Companies Act, 2013 read with rule 3 of Companies (Appointment and Qualification of Directors) Rules, 2014 every listed company is required to appoint at least one Woman Director. During the year ended March 31st, 2016, the Company was in contravention of the aforesaid provision as no woman director has been appointed. It is non compliance of Section 149 of Companies Act, 2013. Presently Section 149(1) of the Companies Act, 2013 is silent on the component of penalty. SEBI guidelines prescribed penalties for the non compliance which are Rs. 50,000 from 1-April-2015 to 30th June, 2015 and thereafter Rs. 1,000 per day for next 01-July-2015 to 30-Sep-2015 and thereafter from 01-Oct-2015 onwards Rs. 5,000 per day. With effect from 6-October 2016, woman director has been appointed by the Company. Total estimated penalty/fine comes to Rs. 16.85 Lacs (P.Y RS.16.85 Lacs) till date of appointment of women director (i.e. 5th October, 2016). No provision of Rs 16.85 Lacs has made in the books of accounts. Had provision been provided for in the financial statements, the net profit before tax for the year ended 31st March, 2018 would have been lower by Rs 16.85 Lacs and net profit after tax would have been lowered by Rs. 13.40 Lacs. The cumulative net loss as well as Current/Non Current Liability/Provisions as at 31st March, 2019 would have been higher by Rs. 13.40 Lacs.

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

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, Director's Report, Report on Corporate Governance and General Shareholders Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 'A' statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Companies Act, 2013, we report that:
 - a. Except for the matters described in the Basis for Qualified Opinion and Key Audit Matters paragraph, 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. Except for the matters described in the Basis for Qualified Opinion and Key Audit Matters paragraph, in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account ;
 - d. Except for the matters described in the Basis for Qualified Opinion and Key Audit Matters paragraph, in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with rule 7of the Companies (Accounts) Rules,2014 ;
 - e. The matter described in the Basis for Qualified Opinion and Key Audit Matters paragraph above, in our opinion, may have an qualified effect on the functioning of the Company.
 - f. Pursuant to section 167 of Companies Act, 2013, the office of one of director is vacated due to disqualification incurred under section 164(2) of Companies Act, 2013 which is due to non-redemption of debentures and repayment of public deposits. As explained by the Company, the matter presently is sub-juiced as Company had already submitted Fresh Restructuring Scheme with Hon'ble Delhi High Court and One Man Committee appointed by Hon'ble Delhi High Court is already implementing schedule of modified scheme.
 - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'B' ; and
 - h. with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - i. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – **Refer Note 28** to the financial statements;
 - ii. The Company has made necessary provision in its financial statements under the applicable law or Indian accounting standards, wherever required;
 - iii. The company moved an application before the Hon'ble Company Law Board, New Delhi on 22nd July 2004 under Regulation 44 of the Company Law Regulations 1991 proposing a fresh repayment schedule for fixed depositors, debenture-holders and other creditors of the Company. The company filed a Fresh Scheme of Arrangement for the reorganization of the share capital of the company and for compromise with the secured and unsecured creditors of the company, hereinafter referred to as the "**Fresh Restructuring Scheme**" before the Hon'ble Delhi High Court on 24th September 2004 mentioning therein repayment schedule.

Justice Anil Kumar as one man committee was appointed vide order dated:- 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The one man committee submitted its report on to

Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. One Man Committee observed that it already has sufficient funds, ready cash, to repay about 70% of the deposits to all the depositors having deposits of more than Rs 5,000 including secured creditors in the first stage. Under Phase -1, 70% of the principal amount be paid to the creditors having deposits of more than 5,000 and full amount be paid to those who have deposits of Rs. or less than Rs.5,000 in the first instance to fixed depositors, Debenture-holders and banks. In the second phase, which should also commence with phase 1 simultaneously, properties and shares and all the assets be liquidated by selling and the realized amount is recommended to be utilized for the repayment of balance 30% of principal amount and the maturity interest component only on the fixed deposits and debentures. Other creditors such as banks, financial institutions, ICD Holders shall also be paid 30% of the Principal Amount except to SBI Home Finance Limited and Pressman Leasing which will be issued equity shares in Second Phase. Depending upon the availability of surplus amount from disposal of assets with the Company, the Hon'ble High Court of Delhi may decide whether some additional amount of interest can be paid to depositors or other creditors. During the year ended 31st March, 2018, Company started paying the amount as per Phase-I and the company is still in continuation of making payments as per Phase I for the year ended 31st March 2019. The matter regarding payment to fixed depositors, debenture-holders and other sums are already covered under Phase-I and Phase-II schedule of payment decided by One Man Committee duly appointed by Hon'ble Delhi High Court.

All the unpaid matured Public Fixed Deposits of Rs 5,237.47 Lacs Unpaid Matured Debentures of Rs. 2022.09 Lacs which was more than seven year old. Accordingly except the matter stated above, there has been no delay in transferring amounts or there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. **Refer Note No 17.1 and 17.4.**

For Mukesh Aggarwal
Chartered Accountants
Firm Registration No. 011393N

Place : New Delhi

Dated : 28th May, 2019

Rishi Mittal
Partner

M.No. 521860

Annexure 'A' To Independent Auditors' Report

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

1. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The company has a phased program of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. In accordance with such program, the management has physically verified its fixed assets during the year and no material discrepancies were noticed by them.
- (c) The title deeds of immovable properties are held in the name of the company.
2. The company does not hold any inventory as on 31st March 2019
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Consequently sub-clauses 3 (a), (b) & (c) of this clause are not applicable.
4. The Company has not made any transaction in respect of loans covered under section 185 of the Companies Act 2013. In respect of loans, investments, guarantees and security covered under section 186 of the Companies Act, 2013, the provisions of the said section 186 have been duly complied except a case mentioned in our Basis of Opinion Para(v).
5. The Company has not accepted any deposits from the public during the year.

The directives issued by the Reserve Bank of India and the provision of section 73 to 76 or any other relevant provision of the Companies Act 2013 are not applicable on all the unpaid matured public Fixed Deposits of Rs 5,237.47 Lacs. Unpaid Matured Debentures of Rs. 2022.09 Lacs standing as at 31st March, 2019 which were accepted in prior periods in view of filing of Fresh Restructuring Scheme filed with Hon'ble Delhi High Court on 25th September, 2004.

Justice Anil Kumar as one man committee was appointed vide order dated:- 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The one man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. One Man Committee observed that that it already has sufficient funds, ready cash, to repay about 70% of the deposits to all the depositors having deposits of more than Rs 5,000 including secured creditors in the first stage. Under Phase -1, 70% of the principal amount be paid to the creditors having deposits of more than 5,000 and full amount be paid to those who have deposits of Rs. or less than Rs.5,000 in the first instance to fixed depositors, Debenture-holders and banks. In the second phase, which should also commence with phase 1 simultaneously, properties and shares and all the assets be liquidated by selling and the realized amount is recommended to be utilized for the repayment of balance 30% of principal amount and the maturity interest component only on the fixed deposits and debentures. Other creditors such as banks, financial institutions, ICD Holders shall also be paid 30% of the Principal Amount except to SBI Home Finance Limited and Pressman Leasing which will be issued equity shares in Second Phase. Depending upon the availability of surplus amount from disposal of assets with the Company, the Hon'ble High Court of Delhi may decide whether some additional amount of interest can be paid to depositors or other creditors. During the year ended 31st March, 2019, Company is in continuation of paying the amount as per Phase-I.

The matter regarding payment to fixed depositors, debenture-holders and other sums are already covered under Phase-I and Phase-II schedule of payment decided by One Man Committee duly appointed by Hon'ble Delhi High Court. The company contends that the aforesaid Public Deposits and payment to Debenture-holders shall be settled as per schedule laid down by the implementation of One Man Committee outcome of Fresh Restructuring Scheme.

6. In accordance with the information given by the management the maintenance of cost records has not been prescribed by the Central Government under section 148 (1) of the Companies Act, 2013.

7. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, GST, duty of customs, cess and any other statutory dues as applicable with the appropriate authorities.
- (b) According to the information and explanations given to us, there was no undisputed amounts payable in respect of the above dues which were outstanding as at 31st March, 2019 for a period of more than six months from the date of their becoming payable.
- (c) According to the information and explanations given to us, the amounts payable in respect of income tax which have not been deposited on account of any disputes, are as under:

Name of the Statute	Assessment years	Tax Demand in (Rs.)	Forum where dispute is pending
Income Tax Act, 1961	2006-2007	Rs. 34.59 Lacs	ITAT
Income Tax Act, 1961	2012-2013	Rs. 3.58 Lacs	ITAT

8. The company had defaulted in the repayment of dues to financial institutions, banks and debenture holders as explained in Note Nos. 17.1, Note 17.2, Note No-17.3 and Note No-17.4 of Notes to Accounts. The Company has defaulted during the year, in repayment of any loans or borrowing to a financial institution, bank, Government or dues to debenture holders.

Lender wise details is as follows for defaults to Banks and Financial Institutions

Particulars	Amount	Default Period
Punjab and Sind Bank	Rs. 241.02 Lacs	Default since Financial Year 1997-98.
SIDBI	Rs. 10.89 Lacs	Default since Financial Year 1997-98.

The matter is sub-judice with Hon'ble Delhi High Court as the company had filed a Fresh Scheme of Arrangement for the reorganization of the share capital of the company and for compromise with the secured and unsecured creditors of the company, before the Hon'ble Delhi High Court at New Delhi on 24th September 2004.

Justice Anil Kumar as one man committee was appointed vide order dated:- 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The one man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. One Man Committee observed that that it already has sufficient funds, ready cash, to repay about 70% of the deposits to all the depositors having deposits of more than Rs 5,000 including secured creditors in the first stage. Under Phase -1, 70% of the principal amount be paid to the creditors having deposits of more than 5,000 and full amount be paid to those who have deposits of Rs. 5000 or less than Rs.5,000 in the first instance to fixed depositors, Debenture-holders and banks. In the second phase, which should also commence with phase 1 simultaneously, properties and shares and all the assets be liquidated by selling and the realized amount is recommended to be utilized for the repayment of balance 30% of principal amount and the maturity interest component only on the fixed deposits and debentures. Other creditors such as banks, financial institutions, ICD Holders shall also be paid 30% of the Principal Amount except to SBI Home Finance Limited and Pressman Leasing which will be issued equity shares in Second Phase. Depending upon the availability of surplus amount from disposal of assets with the Company, the Hon'ble High Court of Delhi may decide whether some additional amount of interest can be paid to depositors or other creditors. During the year ended 31st March, 2019, Company is paying the amount as per Phase-I.

The matter regarding payment to aforesaid Financial Institution Parties are already covered under Phase-I and Phase-II schedule of payment decided by One Man Committee duly appointed by Hon'ble Delhi High Court. The company contends that the payment to aforesaid Financial Institution Parties shall be settled as per schedule laid down by the implementation of One Man Committee outcome of Fresh Restructuring Scheme.

9. According to the information and explanations given to us, during the year the Company has not raised money by way of initial public offer and term loans.

10. According to the information and explanations given to us, no fraud by the company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. The company has paid managerial remuneration as per provisions of section 197 read with Schedule V to the Companies Act, 2013 and on the basis of approval received from Central Government on 1st May, 2017 which contains payment of managerial remuneration of not more than Rs 3.99 Lac per annum for the period from 1-Dec-2015 to 30-Nov-2018. The last payment has been made to Director for the month of November 2018.
12. The company is not a Nidhi Company and hence clause 3 (xii) is not applicable.
13. The transactions with the related parties made by the Company are in compliance with sections 177 and 188 of Companies Act 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable Indian Accounting Standards.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence clause 3 (xiv) is not applicable.
15. During the year, the company has not entered into any non- cash transactions with directors or persons connected with him and hence provision of section 192 of Companies Act 2013 is not applicable.
16. Initially the company was NBFC. However, renewal of application for registration has been rejected by RBI in 2004. In view of rejection of NBFC license, Section 45-IA of Reserve Bank of India Act, 1934 is not applicable on this company.

For Mukesh Aggarwal
Chartered Accountants
Firm Registration No. 011393N

Rishi Mittal
Partner

Place : New Delhi

Dated : 28th May, 2019

M.No. 521860

ANNEXURE-“B” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in Paragraph 2 (f) under the heading of “report on other legal and regulatory requirements” of our report of even date

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

We have audited the internal financial controls over financial reporting of **DCM FINANCIAL SERVICES LIMITED** (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on

Auditing, issued by ICAI and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Disclaimer of Opinion

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or 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. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2019.

We have considered the disclaimer reported above in determining the nature, volume of transactions, materiality, timing, and extent of audit test applied in our audit of the standalone financial statement of the company and the disclaimer does not affect our opinion on the standalone financial statements of the company.

For Mukesh Aggarwal
Chartered Accountants
Firm Registration No. 011393N

Rishi Mittal
Partner
M.No. 521860

Place : New Delhi
Dated : 28th May, 2019

BALANCE SHEET AS AT 31ST MARCH 2019

(Amount in Rupees)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
I. ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	1	122,234,195	125,365,924
(b) Financial Assets			
(i) Investments	2	-	-
(ii) Other Financial Assets	3	220,000,000	-
(c) Deferred Tax Assets (Net) Including MAT	4	32,787,780	37,042,962
(d) Other Non-Current Assets	5	20,274,786	18,183,675
2 Current assets			
(a) Financial Assets			
(i) Investments	6	12,089,583	15,233,120
(ii) Trade Receivable	7	-	-
(iii) Cash and cash equivalents	8	2,242,135	11,227,801
(iv) Other Bank Balance	9	88,449,831	336,054,596
(v) Other Financial Assets	10	1,748,530	18,850,464
(b) Other Current Assets	11	-	-
TOTAL ASSETS		499,826,839	561,958,542
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	221,250,540	221,250,540
(b) Other Equity	13	(653,217,785)	(643,856,333)
2 Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	142,525,984	131,457,258
(ii) Other Financial Liabilities		-	-
(b) Other Non Current Liabilities	15	7,297,982	15,878,429
(c) Provisions	16	827,617	526,745
Current liabilities			
(a) Financial Liabilities			
(i) Other Financial Liabilities	17	776,356,112	832,233,236
(b) Other current liabilities	18	3,063,454	3,320,158
(c) Provisions	19	1,722,936	1,148,509
TOTAL EQUITY AND LIABILITIES		499,826,839	561,958,542

For Mukesh Aggarwal

Chartered Accountants

Firm Registration No. 011393N

Rishi Mittal

Partner

M.No. 521860

Shantanu Deveshwar

Director

DIN: 08268523

Richa Kalra

Director

DIN: 07632571

Priya Sharma

Company Secretary

M.No. A-48306

Place : Delhi

Dated : 28th May 2019

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2019

(Amount in Rupees)			
Particular	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
I. Revenue From Operations		-	-
II. Other income	20	29,936,823	72,516,125
III. Total Revenue (I + II)		<u>29,936,823</u>	<u>72,516,125</u>
IV. Expenses:			
Changes in inventories of Stock in Trade		-	-
Employee benefits expense	21	5,934,580	4,498,627
Finance costs	22	11,072,704	10,062,478
Depreciation and amortization expense	1	3,131,728	3,142,697
Other expenses	23	14,885,506	40,368,367
Total expenses		<u>35,024,519</u>	<u>58,072,169</u>
V. Profit before exceptional items and tax (III-IV)		<u>(5,087,696)</u>	<u>14,443,956</u>
VI. Exceptional Item			
VII. Profit before tax (V - VI)		<u>(5,087,696)</u>	<u>14,443,956</u>
VIII. Tax expense:	24		
(1) Current tax		-	3,900,462
(2) Deferred tax		43,409,50	11,090,671
(3) Prior Period Taxes		18,574	83,170
IX Profit (Loss) for the period from continuing operations (VII-VIII)		<u>(9,447,219)</u>	<u>(630,347)</u>
X Profit (Loss) for the period		<u>(9,449,279)</u>	<u>(630,347)</u>
XI Other Comprehensive income			
A (i) Items that will not be reclassified to profit or loss		-	(105,392)
(ii) Income tax relating to items that will not be reclassified to profit or loss		87,827	(15,981)
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XII Total Comprehensive Income for the period (X+XI) (Comprising profit (loss) and other Comprehensive Income for the period)		<u>(9,359,392)</u>	<u>(751,721)</u>
XIII Earnings per equity share (for continuing operation):			
- Basic		(0.42)	(0.03)
- Diluted		(0.42)	(0.03)

For Mukesh Aggarwal

Chartered Accountants

Firm Registration No. 011393N

Rishi Mittal

Partner

M.No. 521860

Shantanu Deveshwar

Director

DIN: 08268523

Richa Kalra

Director

DIN: 07632571

Priya Sharma

Company Secretary

M.No. A-48306

Place : Delhi

Dated : 28th May 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

Particulars	(Amount in Rupees)	
	31.03.2019	31.03.2018
(A) Cash flow from Operating Activities		
Profit Before Tax	(5,087,696)	14,443,956
Add:		
Depreciation	3,131,728	3,142,697
Interest Paid	11,068,726	10,062,478
Provision for Impairment of Investment	1,710,167	1,800,000
Less:		
Remeasurement of post employment defined benefit plans	-	(105,392)
Interest on Fixed Deposits	(20,886,221)	(29,009,969)
Deferred Income	(8,580,448)	(8,580,448)
Dividend Income	(25,730)	(19,112)
Gain on sale of Fixed Assets	-	(7,600)
Unrealised gain on account of fair valuation of Investments	1,433,371	(2,392,549)
Operating Profits before working Capital changes	(17,236,102)	(10,665,939)
Adjustment for:		
Change in Other Non Current Assets	349,400	300,231
Change in Other Financial Current Assets	17,101,934	11,775,331
Change in Current Liabilities	(256,704)	(2,144,763)
Change in Other Current Financial Liabilities	563,860	(1,107,765)
Change in Other Non Current Financial Liabilities	-	(138,600)
Change in Provisions	875,299	518,925
Cash generation from Operating Activities	1,397,686	(1,462,580)
Less:		
Income Tax paid	2,459,084	2,909,303
	(1,061,398)	(4,371,883)
(B) Cash Flow from Investing Activities		
Interest Income	20,886,221	29,009,969
Dividend Income	25,730	19,112
Redemption/(Purchase) of FD	27,604,765	132,715,911
Sale of Fixed Assets	-	8,100
	-	161,753,092
(C) Cash Flow from Financing Activities		
Repayment to Debenture Holders	(35,195,313)	(17,616,779)
Repayment to SIDBI	-	(2,540,959)
Repayment of Bank Loan - PSB	-	(56,238,322)
Repayment of Loan to Fixed Depositors	(21,245,671)	(17,911,251)
Repayment of Loan to Related Parties	-	(56,020,773)
	(56,440,984)	(150,328,084)
Net increase decrease in cash & cash equivalents	(8,985,666)	7,053,125
Cash and Cash equivalents (Opening Balance)	11,227,801	4,174,676
Cash and Cash equivalents (Closing Balance)	2,242,135	11,227,801

Notes forming part of Financial Statements

This is the Cash Flow Statement referred to in our report of even date.

As per our report annexed,**For Mukesh Aggarwal**

Chartered Accountants

Firm Registration No. 011393N

Rishi Mittal

Partner

M.No. 521860

Shantanu Deveshwar

Director

DIN: 08268523

Richa Kalra

Director

DIN: 07632571

Priya Sharma

Company Secretary

M.No. A-48306

Place : Delhi**Dated : 28th May 2019**

A. Equity Share Capital

Particulars	As at 31st March 2019	As at 31st March 2018
Balance at the beginning of the reporting period;	221,250,540	221,250,540
Changes in equity share capital during the year;	-	-
Balance at the end of the reporting period	221,250,540	221,250,540

B. Other Equity

Other equity consist of following:

Particulars	Reserves and Surplus					Total
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	Special Reserve	Retained Earnings	
Balance as at April 1, 2017	19,386,846	165,086,340	875,000	15,623,000	(844,075,798)	(643,104,612)
Profit/(loss) for the year	-	-	-	-	(630,347)	(630,347)
Other comprehensive income/(loss) for the year	-	-	-	-	(121,373)	(121,373)
Dividends (including corporate dividend tax)	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-
Transfer to Capital Reserve	-	-	-	-	-	-
Issue of Equity Share Capital	-	-	-	-	-	-
Balance at the end of the 31.03.2018	19,386,846	165,086,340	875,000	15,623,000	(844,827,519)	(643,856,333)
Profit/(loss) for the year	-	-	-	-	(9,449,279)	(9,449,279)
Other comprehensive income/(loss) for the year	-	-	-	-	87,827	87,827
Dividends (including corporate dividend tax)	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-
Transfer to Capital Reserve	-	-	-	-	-	-
Issue of Equity Share Capital	-	-	-	-	-	-
Balance at the end of the 31.03.2019	19,386,846	165,086,340	875,000	15,623,000	(854,188,971)	(653,217,785)

1 Property, Plant and Equipment

Property, plant and equipment consist of the following :

Particulars	Land	Plant & Machinery	Buildings	Vehicles	Furniture & Fixtures	Office Equipment & Appliances	Total
Year ended 31 March 2017							
Deemed cost as at 01.04.2016	306,000	43,708	130,434,470	-	792,098	193,345	131,769,621
Additions	-	-	-	-	-	-	-
Disposals	-	40,939	-	-	1,188	161,615	203,742
Closing gross carrying amount as at March 31, 2017	306,000	2,769	130,434,470	-	790,910	31,730	131,565,879
Depreciation charged during the year 2016-2017	-	-	2,862,476	-	180,539	13,743	3,056,758
Depreciation on Disposals	-	-	-	-	-	-	-
Closing Accumulated Depreciation as at March 31, 2017	-	-	2,862,476	-	180,539	13,743	3,056,758
Net carrying amount as at March 31, 2017	306,000	2,769	127,571,994	-	610,371	17,987	128,509,121
Year ended 31 March 2018							
Opening gross Carrying Amount	306,000	2,769	130,434,470	-	790,910	31,730	131,565,879
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	10,000	-	10,000
Closing Gross Carrying Amount as at March 31, 2018	306,000	2,769	130,434,470	-	780,910	31,730	31,555,879
Opening Accumulated Depreciation	-	-	2,862,476	-	180,539	13,743	3,056,758
Depreciation charged during the year 2017-2018	-	-	2,862,475	-	269,253	10,969	3,142,697
Depreciation on Disposals	-	-	-	-	9,500	-	9,500
Closing Accumulated Depreciation as at March 31, 2018	-	-	5,724,951	-	440,292	24,712	6,189,955
Net Carrying Amount as at March 31, 2018	306,000	2,769	124,709,519	-	340,618	7,018	125,365,924

Year ended 31 March 2019

Opening Gross Carrying Amount	306,000	2,769	130,434,470	-	780,910	31,730	131,555,879
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing Gross Carrying Amount as at March 31, 2019	306,000	2,769	130,434,470	-	780,910	31,730	131,555,879
Opening Accumulated Depreciation	-	-	5,724,951	-	440,292	24,712	6,189,955
Depreciation charged during the year 2018-2019	-	-	2,862,475	-	269,253	-	3,131,728
Depreciation on Disposals	-	-	-	-	-	-	-
<i>CLOSING ACCUMULATED DEPRECIATION AS AT MARCH 31, 2019</i>	-	-	8,587,427	-	709,545	24,712	9,321,684
Net Carrying Amount as at March 31, 2019	306,000	2,769	121,847,044	-	71,365	7,018	122,234,195

Deemed cost as on 01.04.2016

Opening Gross Value as on 01.04.2015	306,000	4,197,294	185,516,994	87,139	5,720,888	3,266,002	199,094,317
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing Gross Carrying Amount as at March 31, 2016	306,000	4,197,294	185,516,994	87,139	5,720,888	3,266,002	199,094,317
Opening Accumulated Depreciation as on 01.04.2015	-	4,146,206	52,220,048	87,139	4,745,574	3,053,855	64,252,822
Depreciation charged during the year	-	7,380	2,862,476	-	183,216	18,802	3,071,873
Depreciation on Disposals	-	-	-	-	-	-	-
Closing Accumulated Depreciation as at March 31, 2016	-	4,153,586	55,082,524	87,139	4,928,790	3,072,657	67,324,696
Net Carrying Amount as at March 31, 2016	306,000	43,708	130,434,470	-	792,098	193,345	131,769,621

2 NON CURRENT INVESTMENTS

Particulars	As at 31st March, 2019 Amount in Rs.	As at 31st March, 2018 Amount in Rs.
Details of non current investment		
-Investments in Equity Shares	-	-
Total	-	-

2(A) Details of non-current investment consist of following:

(Amount in Rs.)

Sr. No.	Particulars	Subsidiary / Associate / JV/ Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	As at 31st March, 2019	As at 31st March, 2018
			As at 31 st March, 2019	As at 31 st March, 2018				
(a)	Investments in Equity Shares							
	Non -Trade Investments							
1	Global IT Options Ltd	Subsidiary	900,000	900,000	UnQuoted	Fully Paid	9,000,000	9,000,000
	Less: Provision for Impairment	Subsidiary			UnQuoted	Fully Paid	(9,000,000)	(9,000,000)
	TOTAL (a)		900,000	900,000		-	-	-

Note 3: Other Financial Assets (Non-current)

Other Financial Assets consist of the following : (Amount in Rs.)

Particulars	As at 31 st March, 2019	As at 1st April, 2018
Bank Deposits		
(Deposits having maturity more than 12 months from reporting date)	220,000,000	-
Total	220,000,000	-

These are restricted bank deposits and cannot be operated without getting prior approval of Hon'ble Delhi High Court.

Note 4: Deferred Tax Assets (Net)

Major Components of the deferred tax balances (Amount in Rs.)

Deferred Tax Liabilities	As at 31 st March, 2019	As at 1st April, 2018
Depreciation and amortisation	30,745,828	31,126,586
Unrealised gain on securities carried at fair value through statement of profit and loss	2,256,483	1,697,831
Total (a)	33,002,311	32,824,417
Deferred Tax Assets	As at 31 st March, 2019	As at 31 st March, 2018
Post Employment Defined Benefit Plans	663,144	431,378
Provision for Doubtful Debts	62,926,290	67,869,815
Related Parties	(651,250)	(1,285,719)
Total (b)	62,938,184	67,015,473
Net Deferred Tax (Liabilities)/ Assets (b-a)	29,935,874	34,191,056
Add Minimum Alternative Tax (MAT) credit entitlement	2,851,906	2,851,906
Net Deferred Tax Asset	32,787,780	37,042,962

Movement in Deferred Tax Assets/(Liabilities)

Particulars	Property, Plant and Equipment	Post Employment Defined Benefit Plans	Provision for Doubtful Debts	Remeasurement of Investment through Profit and Loss	Related Parties	Total
Particulars						
At April 1, 2016	(38,944,272)	261,662	87,909,630	(1,069,061)	(2,730,900)	45,427,059
(Charged) / credited						
- to Statement of Profit and Loss	2,073,675	80,302	(2,990,096)	(185,746)	796,783	(225,082)
- to Other Comprehensive Income	-	95,732	-	-	-	95,732
At 31st March, 2017	(36,870,597)	437,696	84,919,534	(1,254,807)	(1,934,117)	45,297,708
(Charged) / credited						
- to Statement of Profit and Loss	5,744,011	2,961	(17,049,719)	(443,024)	648,398	(11,097,373)
- to Other Comprehensive Income	-	(9,279)	-	-	-	(9,279)

At 31st March, 2018	(31,126,586)	431,378	67,869,815	(1,697,831)	(1,285,719)	34,191,056
(Charged) / credited						
- to Statement of Profit and Loss	380,758	319,593	(4,943,524)	(558,652)	634,470	(4,167,355)
- to Other Comprehensive Income	-	(87,827)	-	-	-	(87,827)
At 31st March, 2019	(30,745,828)	663,144	62,926,290	(2,256,483)	(651,250)	29,935,874

5 OTHER NON CURRENT ASSETS

Other non current assets consist of the following : (Amount in Rs.)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Advances other than capital advances:		
Security Deposits	655,944	1,005,344
	655,944	1,005,344
Tax Recoverable (Net of Provisions) (Refer Note 5A)	19,618,842	17,178,331
	19,618,842	17,178,331
Unsecured , Doubtful		
- Employee Advances	-	-
- Others	1,022,936	1,022,936
Less: Provision towards doubtful advances/ECL	(1,022,936)	(1,022,936)
	-	-
Total	<u>20,274,786</u>	<u>18,183,675</u>

5A Details of Tax Recoverable

(Amount in Rs.)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Advance Tax	1,050,000	3,845,157
TDS	25,235,570	29,845,495
Provision for Tax	6,666,728	16,512,321
Net	<u>19,618,842</u>	<u>17,178,331</u>

6 CURRENT INVESTMENTS

Particulars	As at 31st March, 2019		As at 31st March, 2018
	Amount in Rs.		
Details of current investment			
--Investments in Equity Shares	12,089,583		15,233,120
Total	12,089,583		15,233,120

7(A) Details of current investment consist of following:

Sr. No.	Particulars	Subsidiary / Associate / JV/ Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	As at 31st March, 2019	As at 31st March, 2018
			As at 31st March, 2019	As at 31st March, 2018				
(a)	Investments in Equity Shares							
	At Fair Value Through Profit & Loss							
1	Clutch Auto Limited	Others	98,050	98,050	Quoted	Fully Paid	619,676	619,676
	Less: Provision for impairment						(619,676)	-
2	Health fore Technologies(Religare Technologies Ltd)	Others	10	10	Quoted	Fully Paid	77	77
	Less: Provision for impairment						(76)	-
3	Indo Biotech Foods Ltd	Others	300	300	Quoted	Fully Paid	1,200	1,200
	Less: Provision for impairment						(1,199)	-
4	Sujana Steel Ltd	Others	1,300	1,300	Quoted	Fully Paid	2,600	2,600
	Less: Provision for impairment						(2,599)	-
5	Padmini Technology Ltd	Others	500	500	Quoted	Fully Paid	5,000	5,000
	Less: Provision for impairment						(4,999)	-
6	Radhika Spinning Mills Ltd	Others	300	300	Quoted	Fully Paid	723	723
	Less: Provision for impairment						(722)	-
7	Uniworth Textiles Ltd.	Others	100	100	Quoted	Fully Paid	300	300

(Amount in Rs.)

	Less: Provision for impairment							(299)	
8	Virtualsoft System Limited (Suri Capital Leasing Ltd)	Others	13,400	13,400	Quoted	Fully Paid		21,708	21,708
	Less: Provision for impairment							(21,707)	
9	Daewoo Motors India Ltd	Others	8,250	8,250	Unquoted	Fully Paid		55,358	55,358
	Less: Provision for impairment							(55,357)	
10	ESSAR Ports Ltd.	Others	3	3	Unquoted	Fully Paid		30	30
	Less: Provision for impairment							(29)	
11	Galaxy Indo Fab Ltd(Shri Laksmi Cotsyn Ltd)	Others	200	200	Unquoted	Fully Paid		400	400
	Less: Provision for impairment							(399)	
12	Hazira Cargo Terminals Ltd	Others	9	9	Unquoted	Fully Paid		90	90
	Less: Provision for impairment							(89)	
13	Haryana Sheet Glass Ltd	Others	200	200	Unquoted	Fully Paid		2,060	2,060
	Less: Provision for impairment							(2,059)	
14	Vadinar Oil Terminal Ltd	Others	49	49	Unquoted	Fully Paid		490	490
	Less: Provision for impairment							(489)	
15	Profin Money Market Ltd	Others	25,000	25,000	Unquoted	Fully Paid		250,000	250,000
	Less: Provision for impairment							(249,999)	(249,999)
16	Tulip Finance Ltd	Others	1,000	1,000	Unquoted	Fully Paid		1,000,000	1,000,000
	Less: Provision for impairment							(999,999)	
17	World Tex Ltd	Others	437,500	437,500	Unquoted	Fully Paid		11,953,000	11,953,000
	Less: Provision for impairment							(11,952,999)	(11,952,999)
18	Salaya Bulk Terminals Ltd	Others	3	3	Unquoted	Fully Paid		30	30
	Less: Provision for impairment							(29)	
19	Skypack Courier Ltd	Others	100	100	Unquoted	Fully Paid		443	443
	Less: Provision for impairment							(442)	
20	Banaras Beads Ltd	Others	110	110	Quoted	Fully Paid		5,308	6,435
21	Calcom Vision Ltd	Others	5,600	5,600	Quoted	Fully Paid		170,240	76,440
22	Doin Global Solutions Ltd (Religare Technova)	Others	40	40	Quoted	Fully Paid		165	2,568
23	ESSAR Shipping Ltd.	Others	33	33	Quoted	Fully Paid		345	756

24	Flex Foods Ltd	Others	100	100	Quoted	Fully Paid	5,855	10,520
25	Gagan Polycot Ltd	Others	800	800	Quoted	Fully Paid	1,376	3,312
26	GE Shipping Ltd	Others	65	65	Quoted	Fully Paid	18,392	20,163
27	Gujarat Meditech Ltd	Others	200	200	Quoted	Fully Paid	800	820
28	Innovative Tech Pack Ltd	Others	100	100	Quoted	Fully Paid	2,840	6,945
29	Jamna Auto Ind. Ltd. (Jaiparabolic Springs Ltd)	Others	1,000	200	Quoted	Fully Paid	62,750	15,730
30	Kesar Terminal Infrastructure Ltd. (Kesar Enterprises Ltd)	Others	145	145	Quoted	Fully Paid	9,135	18,567
31	Kinetic Trust Ltd.	Others	100	100	Quoted	Fully Paid	855	900
32	Mild India Industries Ltd	Others	100	100	Quoted	Fully Paid	32	100
33	Nagarjuna Oil Refinery Ltd	Others	100	100	Quoted	Fully Paid	33	350
34	Nagarjuna Fertilizers & Chemicals Ltd	Others	110	110	Quoted	Fully Paid	755	2,136
35	Pioneer Investcorp Ltd	Others	100	100	Quoted	Fully Paid	3,020	3,765
36	Profin Capital Services Ltd	Others	19,300	19,300	Quoted	Fully Paid	2,078,610	4,341,535
37	Rain Industries Ltd	Others	500	500	Quoted	Fully Paid	51,250	187,325
38	Shree Rajasthan Syntex Ltd	Others	500	500	Quoted	Fully Paid	5,000	7,150
39	Shree Rayalaseema Hi Strength Hypo Ltd	Others	8,255	8,255	Quoted	Fully Paid	1,400,874	1,194,499
40	Cepham Milk Specialities Ltd.	Others	30,000	30,000	Quoted	Fully Paid	3,861	1
41	Punj Lijoy Ltd	Others	200,000	200,000	Quoted	Fully Paid	422,000	3,410,000
42	Sujana Universal Industries Ltd	Others	1,100	1,100	Quoted	Fully Paid	308	1,485
43	Svam Software Ltd	Others	200	200	Quoted	Fully Paid	94	200
44	Thomas Cook Ltd.	Others	660	660	Quoted	Fully Paid	166,782	186,582
45	United Breweries Limited	Others	8	8	Quoted	Fully Paid	11,161	7,583
46	Sunstar Lubricants Ltd	Others	3,100	3,100	Quoted	Fully Paid	3,777	1
47	Jaimata Rolled Glass Ltd	Others	100	100	Quoted	Fully Paid	35	1
48	Jsw Ispat Steel Ltd	Others	80	80	Quoted	Fully Paid	1	1
49	Modern Threads Ltd	Others	100	100	Quoted	Fully Paid	1	1
50	Tribology India Ltd	Others	400	400	Quoted	Fully Paid	1	1
51	HPM Industries Ltd	Others	5,000	5,000	Quoted	Fully Paid	1	1
52	Mardia Samyoung Capillary Tube	Others	1	1	Quoted	Fully Paid	1	1

53	Grand Foundry Ltd	Others	600	600	Quoted	Fully Paid	1	1
54	Goldwon Textiles Ltd	Others	100	100	Quoted	Fully Paid	1	1
55	Good Value Marketing Ltd	Others	200	200	Quoted	Fully Paid	1	1
56	Krishna Engineering Works Ltd	Others	300	300	Quoted	Fully Paid	1	1
57	Superforging & Steels Ltd	Others	9,600	9,600	Quoted	Fully Paid	1	1
58	Bharati Telecom Ltd	Others	100	100	Unquoted	Fully Paid	1,000	6,662
59	RFB Latex Ltd	Others	220,000	220,000	Unquoted	Fully Paid	3,380,852	4,010,348
60	Rajasthan Antibiotics Ltd.	Others	30,000	30,000	Unquoted	Fully Paid	4,182,479	2
61	Cebon India Ltd.	Others	30,000	30,000	Unquoted	Fully Paid	57,278	1
62	Krishna Colloid Rolled Ltd (Rs.2.50 pd)	Others	25,000	25,000	Unquoted	Fully Paid	27,219	1
63	Valpus Biotech Ltd	Others	700	700	Unquoted	Fully Paid	15,032	1
64	Adhunik Synthetics Ltd	Others	100	100	Unquoted	Fully Paid	1	1
65	Bhiwani Synthetics Ltd	Others	400	400	Unquoted	Fully Paid	1	1
66	BLB Mutual Services Ltd	Others	300	300	Unquoted	Fully Paid	1	1
67	BLB Share & Financial Services Ltd	Others	50	50	Unquoted	Fully Paid	1	1
68	Cephram Organics Ltd	Others	250	250	Unquoted	Fully Paid	1	1
69	Chirau Finance Invest. & Leasing	Others	3,900	3,900	Unquoted	Fully Paid	1	1
70	City Lifts Ltd	Others	2,800	2,800	Unquoted	Fully Paid	1	1
71	Crest Paper Mills Ltd	Others	1,700	1,700	Unquoted	Fully Paid	1	1
72	Datapro Information Technology Ltd	Others	1,000	1,000	Unquoted	Fully Paid	1	1
73	Decora Tubes Ltd	Others	200	200	Unquoted	Fully Paid	1	1
74	East India Syntex Ltd	Others	200	200	Unquoted	Fully Paid	1	1
75	Electrolux Kelvinator (Intron)	Others	825	825	Unquoted	Fully Paid	1	1
76	Garg Forgings & Castings Ltd	Others	500	500	Unquoted	Fully Paid	1	1
77	Girnar Fibres Ltd	Others	4,100	4,100	Unquoted	Fully Paid	1	1
78	Gorden Herbert India Ltd	Others	100	100	Unquoted	Fully Paid	1	1
79	Greenfield Corporation Ltd (Rs.5.00 pd)	Others	127,000	127,000	Unquoted	Fully Paid	1	1
80	Hindustan Development Corpn. Ltd	Others	21,050	21,050	Unquoted	Fully Paid	1	1
81	Jainpur Straw Products Ltd	Others	1,200	1,200	Unquoted	Fully Paid	1	1
82	Jay Vinyils Ltd	Others	100	100	Unquoted	Fully Paid	1	1
83	Jiwan Flora Ltd	Others	400	400	Unquoted	Fully Paid	1	1
84	Karishma Floriculture Ltd	Others	1,700	1,700	Unquoted	Fully Paid	1	1

85	Kashipur Holdings Ltd(Bonus)	Others	50	50	Unquoted	Fully Paid	1	1
86	Kitti Steels Ltd	Others	100	100	Unquoted	Fully Paid	1	1
87	Makan Agro Ltd	Others	200	200	Unquoted	Fully Paid	1	1
88	Minerva Holdings Ltd	Others	20	20	Unquoted	Fully Paid	1	1
89	Moon Beam Industries Ltd	Others	400	400	Unquoted	Fully Paid	1	1
90	Pan Asia Industries Ltd	Others	5,400	5,400	Unquoted	Fully Paid	1	1
91	Rasik Plast Ltd	Others	4,500	4,500	Unquoted	Fully Paid	1	1
92	S.M. Dychem Ltd	Others	4	4	Unquoted	Fully Paid	1	1
93	S.V. Electricals Ltd	Others	5,000	5,000	Unquoted	Fully Paid	1	1
94	Sajjan Textiles Ltd	Others	100	100	Unquoted	Fully Paid	1	1
95	Shree Pommani Metals & Alloys Ltd	Others	19,400	19,400	Unquoted	Fully Paid	1	1
96	Siddarth Spinfab Ltd	Others	3,500	3,500	Unquoted	Fully Paid	1	1
97	Starspin & Twist Ltd	Others	100	100	Unquoted	Fully Paid	1	1
98	Sturdy Polymers Ltd	Others	200	200	Unquoted	Fully Paid	1	1
99	Suryachakra Seafoods Ltd	Others	13,400	13,400	Unquoted	Fully Paid	1	1
100	Swarnima Oils Ltd	Others	200	200	Unquoted	Fully Paid	1	1
101	Transpower Engineering Ltd	Others	2,500	2,500	Unquoted	Fully Paid	1	1
102	U.P. Lime Chem Limited	Others	500	500	Unquoted	Fully Paid	1	1
103	Vikram Projects Ltd	Others	1,600	1,600	Unquoted	Fully Paid	1	1
104	Vishal Lakco Ltd	Others	9,700	9,700	Unquoted	Fully Paid	1	1
	Total (b)							4,017,056
	Total		1,415,630	1,414,830			12,089,583	15,233,120

*The equity shares has been shown at cost which deemed to be fair value. The Company is running and reporting profits.

7 TRADE RECEIVABLES

Trade receivables consist of the following: (Amount in Rs.)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Unsecured, considered doubtful	169,467,432	169,467,432
Less: Provision for doubtful debts	(169,467,432)	(169,467,432)
Total	-	-

8 Cash and Cash Equivalent

Cash and cash equivalents consist of the following at amortised cost: (Amount in Rs.)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
(a) Balances with Bank		
-Restricted Bank Balance (Refer Note 8A and 8D)	3,016,775	12,171,374
Less: Provision for impairment (Refer Note 8B & 8C)	(774,640)	(945,374)
	2,242,135	11,226,000
(b) Cash in hand		
	-	1,801
Total	2,242,135	11,227,801

8A Restricted Bank Balances Includes :

(Amount in Rs.)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Canara Bank	748,745	748,745
IDBI Bank Limited	895,897	10,729,119
Axis Bank	1,103,572	481,162
Kotak Mahindra	218,561	212,348
IDFC	50,000	-
Total	3,016,775	12,171,374

8B During the year ended 31st March, 2018, the provision for impairment of Rs. 9,45,374 has been provided for the banks balances which are not in operation from past years and confirmations to their balances are not made available. However Provision of Rs.1,70,734 reversed during the current reporting period, reason being UTI special collection A/C became operative in the F.Y. 2018-19.

(Amount in Rs.)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Canara Bank		
UTI Special Collection A/C	748,745	748,745
UTI	-	170,734
Total	25,895	25,895
	774,640	945,374

8C Bank Balances amounting to Rs. 41,436 have been written off during the year ended 31st March 2018, out of which Rs. 11,131 has been written-off against provisions created in earlier years

8D These are restricted bank balance and cannot be operated without getting prior approval of Hon'ble Delhi High Court..

9 Other Bank Balances

Other Bank Balances consist of the following at amortised cost:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Bank Deposits		
(deposits with original maturity of more than 3 months having remaining maturity less than 12 months from reporting date)	88,449,831	336,054,596
Total	<u>88,449,831</u>	<u>336,054,596</u>

9A These are restricted bank deposits and cannot be operated without getting prior approval of Hon'ble Delhi High Court.

10 Other Current Financial Assets

Other Current Assets consist of the following at amortised cost: (Amount in Rs.)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Interest accrued but not due on Fixed Deposits	1,748,530	18,850,464
(A)	<u>1,748,530</u>	<u>18,850,464</u>
Unsecured, Doubtful		
- Inter Corporate Deposit	7,957,994	7,957,994
- Bills Receivable	10,717,132	10,717,132
- Rent Receivable	51,846,552	51,846,552
Less: Provision towards Doubtful Debts/ECL	(70,521,678)	(70,521,678)
(B)	-	-
Total (A) + (B)	<u>1,748,530</u>	<u>18,850,464</u>

11 Other Current Assets (Non-Financial)

Other Current Assets consist of the following:-: (Amount in Rs.)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Employee Advances	13,312	358,359
Other Advances	224,195	53,318
	237,507	411,677
Less: Provision NPA	(237,507)	(411,677)
Total	<u>-</u>	<u>-</u>

12 SHARE CAPITAL

The Authorised, Issued, Subscribed and fully Paid up Share Capital of Equity Shares having a par value of Rs. 10/- each as follows:

Share Capital	As at 31st March, 2019		As at 31st March, 2018	
	Number	Amount in Rs.	Number	Amount in Rs.
Authorised				
Equity Shares of Rs. 10/- each	65,000,000	650,000,000	65,000,000	650,000,000
6,50,00,000 Equity Shares of Rs.10 each				
Issued	65,000,000	650,000,000	65,000,000	650,000,000
2,21,25,054 Equity Shares of Rs.10 each	22,125,054	221,250,540	22,125,054	221,250,540
Fully paid up				
Total	22,125,054	221,250,540	22,125,054	221,250,540

12A Reconciliation of number of shares

Particulars	Equity Shares			
	As at 31st March, 2019		As at 31st March, 2018	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	22,125,054	221,250,540	22,125,054	221,250,540
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement (please specify)	-	-	-	-
Shares outstanding at the end of the year	22,125,054	221,250,540	22,125,054	221,250,540

12B Details of shares held by shareholders holding more than 5% of aggregate shares in the company

Particulars	Equity Shares			
	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
DCM Services Ltd	6,352,487	28.71%	6,352,487	28.71%
Intellect Capital Services Ltd	2,075,000	9.38%	2,075,000	9.38%
Punjab & Sind Bank	1,319,900	5.97%	1,319,900	5.97%
Total	9,747,387	44.06%	9,747,387	44.06%

13 OTHER EQUITY

Other equity consist of following :

Other Equity	Reserves and Surplus				Retained Earnings	Total
	Capital Reserve	Securities Premium	Debtenture Redemption Reserve	Special Reserve		
Balance at 1.04.2017	19,386,846	65,086,340	875,000	15,623,000	(844,075,798)	(643,104,612)
a. Balance at the beginning of the reporting period	19,386,846	165,086,340	875,000	15,623,000	(844,075,798)	(643,104,612)
b. Changes in accounting policy or prior period errors	-	-	-	-	-	-
c. Restated balance at the beginning of the reporting period	-	-	-	-	-	-
d. Total comprehensive income for the year	-	-	-	-	(751,721)	(751,721)
e. Dividends	-	-	-	-	-	-
f. Transfer to retained earnings	-	-	-	-	-	-
g. Total other comprehensive income for the year	-	-	-	-	-	-
Balance at the end of the 31.03.2018	19,386,846	165,086,340	875,000	15,623,000	(844,827,519)	(643,856,333)
a. Balance at the beginning of the reporting period	19,386,846	165,086,340	875,000	15,623,000	(844,827,519)	(643,856,333)
b. Changes in accounting policy or prior period errors	-	-	-	-	-	-
c. Restated balance at the beginning of the reporting period	-	-	-	-	-	-
d. Total comprehensive income for the year	-	-	-	-	(9,361,452)	(9,361,452)
e. Dividends	-	-	-	-	-	-
f. Transfer to retained earnings	-	-	-	-	-	-
g. Total other comprehensive income for the year	-	-	-	-	-	-
Balance at the end of the 31.03.2019	19,386,846	165,086,340	875,000	15,623,000	(854,188,971)	(653,217,785)

14 Long Term Borrowing

Long term borrowings consist of following :

(Amount in Rs.)

Particulars	As at 31st March, 2019	As at 31st March, 2018
A. Secured		
(i) Term Loan from SBI HF (Refer Note 14.1)	2,500,000	2,500,000
(ii) Payable to Related Party		
- DCM Services Ltd	18,270,000	18,270,000
- Others	121,755,984	110,687,258
(Refer Note 14.2, 14.3 and 14.4)		
	142,525,984	131,457,258
Total	142,525,984	131,457,258

14.1 SBI HOME FINANCE LIMITED

- (a) **Status till 31-March-2017** - The company has already paid Rs. 29,000,000 under the Old Scheme and proposes to allot shares worth Rs. 2,500,000 for the balance as per the Fresh Restructuring Scheme in the first year from the effective date (Effective date means the date of filing of the certified copy of the order sanctioning the scheme of the Hon'ble High Court of Delhi at New Delhi with the Registrar of Companies of Delhi & Haryana). SBIHF has removed a charge on its assets and therefore the loan is now categorized as unsecured loan.

The Company has to allot fully paid up shares of Rs. 25 Lacs of the Company at Rs. 30/- per share (share value Rs. 10/- plus premium Rs. 20/- per shares) or as per SEBI guidelines to SBI Home Finance Ltd. as per the Decree awarded by the Hon'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme as per applicable SEBI guidelines.

(a) DECISION OF ONE MAN COMMITTEE

As per Report of One Man Committee pursuant to order dated 3.9.2015 passed by Hon'ble Delhi Court as on 10th August, 2017, the debt settlement will be as follows:

- (i) **Amount due to SBI Home Finance as at 31-Dec-2015**

Particulars	Amount (In Lacs)
I. Principal Outstanding	25.00
II. Maturity Interest	-
Total	25.00

- (ii) **Payment Schedule by issuing in shares**

(In Lacs)

Particulars	Phase-I
To be discharged by issuance of Equity shares of the Company of the face value of Rs. 10/- at a premium of Rs. 20/- per share or as per applicable SEBI guidelines	25.00
The Company proposes to: allot shares worth Rs. 25.00 Lacs to SBI Home Finance Ltd. as per the Decree awarded by the Hon'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme as per applicable SEBI guidelines	
Total	25.00

Since, the number of shares to be allotted are not clear, presently the amount of Rs. 25 Lacs is shown in Other Current Financial Liabilities and not under other equity. The same shall be reclassified depending upon whether Company has to issue variable number of equity shares or fixed number of equity shares.

14.2 INDUSIND BANK

- (a) **STATUS AS AT 31-MARCH-2017** - IndusInd Bank: The amount payable to IndusInd Bank after calculating interest up to March 31, 2000 had been quantified at Rs. 65,149,000 as on 30-June-2004 in accordance with the "Fresh Restructuring Scheme Under Review". Out of which Fixed Deposit of Rs 74,49,324 has been adjusted by IndusInd Bank. The balance amount of Rs. 57,699,676 shall be payable as per Fresh Restructuring Scheme. Out Rs. 57,699,676, Rs. 2,83,82,676 shall be payable in six equal yearly installments of Rs 56,76,400 from the 2nd year of the effective date of approval of Fresh Restructuring Scheme by Hon'ble Delhi High Court. The balance of Rs 2,93,17,000 shall be converted in equity shares at any time within 3 years of the effective date of approval of Fresh Restructuring Scheme by Hon'ble Delhi High Court in accordance with applicable SEBI Guidelines for issuance of preferential allotment. Pursuant to an earlier agreement with the bank, from April 1, 2000 till 31st March 2005, interest at a compounded half yearly rate of 10% p.a. has been computed at Rs. 30,020,010, which has already been paid by way of allotment of equity shares of Rs. 10/- each at a premium of Rs. 20/- on 31st March 2001 in advance. The same has been adjusted while arriving at balance of Rs. 65,149,000 as on 30th June 2004. The Fresh Restructuring Scheme does not envisage any payment of interest from 1st-April-2000. Interest payable from 01.04.2005 to 31.03.2017 is also not provided since a Fresh Restructuring Scheme, which is subject to the approval of Hon'ble High Court of Delhi, has been submitted which does not envisage payment of any interest.

(b) DECISION OF ONE MAN COMMITTEE

Decision of One MAN COMMITTEE - Now, as per the scheme, the total principal amount payable to IndusInd Bank has been quantified at Rs 6.515 Lacs as on 30th June 2004. This figure has been arrived at after calculating interest upto 31st March 2000 @12% p.a. compounded quarterly on the principal amount of L/C devolvement, after allowing credits for actual amounts paid till date and credit for margin money amounting to Rs. 35.99 Lacs, and excludes penal interest/ additional interest/ overdue charges, if any, debited by the Bank. (Present outstanding after all adjustments is Rs 5.77Cr) The settlement made with the Bank in the earlier scheme has been considered as the base. The total amount payable under the scheme to IndusInd Bank so quantified shall be repaid in line with the above settlement and RBI guidelines of OTS is as under:

(i) Amount due to INDUSIND Bank

Particulars	Amount (In Cr)
I. Principal Outstanding	5.77
II. Maturity Interest	-
Total	5.77

(ii) Payment Schedule

Particulars	Phase-I	Phase-II
I. 70% of total principal amount	4.04	-
II. 30% of total amount	-	1.73
III. Maturity Interest	-	-
Total	4.04	1.73

Now, after approval of Fresh Restructuring Scheme as recommended by One Man Committee, the payment to IndusInd Bank is restricted to the Principal Amount only. Hence, no payment of Interest is envisaged in the Scheme

- (c) The Loan of IndusInd Bank was acquired by DCM Anubhavi Marketing Private Limited. The company pursuant to scheme of One Man Committee, has paid 70% of the principal amount to DCM Anubhavi Marketing Private Limited in th FY 17-18, being assignee of said loan of IndusInd Bank under Phase-I. The balance 30% amount forms the part of closing balance of the current year. The aforesaid amounts are included in the Payment to Related Party which will be released in Phase-II.

(d) Statement on Reconciliation of Loan:	Amount In Rs.
Principal Outstanding as per the Scheme	57,699,675
Less: Redemption made during the year as per the scheme	40,389,773
Balance as on 31st March 2018/Balance as on 31st March 2019	17,309,903

14.3 PRESSMAN LEASING**(a) DECISION OF ONE MAN COMMITTEE**

The amount due to M/s, Pressman Leasing has been quantified at the lump sum of Rs 4.10 Cr and such amount would be paid 55% (Rs. 2.26 Crore) in cash and 45% (Rs. 1.84 Crore) in shares and details are under:-

Payment Schedule **Amount (In Cr)**

Particulars	Phase-I	Phase-II
I. 70% of total principal amount	1.58	-
II. 30% of total amount	-	0.68
Total	1.58	0.68

- (b) The Company has to allot fully paid up shares of the Company as per SEBI guidelines to SBI Home Finance Ltd. as per the Decree awarded by the Hon'ble High Court of Delhi at New Delhi, within two years from the effective date of the scheme.

Since, the number of shares to be allotted are variable, the amount is shown in Liabilities and not equity.

- (c) The Interest dues are waived and cancelled.
- (d) The Loan of Pressman Leasing was acquired by DCM Services Limited. The company pursuant to scheme of One Man Committee, has paid 70% of the principal amount to DCM Services Limited under Phase-I during the year ended 31-March-2018, being assignee of said loan of Pressman Leasing. The balance 30% amount forms the part of closing balance of the current year. The aforesaid amounts are included in the Payment to Related Party which will be released in Phase-II as per Schedule. There is no change in status for the year ended 31st March 2019.

14.4 OTHERS**Others includes the following:**

- DCM International Limited	25,590,477	23,264,070
- DCM Services Limited (including Pressman Leasing Loan) Note 14.3	73,885,290	67,168,445
- DCM Anubhavi Market Private Limited (including Indusind Bank Loan) Note 14.2	20,204,009	18,367,281
- Global IT Options Limited	2,076,208	1,887,462
	121,755,984	10,687,258

15 Other Non Current Liabilities (Non-Financial)

Other Non Current Liabilities consist of the following :-

Particulars	As at 31st	As at 31st
	March, 2019	March, 2018
	Amount in Rs.	Amount in Rs.
Deferred Interest	7,297,982	15,878,429
Employee Advances	-	-
Total	7,297,982	15,878,429

16 Provisions (Non-Current)

Provisions consist of the following :

Particulars	As at 31st	As at 31st
	March, 2019	March, 2018
	Amount in Rs.	Amount in Rs.
(a) Provision for Employee Benefits		
Leave Encashment	179,608	104,963
Gratuity	648,009	421,782
Total	827,617	526,745

17 Other Current Financial Liabilities

Other Financial Liabilities consist of the following at amortised cost:-

Particulars	As at 31st	As at 31st
	March, 2019	March, 2018
	Amount in Rs.	Amount in Rs.
a. Secured		
Debentures (Refer Note 17.1)	202,208,752	237,404,065
Term Loan from Institution -SIDBI (Refer Note 17.2)	1,088,982	1,088,982
Due to Banks (Refer Note 17.3)	24,102,141	24,102,141
	<u>227,399,875</u>	<u>262,595,188</u>
b. Unsecured		
Fixed Deposit from Public (Refer Note 17.4)	523,746,858	544,992,529
Inter - Corporate Deposits (Refer Note 17.5)	2,716,607	2,716,607
	<u>526,463,465</u>	<u>547,709,136</u>
(c) Rent Payable	-	-
(d) Security Deposits	625,000	625,000
(e) Payable to Punjab & Haryana High Court (Refer Note 17.6)	10,000,000	10,000,000
(f) Expenses Payable	7,029,206	6,465,346
(g) Other Payable	4,838,567	4,838,567
Total	<u>776,356,112</u>	<u>832,233,236</u>

17.1 DEBENTURES

(a) Debentures	As at 31st	As at 31st
	March, 2019	March, 2018
"A" Series Debenture	710,000	850,000
"B" Series Debenture		
- 19.5% Regular	87,586,989	101,541,923
- 19.5% Cumulative	87,507,537	105,202,987
- Deep Discount Bonds	26,404,226	29,809,155
	<u>202,208,752</u>	<u>237,404,065</u>

(b) Scheme "A" Series

The company had allotted the Debenture 'A' series on 28th February, 1996 and 23rd September, 1996 respectively. These debentures are secured against mortgage/hypo-thecation/charge on assets financed out of the proceeds of these debentures. The outstanding debentures of Rs. 850,000 were overdue as on March 31, 2018 out of which Rs 140,000 have been repaid during the year. The remaining overdue balance are to be paid as per report of One Man Committee under Fresh Restructuring Scheme.

(c) Scheme "B" Series

Debenture 'B' Series were allotted on 5th November, 1996 and are secured against hypothecation/charge on land and premises situated at Mouje Pirangut, Taluka Mulshi, Distt Pune in the State of Maharashtra alongwith all buildings, structures thereon and all plant and machinery, spares, tools, accessories and other movables of the Company, both present and future, whether installed or not. The total amount of debentures allotted were Rs 281,804,100 which matured for redemption on 5th May, 1998. Out of total debentures allotted amounting to Rs 281,804,100, debentures of Rs. 8,03,05,348 have been redeemed till March 31st, 2019. The remaining debentures as at March 31, 2019 in the "B" series amounting to Rs 20,14,98,752 consist of the following:-

Particulars	Amount in Rs.	Amount in Rs.
19.5% Regular	87,586,989	101,541,923
19.5% Cumulative	87,507,537	105,202,987
Deep Discount Bonds	26,404,226	29,809,155
Total	201,498,752	236,554,065

- (d) The value of assets charged in favour of debentures has been depleted over a period of time but the depletion has not been ascertained. To the extent of shortfall, if any, the liability is unsecured.
- (e) A supplementary trust deed for giving effect to the proposed repayment plans as provided in Clause 44 of the Trust deed has not been prepared by the trustees so far.
- (f) Status till 31-March-2017 - Provision of interest on debentures up to 31st March, 2017 from the date of renewal offer letter of 1998 is calculated @ 10% p.a. of simple interest on 19.5% Debenture "B" Series and regular interest on Debenture "A" Series amounting to approximately Rs. 482,230,034 has not been provided since a Fresh Restructuring Scheme that is subject to the approval of the Hon'ble High Court of Delhi has been submitted which does not envisage payment of any interest. The rate of 10% per annum issued for Debentureholders is based on the order of Company Law Board (CLB) which was pronounced for Fixed Depositors. Though Fresh Scheme does not envisage payment of any interest, it has been considered prudent to provide interest of 10% per annum on 19.5% Debenture "B" Series and regular interest on Debenture "A" Series since date of renewal offer letter in 1998 by following principles of prudence.

However, since the Restructuring Scheme proposed by One Man Committee has been approved Hon'ble Delhi High Court, the maturity interest amount is restricted to Rs 2.35 Crores which is scheduled to be paid in Phase-2, although decision regarding payment of interest after maturity will be taken at a future date by Hon'ble Delhi Court.

- (g) **Status till 31-March-2017** - The Central Bank of India, Bombay, Trustees for the Non-Convertible Debentures B-Series have filed a suit for recovery of Rs. 442,178,385 on 14th October, 1999 before the Hon'ble Bombay High Court. It includes interest of Rs. 155,361,443 and Rs. 286,796,000 towards principal. No provision has been made in the books of accounts for such interest.

The Hon'ble Bombay High Court vide its interim order dated 24th December, 1999 has passed an order that all receipts from hypothecated assets shall be deposited with the trustees in a separate bank account except for amounts utilized as per orders of The Reserve Bank of India and the Company Law Board.

The suit filed by the Central Bank of India before the Hon'ble Bombay High Court has been stayed by Hon'ble High Court of Delhi vide order dated September 14th, 2005 on application made by the company and there is no change in the status as at 31st March, 2019.

However, some of the debentures holders have already been paid by the Central Bank of India. The amount which has been already been paid to the Debenture Holders by the Central Bank of India be paid to the Bank. The Central Bank of India has also claimed some amount in a suit filed before the Hon'ble Bombay High Court. No claim has however, been filed by the Central Bank of India before the One Man Committee despite opportunity granted to the Bank. While computing the amount payable in phases to other creditors, this amount claimed by the Bank will be not disbursed till the bank is able to establish its claim in the appropriate proceedings before the Court/One Man Committee.

- (h) **DECISION OF ONE MAN COMMITTEE**

As per report of One Man Committee pursuant to order dated 3.9.2015 passed by Hon'ble Delhi Court as on 10th August, 2017, repayment of Debentureholders of "A" Series as well as "B" Series is to be made in two phases. In the first phase of scheme of repayment, debentureholders are to be paid 70% the balance principal amount. The Debentureholders having balance of Rs 5,000 or less will be paid their 100% principal amount in the First Phase. In the second phase maturity interest on debentures is to be paid along with remaining 30%. The schedule of payment to Debentureholders to settle debt will be as under :-

(i) Amount due to Debenture-holders

Particulars	Amount (In Cr.)
I. Principal Outstanding	25.53
II. Maturity Interest	2.35
Total	27.88

(ii) Payment Schedule

Particulars	(In Crores)	
	Phase-I	Phase-II
I. 70% of total principal amount	17.87	-
II. Less than Rs 5,000	1.69	-
III. 30% of total amount	-	5.97
IV. Maturity Interest	-	2.35
Total	19.56	8.32

(i) Statement on Reconciliation of Debentures:

Principal Outstanding as per the Scheme of One Man Committee	255,285,689
Less: Redemption made during the year with the approval of High Court of Delhi	264,845
Balance as on 1st April 2017	255,020,844
Less: Redemption made during the year ended 31-March-2018 as per the scheme of one man committee	17,616,779
Balance as on 31st March 2018	237,404,065
Less: Redemption made during the year ended 31-March-2019 as per the scheme of one man committee	35,195,313
Balance as on 31st March 2019	202,208,752

Total Debt was scheduled to be paid in Two phases. First phase of debt settlement as per Report of One Committee pursuant to order dated 3.9.2015 has already commenced in the FY 17-18 and payments to debentureholders amounting of Rs.5,28,12,092 has already been made till March 31, 2019. Remaining debt includes balance 30% and unclaimed original principal amount invested of Rs 5000 or less. Since KYC norms are still under process and payments are to be made in coming periods, the entire debt balance of Rs 20,22,08,752 is shown as Other Current Financial Liability.

17.2 SIDBI

- (a) **Status till 31-March-2017** - SIDBI has filed a petition for winding up on alleged non-payment of Rs. 5,440,000 which consist of interest, overdue interest and other charges, before the Hon'ble Delhi High Court. Provision for such liability on account of interest, overdue interest, and other charges claimed and claimable by SIDBI has not been ascertained and provided for due to waiver of interest sought under the "Fresh Restructuring Scheme". Consequently no provision of Rs. 1,810,059 towards overdue int & other charges has been made by the company in the books of accounts.
- (b) Hypothecation / charge on assets financed out of the said loan.
- (c) The value of the assets charged in favour of institutions have been depleted over a period of time and the depletion has not been ascertained. To the extent of the shortfall, if any, the liability is unsecured.
- d) **DECISION OF ONE MAN COMMITTEE**

As per report of One Man Committee pursuant to order dated 3.9.2015 accepted by Hon'ble Delhi Court as on 10th August, 2017, the debt settlement for amount due to SIDBI will be as follows :-

(i) Amount due to SIDBI as at 31-Dec-2015 as per scheme of One Man Committee

Particulars	Amount (In Lac)
I. Principal Outstanding	36.3
II. Maturity Interest	-
Total	36.3

(ii) Particulars	Phase-I	Phase-II
I. 70% of total principal amount	25.41	-
II. 30% of total amount	-	10.89
III. Maturity Interest	-	-
Total	25.41	10.89

Under the scheme of One Man Committee, amount of Rs 36.30 Lacs was payable, out of which 70% amounting to Rs 25.41 Lacs has been paid under Phase-I during the year ended 31-March-2018. As per scheme, no interest has to be paid.

(e) **Statement on Reconciliation of Loan:** **Amount in Rs**

Principal Outstanding as per the Scheme	3,629,941
Less: Redemption made during the year as per the scheme of scheme of one man committee	2,540,959
Balance as on 31st March 2018/Balance as on 31st March 2019	1,088,982

Total Debt was scheduled to be paid in Two phases. First phase of debt settlement as per Report of One Committee pursuant to order dated 3.9.2015 has already commenced in the FY 17-18 and payments to SIDBI amounting of Rs. 25,40,919 has been already paid in the FY 17-18 as per the First Phase which is equivalent to 70% of the total principal amount. Hence, the balance 30% i.e. Rs. 10,88,982 which is payable in Second Phase is classified as Other Current Financial Liability.

17.3 PUNJAB AND SIND BANK

(a) Due to Banks	As at 31.03.2019	As at 31.03.2018
Punjab & Sind Bank	24,102,140	24,102,140
	24,102,140	24,102,140

(b) The value of the assets charged in favour of aforesaid banks have depleted over a period of time and the depletion has not been ascertained. To the extent of the shortfall, if any, the liability is unsecured.

(c) **STATUS AS AT 31-MARCH-2017** - PUNJAB & SIND BANK (PSB): As per the Fresh Restructuring Scheme, the total amount payable to PSB remains quantified at Rs. 90,180,463 as on 30th June 2004 (after providing interest @10% p.a., compounded quarterly from 30th September 1999 till 31st March, 2000 on the principal debt as on 30.09.1997). The company has till date paid/ adjusted Rs. 9,840,000 and the balance of Rs. 80,340,463 as on 30th June 2008 is payable as per the Fresh Restructuring Scheme pending before the Hon'ble Delhi High Court. Out of Rs.80,340,463 i.e. Rs.4,42,68,278 shall be payable in 6 equal yearly installments after one year from the date of approval of the scheme or 1st April, 2006 whichever is earlier. The balance of Rs 3,60,72,185 shall be converted in equity shares at any time within 3 years of the effective date of approval of Fresh Restructuring Scheme by Hon'ble Delhi High Court in accordance with applicable SEBI Guidelines for issuance of preferential allotment of the effective date or 1st April, 2006 which ever is earlier. Pursuant to an earlier agreement with the bank, from April 1st, 2000 till 31st March 2005, interest at a compounded half yearly rate of 10% p.a. has been computed at Rs. 39,597,000, which has already been paid by way of allotment of equity shares of Rs. 10/- each at a premium of Rs. 20/- on 31st March 2001 in advance. The same has been adjusted while arriving at balance of Rs. 90,180,463 as on 30th June 2004. In the event of default in the payment of interest and principal, the concessions made by PSB shall stand withdrawn and the claim filed before the Debt Recovery Tribunal amounting to Rs. 121,752,117 would be payable. Interest payable from 01.04.2005 to 31.03.2017 is also not provided since a Fresh Restructuring Scheme, which is subject to the approval of Hon'ble High Court of Delhi, has been submitted which does not envisage payment of any interest.

Since fresh restructuring scheme was not approved and made effective by 1st April 2006, the claim of Rs 121,752,117 filed before the Debt Recovery Tribunal and to the extent of interest, overdue interest, default charges not provided for.

(d) **DECISION OF ONE MAN COMMITTEE**

As per report of One Man Committee pursuant to order dated 3.9.2015 accepted by Hon'ble Delhi Court as on 10th August, 2017, the debt settlement in respect of Punjab and Sind Bank will be as under :-

(i) Amount due to PSB as at 31-Dec-2015 as per scheme of One Man Committee

Particulars	Amount (In Crore)
I. Principal Outstanding	8.03
II. Maturity Interest	-
Total	8.03

(ii) Payment Schedule

(In Crores)

Particulars	Phase-I	Phase-II
I. 70% of total principal amount	5.62	-
II. 30% of total amount	-	2.41
III. Maturity Interest	-	-
Total	5.62	2.41

Under the scheme of One Man Committee, amount of Rs 8.03 Crore was payable, out of which 70% amounting to Rs 5.62 Crore has been paid under Phase-I during the year ended 31-March-2018. No interest has to be paid.

(e) Statement on Reconciliation of Loan:

Amount In Rs

Principal Outstanding as per the Scheme	80,340,463
Less: Redemption made during the year as per the scheme of one man committee	56,238,324
Balance as on 31st March 2018/Balance as on 31st March 2019	24,102,139

Total Debt was scheduled to be paid in Two phases. First phase of debt settlement as per Report of One Committee pursuant to order dated 3.9.2015 has already commenced in the FY 17-18 and payments to Punjab & Sind Bank amounting of Rs. 5,62,38,324 has been already paid in the FY 17-18 as per the First Phase which is equivalent to 70% of the total principal amount. Hence, the balance 30% i.e. Rs. 2,41,02,139 which is payable in Second Phase is classified as Other Current Financial Liability.

17.4 FIXED DEPOSITORS

- (a) **STATUS AS AT -31-MARCH-2017** - In respect of repayment of outstanding deposits with interest vide order dated 17.07.98, the Company Law Board had ordered payment of interest at contracted rates up to the date of maturity and at 10% thereafter. Due to liquidity problems, the company has not fully followed the schedule of repayment ordered by the Company Law Board. However, a Fresh Restructuring Scheme of arrangement for re-organization of the share capital of the company and for compromise with its creditors including fixed depositors filed with Hon'ble Delhi High Court in 2004 does not envisage payment of interest accordingly provision of interest payable amounting to Rs. 82,706,000 recorded earlier has been written back in earlier years.

STATUS AS AT -31-MARCH-2017 - Provision for interest on fixed deposits up to March 31, 2017 calculated at simple interest @ 10% p.a. in accordance with the order of The Hon'ble Company Law Board amounting to approx. Rs. 1,158,866,417 (including Rs. 1,102,721,307 for the earlier years) has not been made, in view of the "Fresh Restructuring Scheme" pending before the Hon'ble Delhi High Court wherein the company does not envisage payment of any interest. To the extent of non-provision of interest @10% as per the previous CLB order, the cumulative Interest of Rs.1,147,419,074 were not provided for. The difference between the contracted rate of interest and rate of interest @ 10% has also not been ascertained and provided for.

- (b) Liability on account of Fixed Deposits received contain certain deposits which appear prima-facie to be suspect due to either lack of identification of depositors or no claim or confirmation having been received by the company. Payment of those deposits that are under a suspicious category will be made under the scheme of One Man Committee only after the evidence of receipt of money is established.

(c) DECISION OF ONE MAN COMMITTEE

As per Report of One Man Committee pursuant to order dated 3.9.2015 passed by Hon'ble Delhi Court as on 10th August, 2017, repayment to Fixed Depositors is to be made in two phases. In the first phase of scheme of repayment are to be paid 70% the balance principal amount. The Depositors having balance of Rs 5000 or less will be paid their 100% principal amount in the first phase. In the second phase maturity interest is to be paid along with remaining 30%. In the circumstances the debt settlement will be as follows:

i) Amount due to Fixed Depositors as at 31-Dec-2015

Particulars	Amount (In Cr)
I. Principal Outstanding	56.31
II. Maturity Interest	14.48
Total	70.79

(ii) Payment Schedule

Particulars	Amount (In Cr)	
	Phase-I	Phase-II
I. 70% of total principal amount	36.15	-
II. Less than Rs 5,000	4.67	-
III. 30% of total amount	-	15.59
IV. Maturity Interest	-	14.48
Total	40.82	30.07

(d) Statement on Reconciliation of FDs Accepted:

Particulars	Amount in Rs
Balance as on 1st April 2016	563,136,275
Less: Redemption made during the year with the approval of High Court of Delhi	232,495
Balance as on 1st April 2017	562,903,780
Less: Redemption made during the year as per the scheme of one man committee	17,911,251
Balance as on 31st March 2018	544,992,529
Less: Redemption made during the year as per the scheme of one man committee	21,245,671
Balance as on 31st March 2019	523,746,858

However, since the Fresh Restructuring Scheme has been approved by One Man Committee, the maturity interest amount is decided to be 14.48 Crores payable in II Phase. Although the same is not recorded in Books of Accounts. Also the decision regarding payment of interest after maturity will be taken at a future date by Hon'ble Delhi Court.

Total Debt was scheduled to be paid in Two phases. First phase of debt settlement as per Report of One Committee pursuant to order dated 3.9.2015 has already begun in the FY 17-18 and payments to depositors of Rs.3,91,56,922 has already made till 31st March 2019. Remaining debt includes balance 30% and unclaimed original principal amount invested of Rs 5000 or less. Since KYC norms are still under process and payments are to be made in coming periods, the entire debt balance of Rs 52,37,46,858 is shown as Other Current Financial Liability.

17.5 INTER CORPORATE DEPOSITS

- (a) **Status as at 31-March-2017-** The value of inter corporate deposits is Rs 27,16,607. Considering the the order of The Hon'ble Company Law Board for Fixed Deposits which states to charge interest @10% p.a. which should also be considered for Inter Corporate Deposits on prudence basis. Considering the interese rate of 10% p.a. the total interest liability comes to be approximately Rs. 5,433,213 which includes approximately Rs. 5,161,553 for the earlier years, has not been made in view of the "Fresh Restructuring Scheme" pending before the Hon'ble High Court of Delhi wherein the company does not envisage payment of any interest. The interest is not provided in the books of accounts

(b) DECISION OF ONE MAN COMMITTEE

ICD Lenders will be paid principal due to them as on 30th June 2004. Interest dues are waived and cancelled. The payment of principal to the ICD lenders will be made as follows:

(i) Amount due to ICD Lenders as at 31-Dec-2015

Particulars	Amount (In Lacs)
I. Principal Outstanding	27.17
II. Maturity Interest	-
Total	27.17

(ii) Payment Schedule

Amount (In Cr)

Particulars	Phase-I	Phase-II
I. 70% of total principal amount	19.02	-
II. Less than Rs 5,000	-	-
III. 30% of total amount	-	8.15
Total	19.02	8.15

However, after approval of Scheme of One Man Committee, the settlement has been decided at Rs 27.17 Lacs. Interest Dues are waived and cancelled.

No payment has been made till date to ICD Lenders. However, scheme has been already approved, so the amount is to be paid in coming periods as per Phase-1 and Phase-2. Hence, the amount of ICD is classified as Other Current Financial Liability.

- 17.6 During the year 1999, the company had received Rs. 10,000,000 from one of its debtors i.e. Pure Drinks New Delhi Ltd. where the winding up petition proceedings was already initiated. Upon receipt of payment, the company reduced the recoverable amount accordingly. Subsequently, the Hon'ble Punjab and Haryana Court deemed that payment is out of turn/preferential payment made by Pure Drinks New Delhi Ltd where winding up petition proceedings was already initiated and asked the company to deposit back the said amount with Hon'ble Punjab and Haryana Court. The company had filed a SLP with the Hon'ble Supreme Court of India which has been dismissed by them. Therefore the company is liable to deposit the amount mentioned above which is yet to be deposited.

18 Other Current Liabilities (Non-Financial)

Other current liabilities consist of the following:-

(Amount in Rs.)

Particulars	As at 31st March, 2019	As at 1st April, 2018
Statutory Liabilities	346,001	223,332
Payable to Employees/Employee Advances	2,717,453	3,096,826
Total	3,063,454	3,320,158

19 Provision (Current)

Provisions consist of the following :

(Amount in Rs.)

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) Provision for employee benefits		
- Leave Encashment	397,796	226,378
- Gratuity	1,325,140	922,131
Total	1,722,936	1,148,509

20 Other Income

Other income (net) consist of the following:

(Amount In Rs.)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Interest on Fixed Deposits	20,886,221	29,009,969
Deferred Income	8,580,448	8,580,448
Dividend Income	25,730	19,112
Balances Written Back	-	9,047,236
Provision for NPA Written Back	-	23,459,216
Miscellaneous Income	41,922	-
Gain on sale of Fixed Assets	-	7,600
Unrealised gain on account of fair valuation of Investments	-	2,392,544
Reversal of Provision, no longer required	344,904	-
Interest on Income Tax Refund	57,599	-
Total	29,936,823	72,516,125

21 Employee Benefit Expense

Employee benefits expenses consist of the following: (Amount In Rs.)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
(a) Salaries, Wages & Bonus	4,788,093	3,856,306
(b) Contributions to Provident Fund and other funds	1,146,487	642,321
(c) Staff Welfare expenses	-	-
Total	<u>5,934,580</u>	<u>4,498,627</u>

22 Finance Cost

Finance costs consist of the following: (Amount In Rs.)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Interest on late deposit of TDS	3,978	-
Interest Expense on financial liability	11,068,726	10,062,478
Total	<u>11,072,704</u>	<u>10,062,478</u>

23 Other Expenses

Other expenses consist of the following (Amount In Rs.)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Travelling & Conveyance	174,997	179,448
Repairs		
- Building	1,150	8,400
- Others	33,998	20,619
Electricity & Water	112,186	85,362
Legal & Consultancy Charges	6,267,772	4,398,700
Postage and Telegram	1,187,743	23,025
Auditors Remuneration:		
- Statutory/Tax Audit	383,500	383,500
- Other	69,030	6,325
Rent	532,704	481,194
Telephone Expenses	56,769	74,440
Advertisement & Publicity	47,943	637,711
Printing and Stationery	86,068	19,085
Bad Debts Written off	-	29,142,775
Old Employee Advance written off	332,997	-
Bank Charges	2,006	2,030
Provision for Diminution of Investments	1,710,167	1,800,000
Provision for Impairment	-	945,374
Unrealised loss on account of fair valuation of Investments	1,433,371	-
Share Transfer Expenses	174,505	99,738
AGM Expenses	1,054,354	987,589
Internal Audit Fees	23,600	20,000
Lisiting Fees	784,988	687,151
Rates and Taxes	72,224	16,200

Excess Accrued Interest written off	11,977	-
Property Tax	305,702	296,886
Penalty on late deposit of EPF challan	184	20
Other Expenses	25,572	52,795
TOTAL	14,885,506	40,368,367

24 Income tax expenses (Amount In Rs.)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
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A. Amount recognised in profit or loss

Current tax		
Income tax for the year		
Current tax	-	3,900,462
Adjustments/(credits) related to previous years - Net	18,574	83,170
Total current tax	18,574	3,983,632
Deferred tax		
Deferred tax for the year	4,343,010	11,090,671
Adjustments/(credits) related to previous years - Net		-
Total deferred tax	4,343,010	11,090,671
TOTAL	4,361,583	15,074,303

B Amount recognised in other comprehensive income

The tax (charge)/credit arising on income and expenses recognised in other comprehensive income is as follows:

Deferred tax

On items that will not be reclassified to profit or loss

- Remeasurement gains/(losses) on defined benefit plans	(87,827)	15,981
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TOTAL	(87,827)	15,981
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25) Significant Accounting Policies

A. Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2018.

Up to the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

B. Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 17 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IndAS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

All the amounts included in the financial statements are reported in Indian Rupees ('Rupees' or 'Rs.'), except per share data and unless stated otherwise and rounded off to nearest Rupees.

C. Basis of classification of Current and Non-Current

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is classified as current when it is:

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle
- b) Held primarily for the purpose of trading
- c) Expected to be realized within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle
- b) It is held primarily for the purpose of trading
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

D. Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements.

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

E. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.

F. Property, Plant and Equipment – Tangible Assets

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognized as at 1st April, 2016 measured as per the previous GAAP.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing costs for qualifying assets, if any. All up-gradation/enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight-line basis. Land is not depreciated.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Asset	Life of Asset
Buildings	30 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Office Equipment	5 Years
Plant & Machinery	15 years

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. Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

G. Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

H. Financial Assets

Recognition: Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognized at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- a) **Amortized cost**, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
- b) **Fair value through other comprehensive income (FVTOCI)**, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognized in other comprehensive income.

- c) **Fair value through profit or loss (FVTPL)**, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognized in the Statement of Profit and Loss in the period in which they arise. Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortized cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortized cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortized cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognized gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are de-recognized when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership.

Concomitantly, if the asset is one that is measured at:

- a) Amortized cost, the gain or loss is recognized in the Statement of Profit and Loss;
- b) Fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition: Interest income is recognized in the Statement of Profit and Loss using the effective interest method. Dividend income is recognized in the Statement of Profit and Loss when the right to receive dividend is established

I. **Financial Liabilities**

Borrowings, trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortized cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are de-recognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

J. **Cash and cash equivalents**

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

K. **Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

L. **Equity Instruments**

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital

issue.

M. Revenue

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
 - a) Interest income: Income from a financial asset is recognised when it is probable that the economic benefits will flow to Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the interest rate as applicable.
 - b) Dividend income: dividend is recognised when the right to receive the payment is established (generally on shareholder's approval by the reporting date).
 - c) Other revenues: are recognised on accrual basis, except where there are uncertainties in realisation / determination of income and in such case income is recognised on realisation / certainty.

N. Employee Benefits

a) Retirement benefit costs and termination benefits :

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Contribution towards Provident Fund is paid as per the statutory provisions. These benefits are charged to the Statement of profit and loss of the year when they become due. For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets(excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement.

b) Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Leave availment / encashment benefit is provided as per Company Scheme. Employee's are entitled to accumulate leaves subject to certain limit as per Company scheme. Liabilities for compensated absence that are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service, are measured at the present value of expected future payment to be made in respect of service provided by employees up to the end of reporting period using the projected unit

credit method. The benefits are discounted using the market yields at the end of reporting period. Re-measurement as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The liability is determined through actuarial valuation using projected unit credit method.

O. Leases

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

a) Company as a Lessee

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

b) Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalized within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

P. Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred taxation.

a) Current Tax

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

b) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

c) Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered

as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group. Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Q. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

R. Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

S. Operating Segment

The Company is engaged in a single segment i.e. Financing Operations viz., inter corporate deposits and investments. Presently Company is not carrying on any operation except realizing all debts or maintaining existing assets. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

T. Earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to the owners of the company by weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue. For the purpose of calculating diluted earnings per share, profit or loss attributable to the owners of the Company and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

U. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.

V. Financial and Management Information Systems

The Company's Accounting System is designed to unify the Financial Records and also to comply with the relevant provisions of the Companies Act, 2013, to provide financial and cost information appropriate to the businesses and facilitate Internal Control.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Additional Notes to Accounts**26) RESTRUCTURING SCHEME****Preamble**

The management for a structured debt repayment had prepared two schemes of arrangement for reorganization of share capital of the company and for compromise with its secured and unsecured creditors. Both the schemes of arrangement envisage a viable, just & equitable settlement with its secured and unsecured creditors while simultaneously increasing the risk and stake of the promoters and their shareholding through fresh infusion of funds by the promoter company.

The company moved an application before the Hon'ble Company Law Board, New Delhi on 22nd July 2004 under Regulation 44 of the Company Law Regulations, 1991 proposing a fresh repayment schedule to fixed depositors of the Company. The same repayment schedule included in the "**Fresh Restructuring Scheme**" filed before the Hon'ble High Court of Delhi at New Delhi on 24th September 2004.

The implementation of the schemes is subject to the fulfillment of all the conditions of erstwhile section 391 to section 394 of the Companies Act, 1956 and approval/orders of the Hon'ble Delhi High Court. The Hon'ble Delhi High Court did not approve the company's first scheme filed in May 2000, though approved by the secured and unsecured creditors in their respective meetings convened pursuant to the orders of the Hon'ble Court, yet the Hon'ble Court did not accord sanction to the scheme on technical grounds. An application for review had been filed before the Hon'ble Delhi High Court on 30th May 2003, which is not yet to be listed for hearing and which is hereinafter, wherever applicable, referred to as the "**Old scheme under review**". The company intends not to pursue the review application filed for the old scheme under review before the Hon'ble Delhi High Court and it is proposed to be withdrawn at an appropriate stage of the proceedings for the sanction of the "**Fresh Restructuring Scheme**".

The company filed a fresh Scheme of Arrangement for the reorganization of the share capital of the company and for compromise with the secured and unsecured creditors of the company, hereinafter referred to as the "**Fresh Restructuring Scheme**" before the Hon'ble Delhi High Court at New Delhi on 24th September 2004.

Pursuant to the orders of the Hon'ble Delhi High Court, the unsecured creditors and debenture holders in their meeting convened under the Chairpersonship of court appointed Chairpersons (retired Judges of Hon'ble Delhi High Court) on 1st April 2005 and 2nd April, 2005 have approved the scheme without any modifications with the requisite majority. The meeting of the other secured creditors (banks/ institutions) was held on 17th September 2005 and has also approved the scheme by the requisite majority after considering some modifications proposed by the Punjab & Sind Bank.

The promoter company has undertaken, subject to sanction of the scheme by the Hon'ble Delhi High Court, to contribute to Rs. 195,000,000 of which Rs. 156,000,000 were deposited with the Registrar of the Hon'ble Delhi High Court Registrar, as per court order by the promoter group, and the balance amount of Rs 39,000,000 had been deposited with the Registrar of the Hon'ble Delhi High Court Registrar on 27th April, 2012.

The restructured debts of the company for each category of debt is on the basis of outstanding as envisaged in the fresh restructuring scheme filed in the year 2004 excluding interest not provided for and all liquidated damages/penal charges and interest on unpaid interest. The "**Fresh Scheme of Arrangement**" is drawn on the basis of acceptance of waiver of payment of past and future interest, penal charges, liquidated damages, and any other charges, costs and claims etc. except as provided and for values contained therein which is subject to the approval of the Hon'ble Delhi High Court.

Over the years and till 31st March, 2017, the accounts of the company have been drawn on the assumption that the "**fresh restructuring scheme**" will be accepted and implemented. If it is not accepted and cannot be implemented for any reason the total liability before the proposed restructuring scheme including those for which no provision has been made and has been quantified under appropriate heads, shall become payable.

Developments during the financial year ended 31st March, 2018

Justice Anil Kumar as one man committee was appointed vide order dated:- 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The Hon'ble High Court of Delhi entrusted the following functions to said One Man Committee :-

- (i) To scrutinize and finalize the list of depositors/ claimants so as to assess the genuineness of the depositors and their claim and to weed out any duplicate) benami, fictitious and doubtful claims.
- (ii) To categorize the claimants/ depositors into groups, on the basis of various parameters. For instance, depositors could be segregated into (a) individuals (b) corporate (c) institutions (Banks and Finance Companies), etc. Similarly, very small depositors wherein, the amount due is only upto Rs. 5,000 could be segregated as a separate category.
- (iii) At the same time it would also be open to the Central Bank of India which was constituted a debenture trustee by the company, to put up any claims that they may have before the said committee.
- (iv) To take stock of the entire assets of the company, whether in the form of fixed assets or bank accounts and fixed deposits, etc.
- (v) To assess the value of the fixed assets of the company and for the purpose, if need be, take the help of a professional valuer. Also, to get from the company its brief statement of accounts which shall include all income and expenditures, so as to enable a proper review of the assets and liabilities of the company.
- (vi) To suggest modalities for the disposal of fixed assets, so that the money realized could be used for disbursement of principal amounts as well as interest (over the delayed period), if possible, amongst the depositors.
- (vii) To make suggestions on the modalities of payment, which would obviously depend upon the amounts finally realized after disposing off/ liquefying all assets of the company.

The one man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. Hon'ble High Court of Delhi also noted that none of the parties had any objection on the implementation of the report. The task of implementing the report was also assigned to Justice Anil Kumar. Hon'ble High Court of Delhi held that the issue of revival of the company will be decided once all payments are made in the manner as suggested in the report. The report of one committee has laid the schedule of payments to parties covered under the scheme as under :-

- (i) Before starting repayment of amount, the genuineness of all the depositors and their claims shall be assessed to weed out any benami, fictitious and doubtful claims. Notices to all the depositors/ claimants shall be sent and consideration of their pleas and contentions will be necessary. From the data it has also been observed that some of the individuals and companies have invested sums by depositing multiple small amounts. Committee observed that it already has sufficient funds, ready cash, to repay about 70% of the deposits to all the depositors having deposits of more than Rs 5,000 including secured creditors in the first stage. It is recommended in the circumstances that 70% a part of the amount be paid to the creditors having deposits of more than 5,000 and full amount be paid to those who have deposits of Rs. 5,000 or less than Rs.5,000 in the first instance.
- (ii) In order to realise the maximum value of the immovable asset of the Company, the premises/property in the building of NBCC, it is the recommendation of the committee that the same be sold by the auction by the Hon'ble Company Court. The company has estimated its value around Rs.41 Cr., whereas the creditors are of the view that its value will not be less than Rs 80 crores. It has been noticed that the disputes are pending between NBCC and the Petitioner Company with regard to the said property which is pending adjudication before Shri S.K. Kaul, Sole Arbitrator appointed by NBCC in terms of Agreement dated 9th Dec, 1995 and is now fixed for final arguments. The claim of NBCC is for an amount of Rs.2.88 Cr. It is also noticed that such other and several disputes are pending with regard to this NBCC property, which make it unfeasible for anyone to sell it easily or to get a realistic value of the property on the basis of valuation report and then to decide on such valuation as to how much total amount is to be paid to the creditors. Valuation of such a property will also be more of distress sale value and will not be realistic. In the circumstances an efficacious way will be to pay a part of the amount from the liquid assets available with the company and in the meantime also to sell the fixed assets of the Company by auction by the Hon'ble Company Court. This will result in a part payment

to all the genuine creditors and to realize the actual value of the immoveable assets of the Company. This will also facilitate the Hon'ble Company Court to determine whether some interest should be paid to the creditors considering all the other factors including that the endeavour is not to wind up the Company but to revive the Company if sufficient surplus is available with the Company after selling all its immoveable assets. Therefore, it is recommended" that the" immovable and fixed assets of the company be sold by auction by Hon'ble Company Court in the manner adopting the modalities which are followed while selling the fixed assets and the immovable properties of the companies which are under liquidation with the help from Official Liquidator or a Consultant, though the sale of the properties is not for the purpose of winding up the Petitioner Company.

(iii) Tentative realizable value of the following assets of the Company will be :-

1. Value of Assets/Sources of Funds As on 31.12.15

S.N.	Source	Amount Rs in Cr.
1	Sale of Immoveable assets	42.00
	Receivables	8.50
	Investments in shares	1.00
	Fixed Deposits with Banks	47.50
	Promoter Contribution-Deposits with High Court	29.50
	Total	128.50
Less	Scheme Repayment Cost	1.00
	Statutory Dues & Taxation	1.43
	Legal Cost	0.50
	To be deposited with P& H High Court	1.00
	Due to Employees	0.50
	Claim of MS Shoes arbitration award	5.13
	Claim of NBCC-pending arbitration	2.88
	Income Tax on Interest for Deposit with Delhi High Court	3.00
	Total	15.44
	Net Available	113.06

As on 31.12.2015, the details of creditors for repayment are as follows however after weeding out the claims of fictitious, doubtful claims and benami, the amount payable to creditors may decrease and may not increase.

Details of Creditors for repayment under Scheme:

(As on 31.12.15)

S.N.	Source	Amount Rs in Cr.
I	Fixed Deposit holders	56.31
II	Debentures	25.53
III	ICD & BRD lenders	0.27
IV	Punjab & Sind Bank	8.03
V	Indusind Bank	5.77
VI	Pressman Limited	4.10
VII	SBI Homes Finance Ltd (To be paid in shares)	0.25
VIII	SIDBI	0.36
IX	Maturity Interest on Fixed Deposits	14.48
X	Maturity interest on Debentures	2.35
	Total	117.45

Taking these figures and facts and circumstances it is recommended that repayment be made in two phases, as detailed below:

Phase 1:

S.N.	Particulars	Source of Utilization
I	Repayment to the extent of 70% of the principal amount of Fixed Deposits, Debentures and Banks having deposits of more than Rs.5,000/	Available Cash in Bank, Fixed Deposits and Promoter's Deposits with Court
II	Full amount be paid to Fixed Deposits, Debentures and Banks having deposit of Rs. 5,000 / - and less	Available Cash in Bank, Fixed Deposits and Promoter's Deposits with Court

Phase 2

In the second phase, which should also commence with phase 1 simultaneously, properties and shares and all the assets be liquidated by selling and the realized amount is recommended to be utilized for the repayment of balance 30% of principal and the maturity value on the fixed deposits, debentures and banks. If the amount is still available to the Company, the Hon'ble Company Court may decide whether some amount - be paid as interest as has also been recommended by the Reserve Bank of India. Certain steps of the Phase 2 which can commence with phase 1 i.e. sale of the properties of the Company by the Hon'ble Company Court and/ or such steps which will be required to sell the assets of the Company in order to realize the value of the assets to meet the liabilities of the fixed deposits and debentures creditors. In the circumstances, the Debt Settlement is under :-

DEBENTURES**(A) Amount due to Debenture-holders as decided by one man committee as at 31st December, 2015**

S.N.	Particulars	Amount
I	Principal Outstanding	Rs 25.53 Cr
II	Maturity Interest	Rs 2.35Cr
	TOTAL	Rs 27.88Cr

(A) Payment Schedule**(Rs. in Cr.)**

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	17.87 Cr.	-
II	Less than Rs 5,000	1.69	-
III	30% of total amount	-	5.97
IV	Maturity Interest	-	2.35
	Total	Rs 19.56 Cr.	Rs 8.32 Cr.

Some of the debentures holders have already been paid by the Central Bank of India. The amount which has been already been paid to the Debenture Holders by the Central Bank of India be paid to the Bank. The Central Bank of India has also claimed some amount in a suit filed before the Hon'ble Bombay High Court. No claim has however, been filed by the Central Bank of India before the Committee despite opportunity granted to the Bank. While computing the amount payable in phases to other creditors, this amount claimed by the Bank will be not disbursed till the bank is able to establish its claim in the appropriate proceedings before the Court.

FIXED DEPOSITS**(B) Amount due to Fixed Depositors as decided one man committee as at 31st December, 2015**

S.N.	Particulars	Amount in Rupees
I	Principal Outstanding	Rs 56.31 Cr
II	Maturity Interest	Rs 14.48 Cr
	TOTAL	Rs 70.79 Cr

(A) Payment Schedule (Rs. in Cr.)

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 36.15Cr.	-
II	Less than Rs 5,000	Rs 4.67 Cr.	-
III	30% of total amount	-	Rs 15.49 Cr
IV	Maturity Interest	-	Rs 14.48 Cr
	Total	Rs 40.82 Cr.	Rs 29.97 Cr.

SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (SIDBI)**(C) Amount due to SIDBI as decided by one man committee as at 31st December, 2015**

S.N.	Particulars	Amount in Lac
I	Principal Outstanding	Rs 36.30Lac
II	Interest	--
	TOTAL	Rs 36.30 Lac

(B) Payment Schedule (Rs. in lacs)

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 25.41 Lac	-
II	Less than Rs 5,000	-	-
III	30% of total amount	-	Rs 10.89 Lac
	Total	Rs 25.41 Lac	Rs 10.89 Lac

PUNJAB & SIND BANK (PSB)**Background**

The Punjab and Sind Bank had filed recovery proceedings in the year 2000 before the Debt Recovery Tribunal for Rs.12.17 Cr. comprising of Rs.8.50 Cr. as ledger balance and Rs.3.76 Cr. as Memo Interest. In the year 2000. Company in order to redress the repayment issues, propounded a scheme and in the scheme of rearrangement with its creditors proposed to pay Rs 9.51Cr to the Bank and the Bank voted in favour of scheme and the suit in DRT has been stayed by the High Court and the Bank agreed to receive Rs. 9.51 crores. This amount was agreed after protracted discussions/ negotiations with PSB, and it has been agreed that amount payable as on Sept,1997 will be taken as principal and interest from Sept 1997 to March, 2000 will be added @ 10% quarterly compounded. Thus the amount payable became Rs 9.51 Cr. It was admitted and justified by the said bank that this settlement was as per RBI guidelines. Reliance for this can be placed on an internal note dated 12th Sept, 2000 of the bank and a letter dated 20th Oct,2000 from the counsel of PSB. As per terms of settlement Rs 50.00 Lacs were paid to PSB in the year 2000. Though the part payment has been made to the Bank pursuant to settlement and scheme, however, due to modifications made in scheme for, PSB by Company in the creditors meeting. The scheme was, will be paid in 6 equal yearly installments of one year after the approval of the said scheme or 1st April, 2006 which ever will be earlier and balance 40% by equity shares at any time within three years of the effective date or 1.4.2006. The shares were to be allotted on preferential allotment basis as per the rate approved by SEBI under its guidelines. The sale price of the share was protected to the extent of Rs.375 lacs by issuing fresh additional equity, if required. The bank was paid Rs. 90 lacs in the year 2005-06, but further amount could not be paid on account of order dated 6th March, 2006 "of the Hon'ble Court. The Bank received the amounts partly under the settlement and could not withdraw from the scheme without refunding the amounts received by it, yet in 2012 it filed an application for intervention/ objection to the scheme which has not been allowed. In the circumstances the amount payable to the bank has been taken as settled with the Bank and 70% of the. said amount be paid forthwith in the first phase and balance in the second phase which is substantially better as earlier only Rs.60 lakhs was payable in six years and equity shares were to be issued for the balance amount. Under the previous proposal which has been accepted by the Bank, the amount was payable in installments and part of the amount by converting the amount in ' equity shares **whereas under present recommendation 70% of the amount is payable forthwith and balance' amount in second phase after liquefying all the assets of the Company which will be probably within two years.**

In the scheme, the amount payable to Punjab & Sind Bank has been quantified at Rs. 9.0180 Cr as on 30th June 2004. This figure has been arrived at after compounding the interest payable on the principal amount due as on 30th September 1997, at the rate of 10% compounded quarterly till 31st March 2000, after allowing credit for actual amount paid till date. (Present Value of amount payable after all adjustments the payable amount is Rs 8.034 Cr) The settlement made with the Bank in the scheme earlier has been considered as the base. Accordingly, keeping in line with the above settlement and OTS guidelines of RBI, the following payments is recommended to be made to PSB:

(D) Amount due to PSB as decided one man committee as at 31st December, 2015

S.N.	Particulars	Amount in Cr
I	Principal Outstanding	Rs 8.03 Cr
II	Interest	--
	TOTAL	Rs 8.03 Cr.

(A) Payment Schedule (Rs. in Cr.)

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 5.62 Cr	-
II	Less than Rs 5,000	-	-
III	30% of total amount	-	Rs 2.41 Cr
	Total	Rs 5.62 Cr	Rs 2.41 Cr

INDUSIND BANK

In the scheme, the total principal amount payable to IndusInd Bank has been quantified at Rs 6.515 Lacs as on 30th June 2004. This figure has been arrived at after calculating interest upto 31st March 2000 @12% p.a. compounded quarterly on the principal amount of L/C devolvement, after allowing credits for actual amounts paid till date and credit for margin money amounting to Rs. 35.99 Lacs, and excludes penal interest/ additional interest/ overdue charges, if any, debited by the Bank. (Present outstanding after all adjustments is Rs 5.77Cr) The settlement made with the Bank in the earlier scheme has been considered as the base. The total amount payable under the scheme to IndusInd Bank so quantified shall be repaid in line with the above settlement and RBI guidelines of OTS is as under:

(E) Amount due to INDUSIND Bank as decided by one man committee as at 31st December, 2015

S.N.	Particulars	Amount in Cr
I	Principal Outstanding	Rs 5.77 Cr
II	Interest	--
	TOTAL	Rs 5.77 Cr.

(A) Payment Schedule (Rs. in Cr.)

S.N.	Particulars	Phase-I	Phase-II
S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 4.04 Cr	-
II	Less than Rs 5,000	-	-
III	30% of total amount	-	Rs 1.73 Cr
	Total	Rs 4.04 Cr	Rs 1.73 Cr

SBI HOME FINANCE LTD

A consent decree was passed by the Hon'ble High Court of Delhi at New Delhi on 12th December 2000 for an amount of Rs.315,00,000/- The terms of the Consent Decree were as under :-

- i. Rs 2.90 Crores were to be paid on or before 31st March 2001 under a monthly payment schedule commencing from December 2000, and on payment of Rs. 2.90 Crores, the title of the property was to be released;
- ii. the sum of Rs. 25.00 Lacs was to be discharged by issuance of Equity shares of the Company of the face value of Rs. 10/- at a premium of Rs. 20/- per share or as per applicable SEBI guidelines. In terms of the Decree, a sum of Rs. 2.90 Crores has been paid by the Company to SBI Home Finance and the title deeds of the NBCC property have been released by SBI Home

Finance Ltd. However, balance amount of Rs. 25.00 Lacs which was to be converted into fully paid up shares of the Company at Rs. 30/- per share (share value Rs. 10/- plus premium Rs. 20/- per shares) have not been issued by the Company.

The Company proposes to allot shares worth Rs. 25.00 Lacs to SBI Home Finance Ltd. as per the Decree awarded by the Hon'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme as per applicable SEBI guidelines. Under this scheme, payment shall be discharged in the following manner:-

(F) Amount due to SBI Home Finance Ltd as decided by one man committee as at 31st December, 2015

S.N.	Particulars	Amount in Cr
I	Principal Outstanding	Rs 25 Lacs
II	Interest	--
	TOTAL	Rs 25 Lacs

(G) Payment Schedule by issuing in Shares

S.N.	Particulars	Rupees in Lac
I	To be discharged by issuance of Equity shares of the Company of the face value of Rs. 10/- at a premium of Rs. 20/- per share or as per applicable SEBI guidelines	Rs 25 Lac
II	The Company proposes to: allot shares worth Rs. 25.00 Lacs to SBI Home Finance Ltd. as per the Decree awarded by the Hon'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme as per applicable SEBI guidelines	-
	Total	Rs 25 Lac

ICD LENDERS

ICD Lenders will be paid principal due to them as on 30th June 2004. Interest dues are waived and cancelled. The payment of principal to the ICD lenders will be made as follows:

(A) Amount due to ICD Lenders as decided by one man committee

S.N.	Particulars	Amount Rs in Lac
I	Principal Outstanding	Rs 27.17 Lac
II	Interest	--
	TOTAL	Rs 27.17 Lac

(B) Payment Schedule (Rs. in Lac)

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 19.02 Lac	-
II	30% of total amount	-	Rs 8.15 Lac
	Total	Rs 19.02 Lac	Rs 8.15 Lac

PRESSMAN LEASING

The amount due to M/s, Pressman Leasing has been quantified at the lump sum of Rs 4.10 Cr and such amount would be paid 55% in cash and 45% in shares and details are under :-

(A) Amount due to PRESSMAN LEASING as decided by one man committee

S.N.	Particulars	Amount Rs in Cr
I	Principal Outstanding	Rs 4.10 Cr
II	Interest	--
	TOTAL	Rs 4.10 Cr.

(B) Payment Schedule in Cash Amount Rs in Cr

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 1.58 Cr	-
II	30% of total amount	-	Rs 00.68Cr
	Total	Rs 1.58 Cr	Rs 00.68 Cr

(H) Balance Payment by issuing of Equity Shares

S.N.	Particulars	Amount Rs in Cr
I	To be discharged by issuance of Equity shares of the Company of the face value of Rs. 10 as per applicable SEBI guidelines	Rs 1.84 Cr
	TOTAL	Rs 1.84 Cr

Developments during the financial year ended 31st March, 2019

During the financial year ending March 2019, the company is continuing to make payments to deposit holders and debenture holders in Phase – I. Phase II has not started yet.

Payments made prior Phase I and in Phase I:

Particulars	Debentures	Fixed Deposits
Principal Outstanding as per the Scheme of One Man Committee	255,285,689	563,136,275
Less: Redemption made during the year with the approval of High Court of Delhi	264,845	232,495
Balance as on 1st April 2017	255,020,844	562,903,780
Less: Redemption made during the year ended 31-March-2018 as per the scheme of one man committee	17,616,779	17,911,251
Balance as on 31st March 2018	237,404,065	544,992,529
Less: Redemption made during the year ended 31-March-2019 as per the scheme of one man committee	35,195,313	21,245,671
Balance as on 31st March 2019	202,208,752	523,746,858

27) Earnings Per Share (EPS):

		Year ended 31st March, 2019	Year ended 31st March, 2018
a)	Calculation of Weighted Average Number of Equity Shares of 100 each		
	Number of Shares at the beginning of the period**	22,125,054	22,125,054
	Number of Shares at the close of the period**	22,125,054	22,125,054
	Weighted Average number of Equity Shares** During the period	22,125,054	22,125,054
b)	Net Profit/(Loss) for the period attributable to Equity Shares (in Rs.)	(93,59,392)	(7,51,721)
c)	Earning per share – Basic**	(0.42)	(0.03)
d)	Earning per share – Diluted**	(0.42)	(0.03)

28) Contingent Liabilities and Commitments**A) Contingent Liabilities**

- (a) During the year ended 30th June, 2011 the company's tenant had filed a claim of Rs. 10,000,000 against the company due to damages suffered by the tenant which is still pending under arbitration proceedings as on 31st March, 2019.
- (b) There is a demand of Rs. 3,458,902 raised by Income Tax Department for the Assessment Year 2006-07 and Rs. 357,542 for the Assessment Year 2012-13 for payment of income tax under the Income Tax Act, 1961, which is disputed by the company and pending before the appropriate authorities as on 31st March 2019.
- (c) There is an award passed by the arbitrator against the company in the matter of MS

Shoes East Limited on May 28, 2012 for Rs. 5,128,320 i.e. the claim amount, along with Rs. 30,680,848 towards interest cost for an underwriting given by the company in the year 1995 for the public issue of M/s MS Shoes East Ltd. Furthermore, an incidental cost which includes arbitration venue rent, record keeping cost, administrative cost and stamp paper charges amounting to Rs. 549,280, had been awarded to the company. The total financial impact comes to Rs. 36,358,448 which has been contested by Company before Hon'ble Delhi High Court.

- (d) Due to dispute with the builder namely M/s NBCC Ltd. from which the company had purchased an office premises in the year 1995, regarding a claim of Rs. 28,829,634 on account of increase in super area and certain other expenditure which the builder i.e. M/s NBCC Ltd. had incurred and the same is pending in arbitration. Breakup of the amount of Rs. 28,829,634 mentioned supra is as follows:

S.No.	Description	Amount
1.	Difference in super area Vs. provisional area	22,928,254/-
2.	Claim of property tax	319,100/-
3.	Claim of ground rent	2,167,190/-
4.	Allied charges	782,210/-
5.	Augmentation of Electric sub station	132,880/-
6.	Loss of profit	2,000,000/-
7.	Arbitration cost	500,000/-
TOTAL		28,829,634/-

B) Commitments

There are no non-cancellable capital commitments.

29) Defined Benefit Plans/Long Term Compensated Absences :-

Description of Plans

The Company makes contributions to Defined Benefit and Defined Contribution Plans for qualifying employees. Gratuity Benefits and Leave Encashment Benefits are unfunded in nature. The Defined Benefit Plans are based on employees' length of service.

The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method at the year end. The Company makes regular contributions to these Employee Benefit Plans. The net Defined benefit cost is recognized by the companies in Financial Statements.

Discount Rate: The present value of Defined Benefit Plans liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on Government bonds. A decrease in yields will increase the fund liabilities and vice-versa.

The estimated term of the benefit obligations works out to 10.87 years. For the current valuation a discount rate of 7.63% p.a. compound has been used.

Salary Escalation Rate: The Salary Escalation rate usually consists of at least three components, viz. regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again, a long term view as to the trend in salary escalation rates has to be taken rather than guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

Withdrawals Rate: Past experience indicates the current level of attrition. The assumption may incorporate the Company's policy towards retention of employees, historical data and industry outlook.

Mortality Rate: We have used Indian Assured Lives Mortality Table (IALM) 2006-08, as issued by Institute of Actuaries of India, for the valuation.

The following table summarize the components of net benefit expenses recognized in the statement of Profit & loss and the funded status and the amount recognized in Balance Sheet during 2018-19

PARTICULARS	Gratuity		Leave Encashment	
	Unfunded	Unfunded	Unfunded	Unfunded
	31.03.2019		31.03.2018	
Statement of profit & loss				
Net employee benefit expense recognized in employee cost				
Current Service Cost	101,963	29,991	70,303	18,047
Interest Cost on Defined Benefit Obligation	102,541	25,281	74,679	14,821
Total Expense recognized in the Statement of Profit and Loss	204,504	55,272	144,982	32,868
Remeasurements recognized in Other Comprehensive Income				
Net Actuarial (Gain)/Loss	424,732	190,791	234,088	106,988
Total defined benefit cost recognized in Profit & Loss and Other Comprehensive Income	629,236	246,063	379,070	139,856
Changes in the present value of the defined benefit obligation are as follows:				
Opening Defined Benefit Obligation	1,343,913	331,246	964,843	191,485
Interest Cost	102,541	25,281	74,679	14,821
Current Service Cost	101,963	29,991	70,303	18,047
Benefits Paid	-	-	-	-
Actual Losses / (Gain) on Obligation	424,732	190,791	234,088	106,988
Closing Defined Benefit Obligation	1,973,149	577,404	1,343,913	331,341
Classification in Balance Sheets				
Net Assets/ (Liability)	Gratuity		Leave Encashment	
	Current	Non-Current	Current	Non-Current
As at 31st March 2019	1,325,140	6,48,009	397,796	179,608
As at 31st March 2018	922,131	421,782	226,378	104,963
The principal assumptions used in determining gratuity obligations for the Company's plans are shown below				
Discount Rate	7.63	7.63	7.63	7.63
Increase in Compensation Cost	6.00	6.00	6.00	6.00

SENSITIVITY ANALYSIS

A quantitative sensitivity analysis for significant assumptions as at March 31, 2018 is as follows:

	PARTICULARS	Gratuity	Leave encashment
a.	Defined benefit obligation - Discount rate + 100 Basis points	(61,339)	(20,608)
b.	Defined benefit obligation - Discount rate - 100 Basis points	70,155	24,074
c.	Defined benefit obligation – Salary escalation rate + 100 Basis points	70,598	24,226
d.	Defined benefit obligation – Salary escalation rate - 100 Basis points	(62,775)	(21,084)

- 30) For year ended 31st March, 2019, Company has no dues from any party that it is covered under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED).
- 31) As the Company has brought forward unabsorbed depreciation amounting to Rs. 28,290,610 under the Income Tax Act, 1961 and is unlikely to have taxable income in the foreseeable future. Deferred tax assets in situation where carry forward unabsorbed depreciation/business loss exists, are recognized to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered, accordingly Deferred Tax Assets on Unabsorbed Depreciation Losses are not recognized in accordance with Ind AS 12 "Income Taxes".

32) Deposit of Rs 195,000,000 by DCM Services Limited

DCM Services Ltd, as a promoter had committed to bring in Rs 195,000,000 as a promoter contribution upon sanction of their restructuring scheme under erstwhile Section 391 of the Indian Companies Act, 1956 which is under implementation by One Man Committee appointed with the direction of Hon'ble Delhi High Court.

The Court vide order dated 06.05.2008 has asked DCM Services Limited to deposit Rs. 195,000,000 with the Court and pursuant to the court order. DCM Services Limited deposited Rs 50,000,000 on 16.07.2010, Rs 67,000,000 on 18.11.2010, Rs. 39,000,000 on 21.04.2011 & Rs. 39,000,000 on 27.04.2012 aggregating to Rs. 195,000,000 on behalf of the promoters with the Registrar, Hon'ble Delhi High Court. All the funds are with Delhi High Court along-with accrued interest thereon. No financial impact of this has been recorded in the financials of the company for the period ended 31st March, 2019 as there is no clarity provided by Hon'ble High Court of Delhi on whether Company would have to issue any shares against such contribution as per SEBI guidelines or such amount would be refundable to DCM Services Limited or there would be no liability on the Company to pay or issue any shares. Till Company gets any clarity on this matter, no financial entry has been recorded in the books of accounts.

33) Related Parties Transactions:

A. List of Related parties

SN	Description of Relationship	Name of Party	
(a)	Control Exist		
	- Subsidiary Company	(i)	Global IT Option Limited
(b)	Significant Influence Exist	(i)	DCM Services limited
		(ii)	DCM International Limited
		(iii)	DCM Anubhavi Marketing Private Limited
(c)	Key Management Personnel	(i)	Mr. Shantanu Deveshwar –Director

B. Transactions with related parties during the year (Amount in Rs.)

	Particulars	For the year ending 31st March 2019	For the year ending 31st March 2018
Key Management Personnel			
1.	Remuneration	2,79,230	3,84,982
2.	Repayment of loan		
	- DCM Services Limited	-	1,56,31,000
	- DCM Anubhavi Marketing Private Limited	-	4,03,89,773
3.	Interest Expense		
	- DCM Services Limited	67,16,845	61,06,222
	- DCM International Limited	23,26,407	21,14,915
	- DCM Anubhavi Marketing Private Limited	18,36,728	16,69,753
	- Global IT Options Limited	1,88,746	1,71,587

4.	Interest Income		
	- DCM Services Limited	21,34,221	21,34,221
	- DCM International Limited	52,79,977	52,79,977
	- DCM Anubhavi Marketing Private Limited	11,66,250	11,66,250
	- Global IT Options Limited	1,72,615	1,72,615

C. Balance Outstanding**(Amount in Rs.)**

1.	DCM Services Ltd.	7,38,85,290	6,71,68,445
2.	DCM International Limited	2,55,90,476	2,32,64,070
3.	DCM Anubhavi Marketing Limited	2,02,04,010	1,83,67,281
4.	Global IT Options	20,76,208	18,87,462

34) Financial Instruments and Related Disclosures**a) Categories of Financial Instruments**

Particulars		Note	As at 31st March 2019	As at 31st March 2018
Financial Assets				
I	Measured at amortised cost			
	(i) Investments	6	1,070	4,010,348
	(ii) Cash and cash equivalents	8	2,242,135	11,227,801
	(iii) Other Bank Balances	9	88,449,831	336,054,596
	(iv) Others	3& 10	221,748,530	18,850,464
	Total (A)			
II	Measured at fair value through Other Comprehensive Income			
	(i) Investments	6	NIL	NIL
	Total (B)			
III	Measured at fair value through Profit & loss			
	(i) Investments	6	12,088,513	11,222,772
	Total (C)			
	Total financial assets (A+B+C)		14,331,718	381,365,981
Financial Liabilities				
I	Measured at amortised cost			
	(i) Borrowings	14	142,525,984	131,457,258
	(ii) Other financial liabilities	17	776,356,111	832,233,236
	Total financial liabilities		918,882,095	963,690,494

(b) Fair Value Hierarchy

	Particulars	As at 31st March 2019	As at 31st March 2018
I	Financial Assets / Financial Liabilities at amortized cost		
	The carrying amount of financial assets and financial liabilities measured at amortized cost are a reasonable approximation of their fair values except the following:		
	Fair value of Borrowing measured (Level 3)	121,755,984	110,687,258
II	Financial assets at fair value through profit & loss		
	Investment in Equity Shares (Level 1)	4,425,653	9,505,868
	Investment in Equity Shares (Level 2)	7,662,860	4,010,353
III	Financial assets at fair value through Other Comprehensive Income	NIL	NIL

The Company determines the fair value of its financial instruments on the basis of the following hierarchy:

Level 1: The fair value of financial instruments that are quoted in active markets are determined on the basis of quoted price for identical assets or liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market are determined on the basis of net asset value as per last available audited financial statements.

Level 3: If one or more of the significant inputs is not based on observable market data, the fair value is determined using discounted cash flow method with the most significant inputs being the discount rate that reflects the credit risk of the counter-party.

35) Capital Management

The Company's objective for managing capital is to ensure as under:

- a) To ensure the company's ability to continue as a going concern.
- b) Maintaining a strong credit rating and healthy debt equity ratio in order to support business and maximize the shareholders' value.
- c) Maintain an optimal capital structure.
- d) Compliance financial covenants under the borrowing facilities.

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure keeping in view of:

- a) Compliance of financial covenants of borrowing facilities.
- b) Changes in economic conditions.

In order to achieve this overall objective of capital management, amongst other things, the Company aims to ensure that it meets financial covenants as decided by One Man Committee and Delhi High Court. **One Man Committee has given few recommendations for payments to its creditors which has been accepted by Hon'ble Delhi High Court.**

There has been no breach in the financial covenants of any borrowing facilities in the current period. There is no change in the objectives, policies or processes for managing capital over previous year.

36) Going Concern Basis

The company filed a fresh Scheme of Arrangement for the reorganization of the share capital of the company and for compromise with the secured and unsecured creditors of the company, hereinafter referred to as the “**Fresh Restructuring Scheme**” before the Hon'ble Delhi High Court at New Delhi on 24th September 2004.

Pursuant to the orders of the Hon'ble Delhi High Court, the unsecured creditors and debenture holders in their meeting convened under the Chairpersonship of court appointed Chairpersons (retired Judges of Hon'ble Delhi High Court) on 1st April 2005 and 2nd April, 2005 have approved the scheme without any modifications with the requisite majority. The meeting of the other secured creditors (banks/ institutions) was held on 17th September 2005 and has also approved the scheme by the requisite majority after considering some modifications proposed by the Punjab & Sind Bank. The promoter company has undertaken, subject to sanction of the scheme by the Hon'ble Delhi High Court, contributed Rs. 195,000,000 of which Rs. 156,000,000 were deposited with the Registrar of the Hon'ble Delhi High Court Registrar, as per court order by the promoter group, and the balance amount of Rs 39,000,000 had been deposited on 27th April, 2012. The Fresh Restructuring Scheme kept pending for approval of Hon'ble High Court of Delhi. Over the years and till 31st March, 2017, the accounts of the company have been drawn on the assumption that the “**fresh restructuring scheme**” will be accepted and implemented. If it is not accepted and cannot be implemented for any reason the total liability before the proposed restructuring scheme including those for which no provision has been made and has been quantified under appropriate heads, shall become payable.

Justice Anil Kumar as one man committee was appointed vide order dated:- 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes.

The one man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. One Man Committee observed that that it already has sufficient funds, ready cash, to repay about 70% of the deposits to all the depositors having deposits of more than Rs 5,000 including secured creditors in the first stage. Under Phase -1, 70% a part of the amount be paid to the creditors having deposits of more than 5,000 and full amount be paid to those who have deposits of Rs. or less than Rs.5,000 in the first instance. In the second phase, which should also commence. with phase 1 simultaneously, properties and shares and all the assets be liquidated by selling and the realized amount is recommended to be utilized for the repayment of balance 30% of principal and the maturity value on the fixed deposits, debentures and banks. If the amount is still available to the Company, the Hon'ble Company Court may decide whether some amount - be paid as interest as has also been recommended by the Reserve Bank of India. During the year ended 31st March, 2018, Company started paying the amount as per Phase-I and Phase I is still in continuation for the financial year ending 31st March 2019. Hon'ble High Court of Delhi held that the issue of revival of the company will be decided once all payments are made in the manner as suggested in the report. The accounts of the company have been prepared on a “going concern” basis on an assumption & premises made by the management that:-

- (a) Company incurred a net loss of Rs. 93,59,392 during the year ended March 31, 2019 and, as of that date, the Company's current liabilities exceeded its total assets by Rs 28,13,13,601. The accumulated loss as on 31st March, 2019 stands to Rs. 85,41,86,911 /-(Previous year Rs. 84,48,27,519/-). As on 31st March, 2019, the Company's total liabilities exceeded to its total assets by Rs. 43,19,65,184/- (Previous year Rs. 42,26,05,793/-).
- (b) The Company is not carrying on any business as to comply with the directives of the Reserve Bank of India the company ceased to accept deposits from September 1997 and the company's application to RBI for certificate of registration (CoR) as a NBFC had been rejected by the RBI in year 2004. The Company contends that the Scheme of One Man Committee shall be implemented in full and other aspect of fresh restructuring scheme such issuance of equity to SBI HOME FINANCE LTD and Pressman Leasing would be approved/decided upon by the Hon'ble Delhi High Court and accordingly the decision on revival of Company would be taken by Hon'ble Delhi High Court and
- (c) Adequate finances and opportunities would be available in the foreseeable future to enable the company to start operating on a profitable basis

- 37) The Company's application to RBI for Certificate of Registration (CoR) as a NBFC had been rejected by the RBI in year 2004. The company had made an appeal to the Appellate Authority, Ministry of Finance which directed the RBI to keep its order of rejection of CoR in abeyance for a period of six months and directed the company to file Fresh Restructuring Scheme before Hon'ble Delhi High Court. RBI has preferred an appeal before the Hon'ble Delhi High Court against the order of the appellate authority, which is still pending. This may be decided upon once scheme of One Man Committee shall be implemented in full and other aspect of fresh restructuring scheme would be approved/decided upon by the Hon'ble Delhi High Court.
- 38) Balance confirmation of bills receivable and payable, advances recoverable in cash or in kind, receivables and payables relating to lease and hire purchase, lease security deposit of which party wise details are not available. Balance confirmation of inter-corporate deposits, balance of ex-employees, margin against L/C, loans from institutions, banks, and other receivables and payables have not been received from the parties/persons concerned. In the absence of balance confirmation the closing balances as per books of accounts have been incorporated in the final accounts and have been shown, unless otherwise stated by the management about its recoverability in the financials including considering the NPA Provisions, are good for recovery/ payment. Time barred debts under the Limitations Act have not been separately ascertained and written off or provided for. In the absence of such confirmation & corresponding reconciliation, it is not feasible for us to determine financial impact on the financials and the amount referred as payable in the financials can differ.
- 39) Segment information for the year ended 31st March 2019
 The Company is engaged in a single segment i.e. Financing Operations viz., inter corporate deposits and investments. Presently Company is not carrying on any operation except realizing all debts or maintaining existing assets. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.
- 40) Figures for the previous year are in brackets and have been re-grouped/re-classified wherever necessary to make them comparable with the figures of the current year.

For Mukesh Aggarwal

Chartered Accountants
 Firm Registration No. 011393N

Rishi Mittal
 Partner
 M.No. 521860

Richa Kalra
 Director
 DIN: 07632571

Shantanu Deveshwar
 Director
 DIN: 08268523

Place : New Delhi
 Dated : 28th May, 2019

Priya Sharma
 Company Secretary
 M.No.A48306

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DCM FINANCIAL SERVICES LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of **DCM FINANCIAL SERVICES LIMITED** ("hereinafter referred to as the Holding Company") and its subsidiary (the Holding Company and its subsidiaries together referred to as the 'Group') which comprise the Consolidated Balance Sheet as at 31st March, 2019, and the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the **Basis for Qualified Opinion paragraph**, the aforesaid standalone Ind AS consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- (a) In the case of the Consolidated Balance Sheet, of the Consolidated State of Affairs of the Company as at March 31, 2019; and
- (b) In the case of Consolidated Statement of Profit and Loss account, of the loss for the year ended on date March 31, 2019.
- (c) In the case of Consolidated Cash Flow Statement for the year ended on date March 31, 2019.
- (d) In the case of Consolidated Statement of changes in equity for the year ended on date March 31, 2019.

Basis for Qualified Opinion

- (i) Justice Anil Kumar as one man committee was appointed vide order dated:- 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The one man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. Under Scheme of One Man Committee, Interest of Rs 235 Lacs are payable to Debenture Holders and Rs 1,448 Lacs are payable to Fixed Depositors under Phase-2 of Schedule of Payments laid down by One Man Committee. Presently the said committee has waived any further payment of Interest to Fixed Depositors, Debenture-holders and other lenders, however on complete liquidation of properties and investments, if any surplus remains after payment to all stakeholder creditors, then further payment of Interest would be decided. All stakeholders creditors which are covered under scheme has given its consent to the scheme. No provision of Rs. 1,683 Lacs as laid down under the the scheme towards Interest on Debentures and Fixed Deposits, have been provided in the consolidated financial statements on the outstanding amount of Debentures and Fixed Deposits.

Had interest of Rs. 1,683 Lacs been provided for in the consolidated financial statements of year ending 31st March 2018 on outstanding amount of Debentures and Fixed Deposits, the Net Profit before tax would have been lowered by Rs. 1,683 Lacs and Net Profit after tax would have been lowered by Rs. 1,340 Lacs as at 31st March, 2018. The cumulative net loss as well as Current Liabilities as at 31st March, 2019 would have been higher by Rs 1,340 Lacs. The same has been explained in Note 17.1 and Note 17.4

- (ii) For redemption of 'B' series debentures of Rs. 2014.98 Lacs debenture redemption reserve is required to be created. Debenture redemption reserve of Rs. 2014.98 Lacs has not been created due to insufficient profits. The same has been explained in Note 17.1.
- (iii) The value of assets created as security in favor of banks, debenture-holders & financial institutions have been depleted over a period of time. The depletion has not yet been ascertained by the Company. To the extent of shortfall, if any, the liability is unsecured, whereas the same has been shown as secured. The same has been explained in Note 17.1, 17.2 and 17.3.

(iv) Balance confirmation of bills receivable and payable, advances recoverable in cash or in kind, receivables and payables relating to lease and hire purchase, lease security deposit of which party wise details are not available. Balance confirmation of inter-corporate deposits, balance of ex-employees, margin against L/C, loans from institutions, banks, and other receivables and payables have not been received from the parties/persons concerned. In the absence of balance confirmation the closing balances as per books of accounts have been incorporated in the final accounts and have been shown, unless otherwise stated by the management about its recoverability in the financials including considering the NPA Provisions, are good for recovery/ payment. Time barred debts under the Limitations Act have not been separately ascertained and written off or provided for. In the absence of such confirmation & corresponding reconciliation, it is not feasible for us to determine financial impact on the financials and the amount referred as payable in the financials can differ. Please refer Note No-38

(v) As per the Guidance Note on Accounting for credit available in respect of Minimum Alternative Tax, MAT Credit is an asset to be recognized in the consolidated financial statement when it is 'Probable' that the future economic benefits associated with it will flow to the enterprise and asset has a cost or value that can be measured reliably. In the previous periods, the holding company has already recorded MAT Credit Entitlement of Rs 28.52 Lacs in the books of accounts. Considering that the matter is Scheme of One Man Committee is still under process and Hon'ble Delhi High Court has held that the revival of Company will be decided later-on depending on the successful implementation of scheme of One Man Committee, there is no virtual certainty that future economic benefit would flow to company. Considering this, we are of opinion that such MAT Credit Entitlement of Rs 28.52 Lacs needs to be derecognized.

Had MAT Credit of Rs 28.52 Lacs had been reversed in financial statements in previous years, the net profit after tax would have been lower by Rs 28.52 Lacs and net profit after tax would have been lowered by Rs. 28.52 Lacs in respective previous years and consequently the net cumulative loss would have been higher by Rs 28.52 Lacs for the financial year ending 31st March 2019. In addition to, non-current loans and advances would have been lowered by Rs 28.52 Lacs after considering the tax effects.

(vi) **Contingent liabilities and Other Commitments**

vi(a) During the year ended 30th June, 2011 the company's tenant had filed a claim of Rs. 10,000,000 against the holding company due to damages suffered by the tenant which is still pending under arbitration proceedings as on 31st March, 2019.

vi(b) There is a demand of Rs. 3,458,902 raised by Income Tax Department for the Assessment Year 2006-07 and Rs. 357,542 for the Assessment Year 2012-13 for payment of income tax under the Income Tax Act, 1961, which is disputed by the holding company and pending before the appropriate authorities as on 31st March 2019.

vi(c) There is an award passed by the arbitrator against the holding company in the matter of MS Shoes East Limited on May 28, 2012 for Rs. 5,128,320 i.e. the claim amount, along with Rs. 30,680,848 towards interest cost for an underwriting given by the holding company in the year 1995 for the public issue of M/s MS Shoes East Ltd. Furthermore, an incidental cost which includes arbitration venue rent, record keeping cost, administrative cost and stamp paper charges amounting to Rs. 549,280, had been awarded to the holding company. The total financial impact comes to Rs. 36,358,448 which has been contested by Holding Company before Hon'ble Delhi High Court.

vi(d) Due to dispute with the builder namely M/s NBCC Ltd. from which the holding company had purchased an office premises in the year 1995, regarding a claim of Rs. 28,829,634 on account of increase in super area and certain other expenditure which the builder i.e. M/s NBCC Ltd. had incurred and the same is pending in arbitration. Breakup of the amount of Rs. 28,829,634 mentioned supra is as follows:

S. No.	Description	Amount
1.	Difference in super area Vs. provisional area	22,928,254/-
2.	Claim of property tax	319,100/-
3.	Claim of ground rent	2,167,190/-
4.	Allied charges	782,210/-
5.	Augmentation of Electric sub station	132,880/-
6.	Loss of profit	2,000,000/-
7.	Arbitration cost	500,000/-
TOTAL		28,829,634/-

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our report:-

- (i) We draw attention to Note 36 in the consolidated financial statements, which indicates that the Company incurred a net loss of Rs. 94,81,207 during the year ended March 31, 2019 and, as of that date, the Company's current liabilities exceeded its total assets by Rs. 28,11,92,526. The accumulated loss as on 31st March, 2019 stands to Rs. 65,10,18,439/- (Previous year Rs. 64,15,37,232/-). As on 31st March, 2019, the Company's total liabilities exceeded to its total assets by Rs. 42,97,67,899/- (Previous year Rs. 42,02,86,692/-).

As stated in Note 36, these events or conditions, along with other matters as set forth in Note 36 which are as under :-

The Holding Company is not carrying on any business as to comply with the directives of the Reserve Bank of India, the company ceased to accept deposits from September 1997 and the company's application to RBI for certificate of registration (CoR) as a NBFC had been rejected by the RBI in year 2004. The Company contends that the Scheme of One Man Committee shall be implemented in full and other aspect of fresh restructuring scheme such issuance of equity to SBI Home Finance Limited and Pressman Leasing, would be approved/decided upon by the Hon'ble Delhi High Court and accordingly the decision on revival of Company would be taken by Hon'ble Delhi High Court. This indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

- (ii) We draw attention to Note 26 in the consolidated financial statements regarding successful implementation of scheme of One Man Committee on which continuity and revival of the Company is completely dependent which not only includes successful implementation of Schedule of payments described under Phase-I and Phase-II, but also realisability of funds from the disposal of Fixed Assets especially Building which is under dispute with Tenant as well as NBCC.
- (iii) We draw attention to Note 32 in the consolidated financial statements on the deposit Rs. 195,000,000 with the Hon'ble Delhi High Court. DCM Services Ltd, as a promoter had committed to bring in Rs. 195,000,000 as a promoter contribution upon sanction of their restructuring scheme under erstwhile Section 391 of the Indian Companies Act, 1956 which is under implementation by One Man Committee appointed with the direction of Hon'ble Delhi High Court. The Court vide order dated 06.05.2008 has asked DCM Services Limited to deposit Rs. 195,000,000 with the Court and pursuant to the court order DCM Services Limited deposited Rs. 50,000,000 on 16.07.2010, Rs 67,000,000 on 18.11.2010, Rs. 39,000,000 on 21.04.2011 & Rs. 39,000,000 on 27.04.2012 aggregating to Rs. 195,000,000 on behalf of the promoters with the Registrar, Hon'ble Delhi High Court. All the funds are with Delhi High Court along-with accrued interest thereon. No financial impact of this has been recorded in the financials of the company till 31st March, 2019 as there is no clarity provided by Hon'ble High Court of Delhi on whether Company would have to issue any shares against such contribution as per SEBI guidelines or such amount would be refundable to DCM Services Limited by company or there would be no liability on the Company to either to pay the said amount or issue any shares in lieu of that. Till Company gets any clarity on this matter, no financial entry has been recorded in the books of accounts.
- (iv) Pursuant to sub-section 5 of section 203 Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company is required to appoint a Whole Time Company Secretary, non-compliance of which the company shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees. However during the year ended March 31st, 2017, the Company was in contravention of the aforesaid provision. As explained to us, the management has made various attempts to appoint a Whole Time Company Secretary, however was unable to appoint Whole Time Company Secretary in the absence of suitable candidate. The Company has made relevant disclosures in the Board of Directors meeting regarding this issue.

However during the year ended March 31st, 2018, the Company has appointed Whole Time Company Secretary with effect from 22nd April, 2017.

Regarding non appointment of Whole Time Company Secretary till 22nd April, 2017, it is non-compliance of Section 203 of Companies Act, 2013, which could attract penalties. Presently it is not feasible to determine the financial impact on the financial.

- (v) Pursuant to section 149 of Companies Act, 2013 read with rule 3 of Companies (Appointment and Qualification of Directors) Rules, 2014 every listed company is required to appoint at least one Woman Director. During the year ended March 31st, 2016, the Holding Company was in contravention of the aforesaid provision as no woman director has been appointed. It is non-compliance of Section 149 of Companies Act, 2013. Presently Section 149(1) of the Companies Act, 2013 is silent on the component of penalty. SEBI guidelines prescribed penalties for the non-compliance which are Rs. 50,000 from 1-April-2015 to 30th June, 2015 and thereafter Rs. 1,000 per day for next 01-July-2015 to 30-Sep-2015 and thereafter from 01-Oct-2015 onwards Rs. 5,000 per day. With effect from 6-October 2016, woman director has been appointed by the Company. Total estimated penalty/fine comes to Rs. 16.85 Lacs (P.Y RS.16.85 Lacs) till date of appointment of women director (i.e. 5th October, 2016). No provision of Rs 16.85 Lacs has made in the books of accounts. Had provision been provided for in the consolidated financial statements, the net profit before tax for the year ended 31st March, 2018 would have been lower by Rs 16.85 Lacs and net profit after tax would have been lowered by Rs. 13.40 Lacs. The cumulative net loss as well as Current/Non-Current Liability/Provisions as at 31st March, 2019 would have been higher by Rs.13.40 Lacs.
- (vi) The subsidiary company namely, Global IT Options Limited has from 1st June 2014 to 31st March, 2018 incurred expenditure of Rs 22.84 Lacs for & on behalf of its Holding Company (i.e. DCM Financial Services Limited) and the same balance is outstanding as on 31st March 2019 also. It comes under the category of short term funding which is in-fact Inter-Corporate Deposit. In case of Inter-Corporate Deposit, Section 186 of Companies Act, 2013 stipulates to charge interest at a rate not less than the bank declared by Reserve Bank of India. No Interest has been provided on outstanding balance of Rs 22.84 Lacs by Company to its subsidiary - Global IT Options Limited with effect from 1-June-2014. It is a non-compliance of Section 186 of the Companies Act, 2013, which could attract penalties. We have discounted this liability considering the borrowing with interest @10% p.a. in FY 2015-16 considering that the same will be paid in FY 2019-20

Information Other than the consolidated financial statements and Auditor's Report Thereon

The Board of Directors of Group is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Director's Report, Report on Corporate Governance and General Shareholders 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 consolidated 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.

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

The Board of Directors of Company is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to

going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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.

Materiality is the magnitude of misstatements 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 regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements 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

1. As required by Section 143 (3) of the Companies Act, 2013, we report that:
 - a. Except for the matters described in the Basis for Qualified Opinion and Key Audit Matters paragraph, 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. Except for the matters described in the Basis for Qualified Opinion and Key Audit Matters paragraph, in our opinion proper books of account as required by law have been kept by so far as it appears from our examination of those books;
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.;
 - d. Except for the matters described in the Basis for Qualified Opinion and Other Key Matters paragraph, in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with rule 7of the Companies (Accounts) Rules,2014 ;
 - e. The matter described in the Basis for Qualified Opinion and Other Key Matters paragraph above, in our opinion, may have an qualified effect on the functioning of the Group.
 - f. Pursuant to section 167 of Companies Act, 2013, the office of one of director is vacated due to disqualification incurred under section 164(2) of Companies Act, 2013 which is due to non-redemption of debentures and repayment of public deposits. As explained by the Company, the matter presently is sub-judiced as Company had already submitted Fresh Restructuring Scheme with Hon'ble Delhi High Court and One Man Committee appointed by Hon'ble Delhi High Court is already implementing schedule of modified scheme. None of the directors of subsidiary company is disqualified.
 - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'A'** ; and
 - h. with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - i. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note 28 to the consolidated financial statements;
 - ii. The Group has made necessary provision in its consolidated financial statements under the applicable law or Indian accounting standards, wherever required;
 - iii. The Company moved an application before the Hon'ble Company Law Board, New Delhi on 22nd July 2004 under Regulation 44 of the Company Law Regulations 1991 proposing a fresh repayment schedule for fixed depositors, debenture-holders and other creditors of the Company. The company filed a Fresh Scheme of Arrangement for the reorganization of the share capital of the company and for compromise with the secured and unsecured creditors of the company, hereinafter referred to as the "Fresh Restructuring Scheme" before the Hon'ble Delhi High Court on 24th September 2004 mentioning therein repayment schedule.

Justice Anil Kumar as one man committee was appointed vide order dated:- 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The one man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. One Man Committee observed that that it already has sufficient funds, ready cash, to repay about 70% of the deposits to all the depositors having deposits of more than Rs 5,000 including secured creditors in the first stage. Under Phase -1, 70% of the principal amount be paid to the

creditors having deposits of more than 5,000 and full amount be paid to those who have deposits of Rs. or less than Rs.5,000 in the first instance to fixed depositors, Debenture-holders and banks. In the second phase, which should also commence with phase 1 simultaneously, properties and shares and all the assets be liquidated by selling and the realized amount is recommended to be utilized for the repayment of balance 30% of principal amount and the maturity interest component only on the fixed deposits and debentures. Other creditors such as banks, financial institutions, ICD Holders shall also be paid 30% of the Principal Amount except to SBI Home Finance Limited and Pressman Leasing which will be issued equity shares in Second Phase. Depending upon the availability of surplus amount from disposal of assets with the Company, the Hon'ble High Court of Delhi may decide whether some additional amount of interest can be paid to depositors or other creditors. During the year ended 31st March, 2018, During the year ended 31st March, 2018, Company started paying the amount as per Phase-I and the company is still in continuation of making payments as per Phase I for the year ended 31st March 2019. The matter regarding payment to fixed depositors, debenture-holders and other sums are already covered under Phase-I and Phase-II schedule of payment decided by One Man Committee duly appointed by Hon'ble Delhi High Court.

All the unpaid matured Public Fixed Deposits of Rs 5,237.47 Lacs Unpaid Matured Debentures of Rs. 2022.09 Lacs which was more than seven year old. Accordingly except the matter stated above, there has been no delay in transferring amounts or there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. Refer Note No 17.1 and 17.4.

There is no outstanding amounts in Subsidiary Company which are required to be transferred to the Investor Education and Protection Fund.

For Mukesh Aggarwal
Chartered Accountants
Firm Registration No. 011393N

Rishi Mittal
Partner
M.No. 521860

Place : New Delhi
Dated : 28th May, 2019

ANNEXURE-"A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 2 (f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

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

We have audited the internal financial controls over financial reporting of **DCM FINANCIAL SERVICES LIMITED** ("herein referred as the Company") and its subsidiary company as of March 31, 2019 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Disclaimer of Opinion

According to the information and explanation given to us, the Company and its subsidiary has not established its internal financial control over financial reporting on criteria based on or 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. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2019.

We have considered the disclaimer reported above in determining the nature, volume of transactions, materiality, timing, and extent of audit test applied in our audit of the financial statement of the company and the disclaimer does not affect our opinion on the financial statements of the company.

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary, is based on solely on the corresponding reports of the auditors of such company incorporated in India.

For Mukesh Aggarwal
Chartered Accountants
Firm Registration No. 011393N

Rishi Mittal
Partner
M.No. 521860

Place : New Delhi
Dated : 28th May, 2019

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019

Particulars	Note No.	(Amount in Rupees)	
		As at 31.03.2019	As at 31.03.2018
I. ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	1	122,403,641	125,596,004
(b) Financial Assets			
(i) Investments	2	46,128	45,367
(ii) Other Financial Assets	3	220,000,000	-
(c) Deferred Tax Assets (Net) Including MAT	4	32,851,897	37,146,815
(d) Other Non-Current Assets	5	20,284,786	18,241,795
2 Current assets			
(a) Financial Assets			
(i) Investments	6	12,089,583	15,233,121
(ii) Trade Receivable	7	-	-
(iii) Cash and cash equivalents	8	2,279,885	11,358,706
(iv) Other Bank Balance	9	88,449,831	336,054,596
(v) Other Financial Assets	10	1,748,530	18,850,464
(b) Other Current Assets	11	3,669	6,399
TOTAL ASSETS		500,157,951	562,533,269
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	221,250,540	221,250,540
(b) Other Equity	13		
Attributable to Owners of the Parent		(651,325,865)	(641,856,840)
Non - Controlling Interests		307,426	319,607
2 Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	140,449,776	129,569,796
(b) Other Non Current Liabilities	15	7,297,982	15,878,429
(c) Provisions	16	827,617	526,745
Current liabilities			
(a) Financial Liabilities			
(i) Other Financial Liabilities	17	776,564,088	832,376,324
(b) Other current liabilities	18	3,063,454	3,320,158
(c) Provisions	19	1,722,936	1,148,509
TOTAL EQUITY AND LIABILITIES		500,157,951	562,533,269

For Mukesh Aggarwal
Chartered Accountants
Firm Registration No. 011393N

Rishi Mittal
Partner
M.No. 521860

Shantanu Deveshwar
Director
DIN: 08268523

Richa Kalra
Director
DIN: 07632571

Priya Sharma
Company Secretary
M.No. A-48306

Place : Delhi
Dated : 28th May 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2019

Particular	Note No.	(Amount in Rupees)	
		For the year ended 31.03.2019	For the year ended 31.03.2018
I. Revenue From Operations		-	-
II. Other income	20	29,962,982	72,541,369
III. Total Revenue (I + II)		29,962,982	72,541,369
IV. Expenses:			
Changes in inventories of Stock in Trade		-	-
Employee benefits expense	21	5,934,580	4,498,627
Finance costs	22	10,883,958	9,890,891
Depreciation and amortization expense	1	3,199,362	3,203,955
Other expenses	23	15,054,677	38,761,114
Total expenses		35,072,578	56,354,587
V. Profit before exceptional items and tax (III-IV)		(5,109,596)	16,186,782
VI. Exceptional Item			
VII. Profit before tax (V - VI)		(5,109,596)	16,186,782
VIII. Tax expense:	24		
(1) Current tax		-	3,900,462
(2) Deferred tax		4,382,745	11,152,166
(3) Prior Period Taxes		76,694	83,170
IX Profit (Loss) for the period from continuing operations (VII-VIII)		(9,569,034)	1,050,984
X Profit (Loss) for the period		(9,569,034)	1,050,984
XI Other Comprehensive income			
A (i) Items that will not be reclassified to profit or loss		-	(105,392)
(ii) Income tax relating to items that will not be reclassified to profit or loss		87,827	(15,981)
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XII Total Comprehensive Income for the period (X+XI) (Comprising profit (loss) and other Comprehensive Income for the period)		(9,481,207)	929,610
Total Comprehensive Income			
Attributable to			
Owners of the Parent		(9,469,026)	941,478
Non-Controlling Interests		(12,182)	(11,867)
Profit for the year			
Attributable to:			
Owners of the Parent		(9,556,853)	1,062,851
Non-Controlling Interests		(12,182)	(11,867)
Other Comprehensive Income for the year			
Attributable to:			
Owners of the Parent		87,827	(121,373)
Non-Controlling Interests		-	-
XIII Earnings per equity share (for continuing operation):			
- Basic		(0.43)	0.04
- Diluted		(0.43)	0.04

For Mukesh AggarwalChartered Accountants
Firm Registration No. 011393N**Rishi Mittal**

Partner

M.No. 521860

Shantanu Deveshwar

Director

DIN: 08268523

Richa Kalra

Director

DIN: 07632571

Priya Sharma

Company Secretary

M.No. A-48306

Place : Delhi**Dated : 28th May 2019**

CONSOLIDATED CASH FLOW STATEMENT FOR THE ENDED 31ST MARCH 2019

Particulars	(Amount in Rupees)	
	31.03.2019	31.03.2018
(A) Cash flow from Operating Activities		
Profit Before Tax	(5,109,596)	16,186,782
Add:		
Depreciation	3,199,362	3,203,955
Interest Paid	10,879,980	9,890,891
Loss on sale of FA	0	7,022
Provision for Impairment of Investment	1,710,167	-
Unrealised loss on account of fair valuation of Investments	1,433,371	-
Less:		
Remeasurement of post employment defined benefit plans	-	(105,392)
Interest on Fixed Deposits	(20,886,221)	(29,009,969)
Deferred Income	(8,580,448)	(8,580,448)
Dividend Income	(26,128)	(19,472)
Gain on sale of Fixed Assets	-	(7,600)
Unrealised gain on account of fair valuation of Investments	(761)	(2,392,433)
Operating Profits before working Capital changes	(17,380,273)	(10,826,664)
Adjustment for:		
Change in Other Current Assets	2,730	-
Change in Other Non Current Assets	339,400	300,231
Change in Other Financial Current Assets	17,101,934	11,774,266
Change in Current Liabilities	(256,704)	(2,259,641)
Change in Other Current Financial Liabilities	628,748	(964,677)
Change in Other Non Current Financial Liabilities	-	(138,600)
Change in Provisions	875,298	518,925
Cash generation from Operating Activities	1,311,132	(1,596,160)
Less Income Tax paid	2,459,083	2,909,303
	(1,147,951)	(4,505,463)
(B) Cash Flow from Investing Activities		
Interest Income	20,886,221	29,009,969
Dividend Income	26,128	19,472
Redemption/(Purchase) of FD	27,604,765	132,715,911
Purchase of Fixed Assets	(7,000)	(13,000)
Sale of Fixed Assets	-	18,100
	48,510,114	161,750,452
(C) Cash Flow from Financing Activities		
Repayment to Debenture Holders	(35,195,313)	(17,616,779)
Repayment to SIDBI	-	(2,540,959)
Repayment of Bank Loan - PSB	-	(56,238,322)
Repayment of Loan to Fixed Depositors	(21,245,671)	(17,911,251)
Repayment of Loan to Related Parties	-	(56,020,773)
	(56,440,984)	(150,328,084)
Net increase decrease in cash & cash equivalents	(9,078,821)	6,916,905
Cash and Cash equivalents (Opening Balance)	11,358,706	4,441,801
Cash and Cash equivalents (Closing Balance)	2,279,885	11,358,706

Notes forming part of Financial Statements

This is the Consolidated Cash Flow Statement referred to in our report of even date.

**As per our report annexed,
For Mukesh Aggarwal**

Chartered Accountants
Firm Registration No. 011393N

Rishi Mittal
Partner

M.No. 521860

Shantanu Deveshwar
Director

DIN: 08268523

Richa Kalra
Director

DIN: 07632571

Priya Sharma

Company Secretary

M.No. A-48306

Place : Delhi

Dated : 28th May 2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**Equity Share Capital**

Particulars	As at 31st March 2019	As at 31st March 2018
Balance at the beginning of the reporting period;	221,250,540	221,250,540
Changes in equity share capital during the year;	-	-
Balance at the end of the reporting period	221,250,540	221,250,540

Other Equity

Other equity consist of following :

Particulars	Reserves and Surplus							Total
	Capital Reserve	Securities Premium	De-benture Re-demption Reserve	Special Reserve	Retained Earnings	Attributable to the owners of Parent	Non Controlling Interest	
Balance at 1.04.2017	19,386,846	165,086,340	875,000	15,623,000	(843,769,503)	(642,798,317)	331,474	(642,466,843)
a. Balance at the beginning of the reporting period	19,386,846	165,086,340	875,000	15,623,000	(843,769,503)	(642,798,317)	331,474	(642,466,843)
b. Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
c. Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-
d. Total comprehensive income for the year	-	-	-	-	941,478	941,478	(11,867)	929,611
e. Dividends	-	-	-	-	-	-	-	-
f. Transfer to retained earnings	-	-	-	-	-	-	-	-
g. Total other comprehensive income for the year	-	-	-	-	-	-	-	-
Balance at the end of the 31.03.2018	19,386,846	165,086,340	875,000	15,623,000	(842,828,026)	(641,856,840)	319,607	(641,537,232)
a. Balance at the beginning of the reporting period	19,386,846	165,086,340	875,000	15,623,000	(842,828,026)	(641,856,840)	319,607	(641,537,232)
b. Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
c. Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-
d. Total comprehensive income for the year	-	-	-	-	(9,469,026)	(9,469,026)	(12,182)	(9,481,207)
e. Dividends	-	-	-	-	-	-	-	-
f. Transfer to retained earnings	-	-	-	-	-	-	-	-
g. Total other comprehensive income for the year	-	-	-	-	-	-	-	-
Balance at the end of the 31.03.2019	19,386,846	165,086,340	875,000	15,623,000	(852,297,051)	(651,325,865)	307,426	(651,018,439)

Property, Plant and Equipment

Property, plant and equipment consist of the following :

Particulars	Land	Plant & Machinery	Buildings	Vehicles	Computers	Furniture & Fixtures	Office Equipment & Appliances	Total
Year ended 31 March 2017								
Deemed Cost as at 01.04.2016	306,000	43,708	130,434,470	378,229	3,688	792,098	210,083	132,168,276
Additions	-	-	-	-	-	-	8,880	8,880
Disposals	-	40,939	-	-	-	1,188	161,615	203,742
Closing Gross Carrying Amount as at March 31, 2017	306,000	2,769	130,434,470	378,229	3,688	790,910	57,348	131,973,414
Depreciation charged during the year 2016-2017	-	-	2,862,476	98,434	-	180,539	27,484	3,168,933
Depreciation on Disposals	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation as at March 31, 2017	-	-	2,862,476	98,434	-	180,539	27,484	3,168,933
Net Carrying Amount as at March 31, 2017	306,000	2,769	127,571,994	279,795	3,688	610,371	29,864	128,804,481
Year ended 31 March 2018								
Opening gross Carrying Amount	306,000	2,769	130,434,470	378,229	3,688	790,910	57,348	131,973,414
Additions	-	-	-	-	-	-	13,000	13,000
Disposals	-	-	-	-	-	10,000	17,022	27,022
Closing Gross Carrying Amount as at March 31, 2018	306,000	2,769	130,434,470	378,229	3,688	780,910	53,326	131,959,392
Opening Accumulated Depreciation	-	-	2,862,476	98,434	-	180,539	27,484	3,168,933
Depreciation charged during the year 2017-2018	-	-	2,862,475	55,354	-	269,253	16,873	3,203,955
Depreciation on Disposals	-	-	-	-	-	9,500	-	9,500
Closing Accumulated Depreciation as at March 31, 2018	-	-	5,724,951	153,788	-	440,292	44,357	6,363,388
Net Carrying Amount as at March 31, 2018	306,000	2,769	124,709,519	224,441	3,688	340,618	8,969	125,596,004

Year ended 31 March 2019

Opening Gross Carrying Amount	306,000	2,769	130,434,470	378,229	3,688	780,910	53,326	131,959,392
Additions	-	-	-	-	7,000	-	-	7,000
Disposals	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount as at March 31, 2019	306,000	2,769	130,434,470	378,229	10,688	780,910	53,326	131,966,392
Opening Accumulated Depreciation	-	-	5,724,951	153,788	-	440,292	44,357	6,363,388
Depreciation charged during the year 2018-2019	-	-	2,862,475	63,734	3,757	269,253	143	3,199,362
Depreciation on Disposals	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation as at March 31, 2019	-	-	8,587,427	217,522	3,757	709,545	44,500	9,562,751
Net Carrying Amount as at March 31, 2019	306,000	2,769	121,847,044	160,707	6,931	71,365	8,826	122,403,641

2 NON CURRENT INVESTMENTS

Particulars	As at 31st March, 2019		As at 31st March, 2018
	Amount in Rs.		
Details of non current investment			
--Investments in Equity Shares	46,128		45,367
Total	46,128		45,367

2(A) Details of non-current investment consist of following:

(Amount in Rs.)

Sr. No.	Particulars	Subsidiary / Associate / JV/ Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	As at 31st March, 2019	As at 31st March, 2018
			As at 31 st March, 2019	As at 31 st March, 2018				
(a)	Investments in Equity Shares							
	Non -Trade Investments							
1	Global IT Options Ltd	Subsidiary	900,000	900,000	UnQuoted	Fully Paid	9,000,000	9,000,000
	Less: Provision for Impairment						(9,000,000)	(9,000,000)
2	Hindaico Industries Limited	Others	82	82	Quoted	Fully Paid	16,839	17,564
3	Digjam Limited	Others	58	58	Quoted	Fully Paid	253	520
4	Federal Bank Limited	Others	300	300	Quoted	Fully Paid	28,920	5
5	Religare Technova Ltd.	Others	20	20	Quoted	Fully Paid	82	26,805
6	Religare Technologies Ltd.	Others	5	5	Quoted	Fully Paid	33	473
	TOTAL		900,465	900,000			46,128	45,367

Note 3: Other Financial Assets Non-Current

Other Financial Assets consist of the following: (Amount in Rs.)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Bank Deposits	220,000,000	-
(Deposits having maturity more than 12 months from reporting date)		
Total	220,000,000	-

These are restricted bank deposits and cannot be operated without getting prior approval of Hon'ble Delhi High Court.

Note 4: Deferred Tax Assets (Net)

Major Components of the deferred tax balances (Amount in Rs.)

Deferred Tax Liabilities	As at 31 st March, 2019	As at 31 st March, 2018
Depreciation and amortisation	30,730,023	31,117,339
Unrealised gain on securities carried at fair value through statement of profit and loss	2,262,307	1,705,443
Total (a)	32,992,330	32,822,782
Deferred Tax Assets	As at 31 st March, 2019	As at 31 st March, 2018
	Amount in Rs.	Amount in Rs.
Post Employment Defined Benefit Plans	663,144	431,378
Provision for Doubtful Debts	62,926,290	67,869,814
Related Parties	(597,113)	(1,183,501)
Total (b)	62,992,321	67,117,691
Net Deferred Tax (Liabilities)/ Assets (b-a)	29,999,991	34,294,909
Add Minimum Alternative Tax (MAT) Credit entitlement	2,851,906	2,851,906
Net Deferred Tax Asset	32,851,897	37,146,815

Movement in Deferred Tax Assets/(Liabilities)

Particulars	Property, Plant and Equipment	Post Employment Defined Benefit Plans	Provision for Doubtful Debts	Remeasurement of Investment through Profit and Loss	Related Parties	Total
At April 1, 2016	(38,957,333)	261,662	87,909,630	(1,071,244)	(2,511,418)	45,631,296
(Charged) / credited						
- to Statement of Profit and Loss	2,091,122	80,302	(2,990,096)	(192,427)	747,127	(263,972)
- to Other Comprehen- sive Income	-	95,732	-	-	-	95,732
At 31st March, 2017	(36,866,211)	437,696	84,919,534	(1,263,671)	(1,764,291)	45,463,056
(Charged) / credited						

- to Statement of Profit and Loss	5,748,872	2,961	(17,049,719)	(441,772)	580,790	(11,158,868)
- to Other Comprehensive Income	-	(9,279)	-	-	-	(9,279)
At 31st March, 2018	(31,117,339)	431,378	67,869,814	(1,705,443)	(1,183,501)	34,294,909
(Charged) / credited						
- to Statement of Profit and Loss	387,316	319,593	(4,943,524)	(556,864)	586,388	(4,207,092)
- to Other Comprehensive Income	-	(87,827)	-	-	-	(87,827)
At 31st March, 2019	(30,730,023)	663,144	62,926,290	(2,262,307)	(597,113)	29,999,991

5 OTHER NON CURRENT ASSETS

Other non current assets consist of the following : (Amount in Rs.)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
	Amount in Rs.	Amount in Rs.
Advances other than capital advances:		
Security Deposits	665,944	1,005,344
	<u>665,944</u>	<u>1,005,344</u>
"Tax Recoverable (Net of Provisions) (Refer Note 5A)"	19,618,842	17,236,451
	<u>19,618,842</u>	<u>17,236,451</u>
Unsecured , Doubtful		
- Employee Advances		-
- Others	1,022,936	1,022,936
Less: Provision towards doubtful advances/ECL	(1,022,936)	(1,022,936)
		-
Total	<u>20,284,786</u>	<u>18,241,795</u>

5A Details of Tax Recoverable

(Amount in Rs.)

Particulars	As at 31st March, 2019	As at 31 st March, 2018
Advance Tax	1,050,000	3,903,277
TDS	25,235,570	29,845,495
Provision for Tax	6,666,728	16,512,321
Net	<u>19,618,842</u>	<u>17,236,451</u>

6 CURRENT INVESTMENTS

Particulars	As at 31st March, 2019 Amount in Rs.	As at 31st March, 2018/ Amount in Rs.
Details of current investment		
--Investments in Equity Shares	12,089,583	15,233,121
Total	12,089,583	15,233,121

6(A) Details of current investment consist of following:

Sr. No.	Particulars	Subsidiary / Associate / JV/ Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	As at 31st March, 2018	As at 31st March, 2017
			As at 31st March, 2018	As at 31st March, 2017				
(a)	Investments in Equity Shares							
	At Fair Value through Profit & Loss							
1	Profm Money Market Ltd	Others	25,000	25,000	Unquoted	Fully Paid	250,000	250,000
	Less: Provision for impairment						(249,999)	(249,999)
2	World Tex Ltd	Others	437,500	437,500	Unquoted	Fully Paid	11,953,000	11,953,000
	Less: Provision for impairment						(11,952,999)	(11,952,999)
3	Banaras Beads Ltd	Others	110	110	Quoted	Fully Paid	5,308	6,435
4	Bharati Telecom Ltd	Others	100	100	Unquoted	Fully Paid	1,000	6,662
5	Calcom Vision Ltd	Others	5,600	5,600	Quoted	Fully Paid	170,240	76,440
6	Clutch Auto Limited	Others	98,050	98,050	Quoted	Fully Paid	619,676	619,676
	Less: Provision for impairment						(619,675)	
7	Daewoo Motors India Ltd	Others	8,250	8,250	Unquoted	Fully Paid	55,358	55,358
	Less: Provision for impairment						(55,357)	
8	Doin Global Solutions Ltd (Religare Technova)	Others	40	40	Quoted	Fully Paid	165	2,568
9	ESSAR Ports Ltd.	Others	3	3	Unquoted	Fully Paid	30	30
	Less: Provision for impairment						(29)	
10	ESSAR Shipping Ltd.	Others	33	33	Quoted	Fully Paid	345	756

(Amount in Rs.)

11	Flex Foods Ltd	Others	100	100	100	Quoted	Fully Paid	5,855	10,520
12	Gagan Polycot Ltd	Others	800	800	800	Quoted	Fully Paid	1,376	3,312
13	Galaxy Indo Fab Ltd(Shri Laksmi Cotsyn Ltd)	Others	200	200	200	Unquoted	Fully Paid	400	400
	Less: Provision for impairment							(399)	
14	GE Shipping Ltd	Others	65	65	65	Quoted	Fully Paid	18,392	20,163
15	Gujarat Meditech Ltd	Others	200	200	200	Quoted	Fully Paid	800	820
16	Haryana Sheet Glass Ltd	Others	200	200	200	Unquoted	Fully Paid	2,060	2,060
	Less: Provision for impairment							(2,059)	
17	Hazira Cargo Terminals Ltd	Others	9	9	9	Unquoted	Fully Paid	90	90
	Less: Provision for impairment							(89)	
18	Health fore Technologies(Religare Technologies Ltd)	Others	10	10	10	Quoted	Fully Paid	77	77
	Less: Provision for impairment							(76)	
19	Indo Biotech Foods Ltd	Others	300	300	300	Quoted	Fully Paid	1,200	1,200
	Less: Provision for impairment							(1,199)	
20	Innovative Tech Pack Ltd	Others	100	100	100	Quoted	Fully Paid	2,840	6,945
21	Jsw Ispat Steel Ltd	Others	80	80	80	Quoted	Fully Paid	1	1
22	Jamna Auto Ind. Ltd. (Jaiparabolic Springs Ltd)	Others	200	200	200	Quoted	Fully Paid	62,750	15,730
23	Kesar Terminal Infrastructure Ltd. (Kesar Enterprises Ltd)	Others	145	145	145	Quoted	Fully Paid	9,135	18,567
24	Kinetic Trust Ltd.	Others	100	100	100	Quoted	Fully Paid	855	900
25	Mid India Industries Ltd	Others	100	100	100	Quoted	Fully Paid	32	100
26	Nagarjuna Oil Refinery Ltd	Others	100	100	100	Quoted	Fully Paid	33	350
27	Nagarjuna Fertilizers & Chemicals Ltd	Others	110	110	110	Quoted	Fully Paid	755	2,136
28	Padmini Technology Ltd	Others	500	500	500	Quoted	Fully Paid	5,000	5,000
	Less: Provision for impairment							(4,999)	
29	Pioneer Investcorp Ltd	Others	100	100	100	Quoted	Fully Paid	3,020	3,765
30	Profin Capital Services Ltd	Others	19,300	19,300	19,300	Quoted	Fully Paid	2,078,610	4,341,535
31	Radhika Spinning Mills Ltd	Others	300	300	300	Quoted	Fully Paid	723	723
	Less: Provision for impairment							(722)	

32	Rain Industries Ltd	Others	500	500	Quoted	Fully Paid	51,250	187,325
33	Salaya Bulk Terminals Ltd	Others	3	3	Unquoted	Fully Paid	30	30
	Less: Provision for impairment						(29)	
34	Shree Rajasthan Syntex Ltd	Others	500	500	Quoted	Fully Paid	5,000	7,150
35	Shree Rayalaseema Hi Strength Hypo Ltd	Others	8,255	8,255	Quoted	Fully Paid	1,400,874	1,194,499
36	Skypack Courier Ltd	Others	100	100	Unquoted	Fully Paid	443	443
	Less: Provision for impairment						(442)	
37	Sujana Universal Industries Ltd	Others	1,100	1,100	Quoted	Fully Paid	308	1,485
38	Sujana Steel Ltd	Others	1,300	1,300	Quoted	Fully Paid	2,600	2,600
	Less: Provision for impairment						(2,599)	
39	Svam Software Ltd	Others	200	200	Quoted	Fully Paid	94	200
40	Thomas Cook Ltd.	Others	660	660	Quoted	Fully Paid	166,782	186,582
41	Tulip Finance Ltd	Others	1,000	1,000	Unquoted	Fully Paid	1,000,000	1,000,000
	Less: Provision for impairment						(999,999)	
42	United Breweries Limited	Others	8	8	Quoted	Fully Paid	11,161	7,583
43	Uniworth Textiles Ltd.	Others	100	100	Quoted	Fully Paid	300	300
	Less: Provision for impairment						(299)	
44	Vadinar Oil Terminal Ltd	Others	49	49	Unquoted	Fully Paid	490	490
	Less: Provision for impairment						(489)	
45	Virtualsoft System Limited (Suri Capital Leasing Ltd)	Others	13,400	13,400	Quoted	Fully Paid	21,708	21,708
	Less: Provision for impairment						(21,707)	
46	Adhunik Synthetics Ltd	Others	100	100	Unquoted	Fully Paid	1	1
47	Bhivani Synthetics Ltd	Others	400	400	Unquoted	Fully Paid	1	1
48	BLB Mutual Services Ltd	Others	300	300	Unquoted	Fully Paid	1	1
49	BLB Share & Financial Services Ltd	Others	50	50	Unquoted	Fully Paid	1	1
50	Cephram Organics Ltd	Others	250	250	Unquoted	Fully Paid	1	1
51	Chirau Finance Invest. & Leasing	Others	3,900	3,900	Unquoted	Fully Paid	1	1
52	City Lifts Ltd	Others	2,800	2,800	Unquoted	Fully Paid	1	1
53	Crest Paper Mills Ltd	Others	1,700	1,700	Unquoted	Fully Paid	1	1

54	Datepro Information Technology Ltd	Others	1,000	1,000	Unquoted	Fully Paid	1	1
55	Decora Tubes Ltd	Others	200	200	Unquoted	Fully Paid	1	1
56	East India Syntex Ltd	Others	200	200	Unquoted	Fully Paid	1	1
57	Electrolux Kelvinator (Intron)	Others	825	825	Unquoted	Fully Paid	1	1
58	Garg Forgings & Castings Ltd	Others	500	500	Unquoted	Fully Paid	1	1
59	Girnar Fibres Ltd	Others	4,100	4,100	Unquoted	Fully Paid	1	1
60	Goldwon Textiles Ltd	Others	100	100	Quoted	Fully Paid	1	1
61	Good Value Marketing Ltd	Others	200	200	Quoted	Fully Paid	1	1
62	Gorden Herbert India Ltd	Others	100	100	Unquoted	Fully Paid	1	1
63	Grand Foundry Ltd	Others	600	600	Quoted	Fully Paid	1	1
64	Greenfield Corporation Ltd (Rs.5.00 pd)	Others	127,000	127,000	Unquoted	Fully Paid	1	1
65	Hindustan Development Corpn. Ltd	Others	21,050	21,050	Unquoted	Fully Paid	1	1
66	HPM Industries Ltd	Others	5,000	5,000	Quoted	Fully Paid	1	1
67	Jaimata Rolled Glass Ltd	Others	100	100	Quoted	Fully Paid	35	1
68	Jaipur Straw Products Ltd	Others	1,200	1,200	Unquoted	Fully Paid	1	1
69	Jay Vinyls Ltd	Others	100	100	Unquoted	Fully Paid	1	1
70	Jiwan Flora Ltd	Others	400	400	Unquoted	Fully Paid	1	1
71	Karishma Floriculture Ltd	Others	1,700	1,700	Unquoted	Fully Paid	1	1
72	Kashipur Holdings Ltd (Bonus)	Others	50	50	Unquoted	Fully Paid	1	1
73	Kitti Steels Ltd	Others	100	100	Unquoted	Fully Paid	1	1
74	Krishna Colled Rolled Ltd (Rs.2.50 pd)	Others	25,000	25,000	Unquoted	Fully Paid	27,219	1
75	Krishna Engineering Works Ltd	Others	300	300	Quoted	Fully Paid	1	1
76	Makan Agro Ltd	Others	200	200	Unquoted	Fully Paid	1	1
77	Mardia Samyoung Capillary Tube	Others	1	1	Quoted	Fully Paid	1	1
78	Minerva Holdings Ltd	Others	20	20	Unquoted	Fully Paid	1	1
79	Modern Threads Ltd	Others	100	100	Quoted	Fully Paid	1	1
80	Moon Beam Industries Ltd	Others	400	400	Unquoted	Fully Paid	1	1
81	Pan Asia Industries Ltd	Others	5,400	5,400	Unquoted	Fully Paid	1	1
82	Rasik Plast Ltd	Others	4,500	4,500	Unquoted	Fully Paid	1	1

83	S. M. Dychem Ltd	Others	4	4	Unquoted	Fully Paid	1	1
84	S. V. Electricals Ltd	Others	5,000	5,000	Unquoted	Fully Paid	1	1
85	Sajjan Textiles Ltd	Others	100	100	Unquoted	Fully Paid	1	1
86	Shree Pommani Metals & Alloys Ltd	Others	19,400	19,400	Unquoted	Fully Paid	1	1
87	Siddarth Spinfab Ltd	Others	3,500	3,500	Unquoted	Fully Paid	1	1
88	Starspin & Twist Ltd	Others	100	100	Unquoted	Fully Paid	1	1
89	Sturdy Polymers Ltd	Others	200	200	Unquoted	Fully Paid	1	1
90	Sunstar Lubricants Ltd	Others	3,100	3,100	Quoted	Fully Paid	3,777	1
91	Superforging & Steels Ltd	Others	9,600	9,600	Quoted	Fully Paid	1	1
92	Suryachakra Seafoods Ltd	Others	13,400	13,400	Unquoted	Fully Paid	1	1
93	Swarnima Oils Ltd	Others	200	200	Unquoted	Fully Paid	1	1
94	Transpower Engineering Ltd	Others	2,500	2,500	Unquoted	Fully Paid	1	1
95	Tribology India Ltd	Others	400	400	Quoted	Fully Paid	1	1
96	U.P. Lime Chem Limited	Others	500	500	Unquoted	Fully Paid	1	1
97	Valpus Biotech Ltd	Others	700	700	Unquoted	Fully Paid	15,032	1
98	Vikram Projects Ltd	Others	1,600	1,600	Unquoted	Fully Paid	1	1
99	Vishal Lakco Ltd	Others	9,700	9,700	Unquoted	Fully Paid	1	1
100	Cephram Milk Specialities Ltd.	Others	30,000	30,000	Quoted	Fully Paid	3,861	2
101	Cebon India Ltd.	Others	30,000	30,000	Unquoted	Fully Paid	57,278	2
102	Rajasthan Antibiotics Ltd.	Others	30,000	30,000	Unquoted	Fully Paid	4,182,479	2
103	Punj Llyod Ltd	Others	200,000	200,000	Quoted	Fully Paid	422,000	3,410,000
104	RFB Latex Ltd	Others	220,000	220,000	Unquoted	Fully Paid	3,380,852	4,010,348
	Total		1,414,830	1,414,830			12,089,583	15,233,121

7 TRADE RECEIVABLES

Trade receivables consist of the following:

(Amount in Rs.)

TRADE RECEIVABLES

	As at 31st March, 2019	As at 31st March, 2018
	Amount in Rs.	Amount in Rs.
Unsecured, considered doubtful	169,467,432	169,467,432
Less: Provision for doubtful debts	<u>(169,467,432)</u>	<u>(169,467,432)</u>
Total	<u>-</u>	<u>-</u>

8 Cash and Cash Equivalent

Cash and cash equivalents consist of the following at amortised cost:

(Amount in Rs.)

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Amount in Rs.	Amount in Rs.
(a) Balances with Bank		
-Current Accounts - Bank Balances (Refer Note 8A)	18,216	130,291
-Restricted Bank Balance (Refer Note 8B and 8E)	<u>3,016,775</u>	<u>12,171,374</u>
Less: Provision for impairment (Refer Note 8C & 8D)	(774,640)	(945,374)
	2,260,351	11,356,290
(b) Cash in hand	<u>19,535</u>	<u>2,416</u>
Total	<u>2,279,885</u>	<u>11,358,706</u>

8A Current Bank Balances Includes:

(Amount in Rs.)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Canara Bank	11,371	11,371
Axis Bank	6,845	118,920
Total	<u>18,216</u>	<u>130,291</u>

Particulars	As at 31st March, 2019	As at 31st March, 2018
Canara Bank	748,745	748,745
IDBI Bank Limited	895,897	10,729,119
Axis Bank	1,103,572	481,162
Kotak Mahindra	218,561	212,348
IDFC	50,000	-
Total	<u>3,016,775</u>	<u>12,171,374</u>

8B During the year ended 31st March, 2018, the provision for impairment of Rs. 9,45,374 has been provided for the banks balances which are not in operation from past years and confirmations to their balances are not made available. However Provision of Rs. 1,70,734 reversed during the current reporting period, reason being UTI special collection A/C became operative in the F.Y. 2018-19.

(Amount in Rs.)

	As at 31st March, 2019	As at 31 st March, 2018
Canara Bank	748,745	748,745
UTI Special Collection A/C	-	170,734
UTI	<u>25,895</u>	<u>25,895</u>
	<u>774,640</u>	<u>945,374</u>

8C Bank Balances amounting to Rs. 41,436 have been written off during the year ended 31st March 2018, out of which Rs. 11,131 has been written-off against provisions created in earlier years

8D These are restricted bank balance and cannot be operated without getting prior approval of Hon'ble Delhi High Court.

9 Other Bank Balances

Other Bank Balances consist of the following at amortised cost:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Bank Deposits		
(deposits with original maturity of more than 3 months having remaining maturity less than 12 months from reporting date)	88,449,831	336,054,596
Total	88,449,831	336,054,596

9A These are restricted bank deposits and cannot be operated without getting prior approval of Hon'ble Delhi High Court.

10 Other Current Financial Assets

Other Current Assets consist of the following at amortised cost: (Amount in Rs.)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Interest accrued but not due on Fixed Deposits	1,748,530	18,850,464
(A)	1,748,530	18,850,464
Unsecured, Doubtful		
- Inter Corporate Deposit	7,957,994	7,957,994
- Bills Receivable	10,717,132	10,717,132
- Rent Receivable	51,846,552	51,846,552
Less: Provision towards Doubtful Debts/ECL	(70,521,678)	(70,521,678)
(B)	-	-
Total (A) + (B)	1,748,530	18,850,464

11 Other Current Assets (Non-Financial)

Other Current Assets consist of the following:-: (Amount in Rs.)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Prepaid Expenses	3,669	6,399
Employee Advances	13,312	358,359
Other Advances	224,195	53,318
	237,507	411,677
Less: Provision NPA	(237,507)	(411,677)
Total	3,669	6,399

12 SHARE CAPITAL

The Authorised, Issued, Subscribed and fully Paid up Share Capital of Equity Shares having a par value of Rs. 10/- each as follows:

Share Capital	As at 31st March, 2019		As at 31st March, 2018	
	Number	Amount in Rs.	Number	Amount in Rs.
Authorised				
Equity Shares of Rs. 10/- each	65,000,000	650,000,000	65,000,000	650,000,000
6,50,00,000 Equity Shares of Rs. 10 each	65,000,000	650,000,000	65,000,000	650,000,000
Issued				
2,21,25,054 Equity Shares of Rs. 10 each	22,125,054	221,250,540	22,125,054	221,250,540
Fully paid up				
Total	22,125,054	221,250,540	22,125,054	221,250,540

12A Reconciliation of number of shares

Particulars	Equity Shares			
	As at 31st March, 2019		As at 31st March, 2018	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	22,125,054	221,250,540	22,125,054	221,250,540
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement (please specify)	-	-	-	-
Shares outstanding at the end of the year	22,125,054	221,250,540	22,125,054	221,250,540

12B Details of shares held by shareholders holding more than 5% of aggregate shares in the company

Particulars	Equity Shares			
	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
DCM Services Ltd	6,352,487	28.71%	6,352,487	28.71%
Intellect Capital Services Ltd	2,075,000	9.38%	2,075,000	9.38%
Punjab & Sind Bank	1,319,900	5.97%	1,319,900	5.97%
Total	9,747,387	44.06%	9,747,387	44.06%

13 OTHER EQUITY

Other equity consist of following :

Other Equity	Reserves and Surplus				Retained Earnings	Attributable to the owners of Parent	Non Controlling Interest	Total
	Capital Reserve	Securities Premium	Debtenture Redemption Reserve	Special Reserve				
Balance at 1.04.2017	19,386,846	165,086,340	875,000	15,623,000	(843,769,503)	(642,798,317)	331,474	(642,466,843)
a. Balance at the beginning of the reporting period	19,386,846	165,086,340	875,000	15,623,000	(843,769,503)	(642,798,317)	331,474	(642,466,843)
b. Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
c. Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-
d. Total comprehensive income for the year	-	-	-	-	941,478	941,478	(11,867)	929,611
e. Dividends	-	-	-	-	-	-	-	-
f. Transfer to retained earnings	-	-	-	-	-	-	-	-
g. Total other comprehensive income for the year	19,386,846	165,086,340	875,000	15,623,000	(842,828,026)	(641,856,840)	319,607	(641,537,232)
Balance at the end of the 31.03.2018	19,386,846	165,086,340	875,000	15,623,000	(842,828,026)	(641,856,840)	319,607	(641,537,232)
a. Balance at the beginning of the reporting period	19,386,846	165,086,340	875,000	15,623,000	(842,828,026)	(641,856,840)	319,607	(641,537,232)
b. Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
c. Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-
d. Total comprehensive income for the year	-	-	-	-	(9,469,026)	(9,469,026)	(12,182)	(9,481,207)
e. Dividends	-	-	-	-	-	-	-	-
f. Transfer to retained earnings	-	-	-	-	-	-	-	-
g. Total other comprehensive income for the year	19,386,846	165,086,340	875,000	15,623,000	(852,297,051)	(651,325,865)	307,426	(651,018,439)
Balance at the end of the 31.03.2019	19,386,846	165,086,340	875,000	15,623,000	(852,297,051)	(651,325,865)	307,426	(651,018,439)

14 Long Term Borrowing

Long term borrowings consist of following :

(Amount in Rs.)

Particulars	As at 31st March, 2019	As at 31st March, 2018
A. Unsecured		
(i) Fixed Deposit from Public (Refer Note 14.1)	-	-
(ii) Term Loan from SBI HF (Refer Note 14.5)	2,500,000	2,500,000
(iii) Inter-Corporate Deposits (Refer Note 14.6)	-	-
(iv) Payable to Related Party		
- DCM Services Ltd	18,270,000	18,270,000
- Others (Refer Note 14.2, 14.3 and 14.4)	119,679,776	108,799,796
	<u>140,449,776</u>	<u>129,569,796</u>
Total	<u>140,449,776</u>	<u>129,569,796</u>

14.1 SBI HOME FINANCE LIMITED

- (a) **Status till 31-March-2017** - The company has already paid Rs. 29,000,000 under the Old Scheme and proposes to allot shares worth Rs. 2,500,000 for the balance as per the Fresh Restructuring Scheme in the first year from the effective date (Effective date means the date of filing of the certified copy of the order sanctioning the scheme of the Hon'ble High Court of Delhi at New Delhi with the Registrar of Companies of Delhi & Haryana). SBIHF has removed a charge on its assets and therefore the loan is now categorized as unsecured loan.

The Company has to allot fully paid up shares of Rs. 25 Lacs of the Company at Rs. 30/- per share (share value Rs. 10/- plus premium Rs. 20/- per shares) or as per SEBI guidelines to SBI Home Finance Ltd. as per the Decree awarded by the Hon'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme as per applicable SEBI guidelines

(b) DECISION OF ONE MAN COMMITTEE

As per Report of One Man Committee pursuant to order dated 3.9.2015 passed by Hon'ble Delhi Court as on 10th August, 2017, the debt settlement will be as follows:

(i) Amount due to SBI Home Finance as at 31-Dec-2015

Particulars	Amount (In Lacs)
I. Principal Outstanding	25.00
II. Maturity Interest	-
Total	25.00

(ii) Payment Schedule by issuing in shares

(In Lacs)

Particulars	Phase-I
To be discharged by issuance of Equity shares of the Company of the face value of Rs. 10/- at a premium of Rs. 20/- per share or as per applicable SEBI guidelines	25.00
The Company proposes to: allot shares worth Rs. 25.00 Lacs to SBI Home Finance Ltd. as per the Decree awarded by the Hon 'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme as per applicable SEBI guidelines	
Total	25.00

Since, the number of shares to be allotted are not clear, presently the amount of Rs. 25 Lacs is shown in Other Current Financial Liabilities and not under other equity. The same shall be reclassified depending upon whether Company has to issue variable number of equity shares or fixed number of equity shares.

14.2 INDUSIND BANK

- (a) **STATUS AS AT 31-MARCH-2017** - IndusInd Bank: The amount payable to Indusind Bank after calculating interest up to March 31, 2000 had been quantified at Rs. 65,149,000 as on 30-June-2004 in accordance with the "Fresh Restructuring Scheme Under Review". Out of which Fixed Deposit of Rs 74, 49,324 has been adjusted by IndusInd Bank. The balance amount of Rs. 57,699,676 shall be payable as per Fresh Restructuring Scheme. Out Rs. 57,699,676, Rs. 2,83,82,676 shall be payable in six equal yearly installments of Rs 56,76,400 from the 2nd year of the effective date of approval of Fresh Restructuring Scheme by Hon'ble Delhi High Court. The balance of Rs 2,93,17,000 shall be converted in equity shares at any time within 3 years of the effective date of approval of Fresh Restructuring Scheme by Hon'ble Delhi High Court in accordance with applicable SEBI Guidelines for issuance of preferential allotment. Pursuant to an earlier agreement with the bank, from April 1, 2000 till 31st March 2005, interest at a compounded half yearly rate of 10% p.a. has been computed at Rs. 30,020,010, which has already been paid by way of allotment of equity shares of Rs. 10/- each at a premium of Rs. 20/- on 31st March 2001 in advance. The same has been adjusted while arriving at balance of Rs. 65,149,000 as on 30th June 2004. The Fresh Restructuring Scheme does not envisage any payment of interest from 1st-April-2000. Interest payable from 01.04.2005 to 31.03.2017 is also not provided since a Fresh Restructuring Scheme, which is subject to the approval of Hon'ble High Court of Delhi, has been submitted which does not envisage payment of any interest.

(b) DECISION OF ONE MAN COMMITTEE

Decision of One MAN COMMITTEE - Now, as per the scheme, the total principal amount payable to Indusind Bank has been quantified at Rs 6.515 Lacs as on 30th June 2004. This figure has been arrived at after calculating interest upto 31st March 2000 @12% p.a. compounded quarterly on the principal amount of L/C devolvement, after allowing credits for actual amounts paid till date and credit for margin money amounting to Rs. 35.99 Lacs, and excludes penal interest/ additional interest/ overdue charges, if any, debited by the Bank. (Present outstanding after all adjustments is Rs 5.77Cr) The settlement made with the Bank in the earlier scheme has been considered as the base. The total amount payable under the scheme to Indusind Bank so quantified shall be repaid in line with the above settlement and RBI guidelines of OTS is as under:

(i) Amount due to INDUSIND Bank

Particulars	Amount (In Cr)
I. Principal Outstanding	5.77
II. Maturity Interest	-
Total	5.77

(ii) Payment Schedule**Amount (In Cr)**

Particulars	Phase-I	Phase-II
I. 70% of total principal amount	4.04	-
II. 30% of total amount	-	1.73
III. Maturity Interest	-	-
Total	4.04	1.73

Now, after approval of Fresh Restructuring Scheme as recommended by One Man Committee, the payment to Indusind Bank is restricted to the Principal Amount only. Hence, no payment of Interest is envisaged in the Scheme

- (c) The Loan of IndusInd Bank was acquired by DCM Anubhavi Marketing Private Limited. The company pursuant to scheme of One Man Committee, has paid 70% of the principal amount to DCM Anubhavi Marketing Private Limited in th FY 17-18, being assignee of said loan of IndusInd Bank under Phase-I. The balance 30% amount forms the part of closing balance of the current year. The aforesaid amounts are included in the Payment to Related Party which will be released in Phase-II.

(d) Statement on Reconciliation of Loan	Amount In Rs
Principal Outstanding as per the Scheme	57,699,675
Less: Redemption made during the year as per the scheme	40,389,773
Balance as on 31st March 2018/Balance as on 31st March 2019	17,309,903

14.3 PRESSMAN LEASING**(a) DECISION OF ONE MAN COMMITTEE**

The amount due to M/s, Pressman Leasing has been quantified at the lump sum of Rs 4.10 Cr and such amount would be paid 55% (Rs. 2.26 Crore) in cash and 45% (Rs. 1.84 Crore) in shares and details are under:-

Payment Schedule **Amount (In Cr)**

Particulars	Phase-I	Phase-II
I. 70% of total principal amount	1.58	-
II. 30% of total amount	-	0.68
Total	1.58	0.68

- (b) The Company has to allot fully paid up shares of the Company as per SEBI guidelines to SBI Home Finance Ltd. as per the Decree awarded by the 'Hon'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme.

Since, the number of shares to be allotted are variable, the amount is shown in Liabilities and not equity.

- (c) The Interest dues are waived and cancelled.

- (d) The Loan of Pressman Leasing was acquired by DCM Services Limited. The company pursuant to scheme of One Man Committee, has paid 70% of the principal amount to DCM Services Limited under Phase-I during the year ended 31-March-2018, being assignee of said loan of Pressman Leasing. The balance 30% amount forms the part of closing balance of the current year. The aforesaid amounts are included in the Payment to Related Party which will be released in Phase-II as per Schedule. There is no change in status for the year ended 31st March 2019.

14.4 OTHERS

The Related Party includes the following:

- DCM International Limited
- DCM Services Limited
- DCM Anubhavi Market Private Limited

15 Other Non Current Liabilities (Non-Financial)

Other Non Current Liabilities consist of the following:-

(Amount in Rs.)

Particulars	As at 31st March, 2019	As at 1st April, 2018
Deferred Interest	7,297,982	15,878,429
Employee Advances	-	-
Total	7,297,982	15,878,429

16 Provisions (Non-Current)

Provisions consist of the following :

(Amount in Rs.)

Particulars	As at 31st March, 2019	As at 1st April, 2018
(a) Provision for employee benefits		
Leave Encashment	179,608	104,963
Gratuity	648,009	421,782
Total	827,617	526,745

17 Other Current Financial Liabilities

Other Financial Liabilities consist of the following at amortised cost:- (Amount in Rs.)

Particulars	As at 31st March, 2019	As at 1st April, 2018
a. Secured		
Debentures (Refer Note 17.1)	202,208,752	237,404,065
Term Loan from Institution - SIDBI (Refer Note 17.2)	1,088,982	1,088,982
Due to Banks (Refer Note 17.3)	24,102,141	24,102,141
	-	-
	<u>227,399,875</u>	<u>262,595,188</u>
b. Unsecured		
Fixed Deposit from Public (Refer Note 17.4)	523,746,858	544,992,529
Inter - Corporate Deposits (Refer Note 17.5)	2,716,607	2,716,607
	<u>526,463,465</u>	<u>547,709,136</u>
(c) Rent Payable	-	-
(d) Security Deposits	625,000	625,000
(e) Payable to Punjab & Haryana High Court (Refer Note 17.6)	10,000,000	10,000,000
(f) Expenses Payable	7,237,182	6,608,434
(g) Other Payable	4,838,567	4,838,567
Total	<u>776,564,088</u>	<u>832,376,324</u>

17.1 DEBENTURES

(a)	Debentures	As at 31.03.2019	As at 31.03.2018
	"A" Series Debenture	710,000	850,000
	"B" Series Debenture		
	- 19.5% Regular	87,586,989	101,541,923
	- 19.5% Cumulative	87,507,537	105,202,987
	- Deep Discount Bonds	26,404,226	29,809,155
		<u>202,208,752</u>	<u>237,404,065</u>

(b) Scheme "A" Series

The company had allotted the Debenture 'A' series on 28th February, 1996 and 23rd September, 1996 respectively. These debentures are secured against mortgage/hypo-thecation/charge on assets financed out of the proceeds of these debentures. The outstanding debentures of Rs. 850,000 were overdue as on March 31, 2018 out of which Rs 140,000 have been repaid during the year. The remaining overdue balance are to be paid as per report of One Man Committee under Fresh Restructuring Scheme.

Scheme "B" Series

Debenture 'B' Series were allotted on 5th November, 1996 and are secured against hypothecation/charge on land and premises situated at Mouje Pirangut, Taluka Mulshi, Distt Pune in the State of Maharashtra alongwith all buildings, structures thereon and all plant and machinery, spares, tools, accessories and other movables of the Company, both present and future, whether installed or not. The total amount of debentures allotted were Rs 281,804,100 which matured for redemption on 5th May, 1998. Out of total debentures allotted amounting to Rs 281,804,100, debentures of Rs. 8,03,05,348 have been redeemed till March 31st, 2019. The remaining debentures as at March 31, 2019 in the "B" series amounting to Rs 20,14,98,752 consist of the following:-

Particulars	Amount (Rs.)	Amount (Rs.)
19.5% Regular	87,586,989	101,541,923
19.5% Cumulative	87,507,537	105,202,987
Deep Discount Bonds	26,404,226	29,809,155
Total	201,498,752	236,554,065

- (d) The value of assets charged in favour of debentures has been depleted over a period of time but the depletion has not been ascertained. To the extent of shortfall, if any, the liability is unsecured.
- (e) A supplementary trust deed for giving effect to the proposed repayment plans as provided in Clause 44 of the Trust deed has not been prepared by the trustees so far.
- (f) **Status till 31-March-2017** - Provision of interest on debentures up to 31st March, 2017 from the date of renewal offer letter of 1998 is calculated @ 10% p.a. of simple interest on 19.5% Debenture "B" Series and regular interest on Debenture "A" Series amounting to approximately Rs. 482,230,034 has not been provided since a Fresh Restructuring Scheme that is subject to the approval of the Hon'ble High Court of Delhi has been submitted which does not envisage payment of any interest. The rate of 10% per annum issued for Debenture holders is based on the order of Company Law Board (CLB) which was pronounced for Fixed Depositors. Though Fresh Scheme does not envisage payment of any interest, it has been considered prudent to provide interest of 10% per annum on 19.5% Debenture "B" Series and regular interest on Debenture "A" Series since date of renewal offer letter in 1998 by following principles of prudence.

However, since the Restructuring Scheme proposed by One Man Committee has been approved Hon'ble Delhi High Court, the maturity interest amount is restricted to Rs 2.35 Crores which is scheduled to be paid to be paid in Phase-2, although decision regarding payment of interest after maturity will be taken at a future date by Hon'ble Delhi Court.

- (g) **Status till 31-March-2017** - The Central Bank of India, Bombay, Trustees for the Non-Convertible Debentures B-Series have filed a suit for recovery of Rs. 442,178,385 on 14th October, 1999 before the Hon'ble Bombay High Court. It includes interest of Rs. 155,361,443 and Rs. 286,796,000 towards principal. No provision has been made in the books of accounts for such interest.

The Hon'ble Bombay High Court vide its interim order dated 24th December, 1999 has passed an order that all receipts from hypothecated assets shall be deposited with the trustees in a separate bank account except for amounts utilized as per orders of The Reserve Bank of India and the Company Law Board.

The suit filed by the Central Bank of India before the Hon'ble Bombay High Court has been stayed by Hon'ble High Court of Delhi vide order dated September 14th, 2005 on application made by the company and there is no change in the status as at 31st March, 2019.

However, some of the debentures holders have already been paid by the Central Bank of India. The amount which has been already been paid to the Debenture Holders by the Central Bank of India be paid to the Bank. The Central Bank of India has also claimed some amount in a suit filed before the Hon'ble Bombay High Court. No claim has however, been filed by the Central Bank of India before the One Man Committee despite opportunity granted to the Bank. While computing the amount payable in phases to other creditors, this amount claimed by the Bank will be not disbursed till the bank is able to establish its claim in the appropriate proceedings before the Court/One Man Committee.

(h) DECISION OF ONE MAN COMMITTEE

As per report of One Man Committee pursuant to order dated 3.9.2015 passed by Hon'ble Delhi Court as on 10th August, 2017, repayment of Debenture holders of "A" Series as well as "B" Series is to be made in two phases. In the first phase of scheme of repayment, debenture holders are to be paid 70% the balance principal amount. The Debenture holders having balance of Rs 5,000 or less will be paid their 100% principal amount in the First Phase. In the second phase maturity interest on debentures is to be paid along with remaining 30%. The schedule of payment to Debenture holders to settle debt will be as under :-

(i) Amount due to Debenture-holders

Particulars	Amount (In Cr.)
I. Principal Outstanding	25.53
II. Maturity Interest	2.35
Total	27.88

(ii) Payment Schedule

(In Crores)

Particulars	Phase-I	Phase-II
I. 70% of total principal amount	17.87	-
III. 30% of total amount	-	5.97
IV. Maturity Interest	-	2.35
Total	19.56	8.32

(i) Statement on Reconciliation of Debentures:

Principal Outstanding as per the Scheme of One Man Committee	255,285,689
Less: Redemption made during the year with the approval of High Court of Delhi	264,845
Balance as on 1st April 2017	255,020,844
Less: Redemption made during the year ended 31-March-2018 as per the scheme of one man committee	17,616,779
Balance as on 31st March 2018	237,404,065
Less: Redemption made during the year ended 31-March-2019 as per the scheme of one man committee	35,195,313
Balance as on 31st March 2019	202,208,752

Total Debt was scheduled to be paid in Two phases. First phase of debt settlement as per Report of One Committee pursuant to order dated 3.9.2015 has already commenced in the FY 17-18 and payments to debentureholders amounting of Rs.5,28,12,092 has already been made till March 31, 2019. Remaining debt includes balance 30% and unclaimed original principal amount invested of Rs 5000 or less. Since KYC norms are still under process and payments are to be made in coming periods, the entire debt balance of Rs 20,22,08,752 is shown as Other Current Financial Liability.

17.2 SIDBI

(a) **Status till 31-March-2017** - SIDBI has filed a petition for winding up on alleged non-payment of Rs. 5,440,000 which consist of interest, overdue interest and other charges, before the Hon'ble Delhi High Court. Provision for such liability on account of interest, overdue interest, and other charges claimed and claimable by SIDBI has not been ascertained and provided for due to waiver of interest sought under the "Fresh Restructuring Scheme". Consequently no provision of Rs. 1,810,059 towards overdue int & other charges has been made by the company in the books of accounts.

(b) Hypothecation / charge on assets financed out of the said loan.

(c) The value of the assets charged in favour of institutions have been depleted over a period of time and the depletion has not been ascertained. To the extent of the shortfall, if any, the liability is unsecured.

(d) DECISION OF ONE MAN COMMITTEE

As per report of One Man Committee pursuant to order dated 3.9.2015 accepted by Hon'ble Delhi Court as on 10th August, 2017, the debt settlement for amount due to SIDBI will be as follows :-

(i) Amount due to SIDBI as at 31-Dec-2015 as per scheme of One Man Committee

Particulars	Amount (In Lac)
I. Principal Outstanding	36.3
II. Maturity Interest	-
Total	36.3

(ii) Payment Schedule

(In Lacs)

Particulars	Phase-I	Phase-II
I. 70% of total principal amount	25.41	-
II. 30% of total amount	-	10.89
III. Maturity Interest	-	-
Total	25.41	10.89

Under the scheme of One Man Committee, amount of Rs 36.30 Lacs was payable, out of which 70% amounting to Rs 25.41 Lacs has been paid under Phase-I during the year ended 31-March-2018. As per scheme, no interest has to be paid.

(e) Statement on Reconciliation of Loan:

Amount in Rs.

Principal Outstanding as per the Scheme	3,629,941
Less: Redemption made during the year as per the scheme of scheme of one man committee	2,540,959
Balance as on 31st March 2018/Balance as on 31st March 2019	1,088,982

Total Debt was scheduled to be paid in Two phases. First phase of debt settlement as per Report of One Committee pursuant to order dated 3.9.2015 has already commenced in the FY 17-18 and payments to SIDBI amounting of Rs. 25,40,919 has been already paid in the FY 17-18 as per the First Phase which is equivalent to 70% of the total principal amount. Hence, the balance 30% i.e. Rs. 10,88,982 which is payable in Second Phase is classified as Other Current Financial Liability.

17.3 PUNJAB AND SIND BANK

(a)	Due to Banks	As at 31.03.2019	As at 31.03.2019B
	Punjab & Sind Bank	24,102,140	24,102,140
		24,102,140	24,102,140

(b) The value of the assets charged in favour of aforesaid banks have depleted over a period of time and the depletion has not been ascertained. To the extent of the shortfall, if any, the liability is unsecured.

(c) **STATUS AS AT 31-MARCH-2017** - PUNJAB & SIND BANK (PSB): As per the Fresh Restructuring Scheme, the total amount payable to PSB remains quantified at Rs. 90,180,463 as on 30th June 2004 (after providing interest @10% p.a., compounded quarterly from 30th September 1999 till 31st March, 2000 on the principal debt as on 30.09.1997). The company has till date paid/ adjusted Rs. 9,840,000 and the balance of Rs. 80,340,463 as on 30th June 2008 is payable as per the Fresh Restructuring Scheme pending before the Hon'ble Delhi High Court. Out of Rs.80,340,463 i.e. Rs.4,42,68,278 shall be payable in 6 equal yearly installments after one year from the date of approval of the scheme or 1st April, 2006 whichever is earlier. The balance of Rs 3,60,72,185 shall be converted in equity shares at any time within 3 years of the effective date of approval of Fresh Restructuring Scheme by Hon'ble Delhi High Court in accordance with applicable SEBI Guidelines for issuance of preferential allotment of the effective date or 1st April, 2006 which ever is earlier. Pursuant to an earlier agreement with the bank, from April 1st, 2000 till 31st March 2005, interest at a compounded half yearly rate of 10% p.a. has been computed at Rs. 39,597,000, which has already been paid by way of allotment of equity shares of Rs. 10/- each at a premium of Rs. 20/- on 31st March 2001 in advance. The same has been adjusted while arriving at balance of Rs. 90,180,463 as on 30th June 2004. In the event of default in the payment of interest and principal, the concessions made by PSB shall stand withdrawn and the claim filed before the Debt Recovery Tribunal amounting to Rs. 121,752,117 would be payable. Interest payable from 01.04.2005 to 31.03.2017 is also not provided since a Fresh Restructuring Scheme, which is subject to the approval of Hon'ble High Court of Delhi, has been submitted which does not envisage payment of any interest.

Since fresh restructuring scheme was not approved and made effective by 1st April 2006, the claim of Rs 121,752,117 filed before the Debt Recovery Tribunal and to the extent of interest, overdue interest, default charges not provided for.

(d) DECISION OF ONE MAN COMMITTEE

As per report of One Man Committee pursuant to order dated 3.9.2015 accepted by Hon'ble Delhi Court as on 10th August, 2017, the debt settlement in respect of Punjab and Sind Bank will be as under :-

(i) Amount due to PSB as at 31-Dec-2015 as per scheme of One Man Committee

Particulars	Amount (In Crore)
I. Principal Outstanding	8.03
II. Maturity Interest	-
Total	8.03

(ii) **Payment Schedule**

(In Crores)

Particulars	Phase-I	Phase-II
I. 70% of total principal amount	5.62	-
II. 30% of total amount	-	2.41
III. Maturity Interest	-	-
Total	5.62	2.41

Under the scheme of One Man Committee, amount of Rs 8.03 Crore was payable, out of which 70% amounting to Rs 5.62 Crore has been paid under Phase-I during the year ended 31-March-2018. No interest has to be paid.

(e) **Statement on Reconciliation of Loan:**

Amount In Rs

Principal Outstanding as per the Scheme	80,340,463
Less: Redemption made during the year as per the scheme of one man committee	56,238,324
Balance as on 31st March 2018/Balance as on 31st March 2019	24,102,139

Total Debt was scheduled to be paid in Two phases. First phase of debt settlement as per Report of One Committee pursuant to order dated 3.9.2015 has already commenced in the FY 17-18 and payments to Punjab & Sind Bank amounting of Rs. 5,62,38,324 has been already paid in the FY 17-18 as per the First Phase which is equivalent to 70% of the total principal amount. Hence, the balance 30% i.e. Rs. 2,41,02,139 which is payable in Second Phase is classified as Other Current Financial Liability.

17.4 FIXED DEPOSITORS

- (a) STATUS AS AT -31-MARCH-2017 - In respect of repayment of outstanding deposits with interest vide order dated 17.07.98, the Company Law Board had ordered payment of interest at contracted rates up to the date of maturity and at 10% thereafter. Due to liquidity problems, the company has not fully followed the schedule of repayment ordered by the Company Law Board. However, a Fresh Restructuring Scheme of arrangement for re-organization of the share capital of the company and for compromise with its creditors including fixed depositors filed with Hon'ble Delhi High Court in 2004 does not envisage payment of interest accordingly provision of interest payable amounting to Rs. 82,706,000 recorded earlier has been written back in earlier years.

STATUS AS AT -31-MARCH-2017 - Provision for interest on fixed deposits up to March 31, 2017 calculated at simple interest @ 10% p.a. in accordance with the order of The Hon'ble Company Law Board amounting to approx. Rs. 1,158,866,417 (including Rs. 1,102,721,307 for the earlier years) has not been made, in view of the "Fresh Restructuring Scheme" pending before the Hon'ble Delhi High Court wherein the company does not envisage payment of any interest. To the extent of non-provision of interest @10% as per the previous CLB order, the cumulative Interest of Rs.1,147,419,074 were not provided for. The difference between the contracted rate of interest and rate of interest @ 10% has also not been ascertained and provided for.

- (b) Liability on account of Fixed Deposits received contain certain deposits which appear prima-facie to be suspect due to either lack of identification of depositors or no claim or confirmation having been received by the company. Payment of those deposits that are under a suspicious category will be made under the scheme of One Man Committee only after the evidence of receipt of money is established.
- (c) **DECISION OF ONE MAN COMMITTEE**

As per Report of One Man Committee pursuant to order dated 3.9.2015 passed by Hon'ble Delhi Court as on 10th August, 2017, repayment to Fixed Depositors is to be made in two phases. In the first phase of scheme of repayment are to be paid 70% the balance principal amount. The Depositors having balance of Rs 5000 or less will be paid their 100% principal amount in the first phase. In the second phase maturity interest is to be paid along with remaining 30%. In the circumstances the debt settlement will be as follows:

(i) **Amount due to Fixed Depositors as at 31-Dec-2015**

Particulars	Amount (In Cr)
I. Principal Outstanding	56.31
II. Maturity Interest	14.48
Total	70.79

(ii) **Payment Schedule**

Particulars	Amount (In Cr)	
	Phase-I	Phase-II
I. 70% of total principal amount	36.15	-
II. Less than Rs 5,000	4.67	-
III. 30% of total amount	-	15.59
IV. Maturity Interest	-	14.48
Total	40.82	30.07

(d) **Statement on Reconciliation of FDs Accepted:**

Particulars	Amount in Rs
Balance as on 1st April 2016	563,136,275
Less: Redemption made during the year with the approval of High Court of Delhi	232,495
Balance as on 1st April 2017	562,903,780
Less: Redemption made during the year as per the scheme of one man committee	17,911,251
Balance as on 31st March 2018	544,992,529
Less: Redemption made during the year as per the scheme of one man committee	21,245,671
Balance as on 31st March 2019	523,746,858

However, since the Fresh Restructuring Scheme has been approved by One Man Committee, the maturity interest amount is decided to be 14.48 Crores payable in II Phase. Although the same is not recorded in Books of Accounts. Also the decision regarding payment of interest after maturity will be taken at a future date by Hon'ble Delhi Court.

Total Debt was scheduled to be paid in Two phases. First phase of debt settlement as per Report of One Committee pursuant to order dated 3.9.2015 has already begun in the FY 17-18 and payments to depositors of Rs.3,91,56,922 has already made till 31st March 2019. Remaining debt includes balance 30% and unclaimed original principal amount invested of Rs 5000 or less. Since KYC norms are still under process and payments are to be made in coming periods, the entire debt balance of Rs 52,37,46,858 is shown as Other Current Financial Liability.

17.5 INTER CORPORATE DEPOSITS

- (a) **Status as at 31-March-2017-** The value of inter corporate deposits is Rs 27,16,607. Considering the the order of The Hon'ble Company Law Board for Fixed Deposits which states to charge interest @10% p.a. which should also be considered for Inter Corporate Deposits on prudence basis. Considering the interese rate of 10% p.a. the total interest liability comes to be approximately Rs. 5,433,213 which includes approximately Rs. 5,161,553 for the earlier years, has not been made in view of the "Fresh Restructuring Scheme" pending before the Hon'ble High Court of Delhi wherein the company does not envisage payment of any interest. The interest is not provided in the books of accounts

(b) **DECISION OF ONE MAN COMMITTEE**

ICD Lenders will be paid principal due to them as on 30th June 2004. Interest dues are waived and cancelled. The payment of principal to the ICD lenders will be made as follows:

(i) **Amount due to ICD Lenders as at 31-Dec-2015**

Particulars	Amount (In Lacs)
I. Principal Outstanding	27.17
II. Maturity Interest	-
Total	27.17

(ii) **Payment Schedule**

Particulars	Amount (In Cr)	
	Phase-I	Phase-II
I. 70% of total principal amount	19.02	-

II. Less than Rs 5,000	-	-
III. 30% of total amount	-	8.15
Total	19.02	8.15

However, after approval of Scheme of One Man Committee, the settlement has been decided at Rs 27.17 Lacs. Interest Dues are waived and cancelled.

No payment has been made till date to ICD Lenders. However, scheme has been already approved, so the amount is to be paid in coming periods as per Phase-1 and Phase-2. Hence, the amount of ICD is classified as Other Current Financial Liability.

- 17.6 During the year 1999, the company had received Rs. 10,000,000 from one of its debtors i.e. Pure Drinks New Delhi Ltd. where the winding up petition proceedings was already initiated. Upon receipt of payment, the Company reduced the recoverable amount accordingly. Subsequently, the Hon'ble Punjab and Haryana Court deemed that payment is out of turn/preferential payment made by Pure Drinks New Delhi Ltd where winding up petition proceedings was already initiated and asked the company to deposit back the said amount with Hon'ble Punjab and Haryana Court. The company had filed a SLP with the Hon'ble Supreme Court of India which has been dismissed by them. Therefore the company is liable to deposit the amount mentioned above which is yet to be deposited.

18 Other Current Liabilities (Non-Financial)

Other current liabilities consist of the following:-

(Amount in Rs.)

Particulars	As at 31st March, 2019	As at 1st April, 2018
Statutory Liabilities	346,001	223,332
Payable to Employees/Employee Advances	2,717,453	3,096,826
Total	3,063,454	3,320,158

19 Provision (Current)

Provisions consist of the following :

(Amount in Rs.)

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) Provision for employee benefits		
- Leave Encashment	397,796	226,378
- Gratuity	1,325,140	922,131
Total	1,722,936	1,148,509

20 Other Income

Other income (net) consist of the following:

(Amount in Rs.)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Interest on Fixed Deposits	20,886,221	29,009,969
Deferred Income	8,580,448	8,580,448
Dividend Income	26,128	19,472
Balances Written Back	-	9,047,236
Provision for NPA Written Back	-	23,459,216
Miscellaneous Income	66,922	25,000
Gain on sale of Fixed Assets	-	7,600
Unrealised gain on account of fair valuation of Investments	761	2,392,428
Reversal of Provision, no longer required	344,904	-
Interest on Income Tax Refund	57,599	-
Total	29,962,982	72,541,369

21 Employee Benefit Expense

Employee benefits expenses consist of the following:

(Amount In Rs.)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
(a) Salaries, Wages & Bonus	4,788,093	3,856,306
(b) Contributions to Provident Fund and other funds	1,146,487	642,321
(c) Staff Welfare expenses	-	-
Total	5,934,580	4,498,627

22 Finance Cost

Finance costs consist of the following:

(Amount In Rs.)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Interest on late deposit of TDS	3,978	-
Interest Expense on Financial Liability	10,879,980	9,890,891
Total	10,883,958	9,890,891

23 Other Expenses

Other expenses consist of the following

(Amount In Rs.)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Travelling & Conveyance	183,197	179,548
Repairs		
- Building	1,150	8,400
- Others	87,807	31,139
Electricity & Water	112,186	85,362
Legal & Consultancy Charges	6,290,772	4,499,700
Postage and Telegram	1,187,743	23,025
Auditors Remuneration:		
- Statutory/Tax Audit	413,000	412,250
- Other	69,030	6,325
Rent	532,704	481,194
Telephone Expenses	56,769	74,440
Advertisement & Publicity	47,943	637,711
Printing and Stationery	86,068	19,085
Bad Debts Written off	-	29,142,775
Old Employee Advance written off	332,997	-
Bank Charges	2,006	2,030
Provision for Impairment	-	945,374
Provision for Diminuation of Investments	1,710,167	-
Unrealised loss on account of fair valuation of Investments	1,433,371	-
Share Transfer Expenses	174,505	99,738
AGM Expenses	1,054,354	987,589
Internal Audit Fees	23,600	20,000
Lisiting Fees	784,988	687,151
Rates and Taxes	75,224	45,600
Excess Accrued Interest written off	11,977	-
Property Tax	305,702	296,886
Penalty on late deposit of EPF challan	184	20
Other Expenses	77,234	75,772
TOTAL	15,054,677	38,761,114

24 Income tax expenses		(Amount In Rs.)	
Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018	
A. Amount recognised in profit or loss			
Current tax			
Income tax for the year			
Current tax	-	3,900,462	
Adjustments/(credits) related to previous years - Net	76,694	83,170	
Total current tax	<u>76,694</u>	<u>3,983,632</u>	
Deferred tax			
Deferred tax for the year	4,382,745	11,152,166	
Adjustments/(credits) related to previous years - Net	-	-	
Total deferred tax	<u>4,382,745</u>	<u>11,152,166</u>	
TOTAL	<u><u>4,459,439</u></u>	<u><u>15,135,798</u></u>	
B. Amount recognised in other comprehensive income			
The tax (charge)/credit arising on income and expenses recognised in other comprehensive income is as follows:			
Deferred tax			
On items that will not be reclassified to profit or loss			
- Remeasurement gains/(losses) on defined benefit plans	(87,827)	15,981	
TOTAL	<u>(87,827)</u>	<u>15,981</u>	

Notes:**25) Significant Accounting Policies****I. BASIS OF CONSOLIDATION**

The Consolidated financial statements (CFS) relate to DCM Financial Services Limited (the holding company) and its subsidiary company.

(a) Basis of Accounting:

- (i) The Consolidated financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as the holding company i.e. year ended March, 2019.
- (ii) The Consolidated financial statements of the holding company and its subsidiary companies have been prepared in accordance with the relevant Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013

(b) Principles of consolidation:

The consolidated financial statements have been prepared on the following basis:

- (i) The Consolidated financial statements of the holding company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Indian Accounting Standard (Ind AS) 110 - "Consolidated financial statements".
- (ii) The excess/deficit of the cost to the holding company of its investment in its subsidiaries over its share of net worth of the subsidiaries at the date of investment in the subsidiaries are treated as goodwill/capital reserve in the CFS. Goodwill is disclosed as asset and capital reserve as a reserve in Consolidated Balance Sheet.
- (iii) Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the holding company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments as stated above.

(c) Information on Subsidiary Companies

The following subsidiary companies are considered in the consolidated financial statements:

Particulars	% voting power held	
	As at 31st March, 2019	As at 31st March, 2018
Subsidiary Companies:-		
Global IT Options Limited	90%	90%

II Basis of preparation of Consolidated financial statements**A. Statement of Compliance with Ind AS**

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2018.

Up to the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

B. Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 17 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IndAS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

All the amounts included in the financial statements are reported in Indian Rupees ('Rupees' or 'Rs.'), except per share data and unless stated otherwise and rounded off to nearest Rupees.

C. Basis of classification of Current and Non-Current

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or

- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle
- b) It is held primarily for the purpose of trading
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

D. Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements.

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

E. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.

F. Property, Plant and Equipment – Tangible Assets

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognized as at 1st April, 2016 measured as per the previous GAAP.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing costs for qualifying assets, if any. All up-gradation/enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight-line basis. Land is not depreciated.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Asset	Life of Asset
Buildings	30 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Office Equipment	5 Years
Plant & Machinery	15 years

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. Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

G. Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

H. Financial Assets

Recognition: Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognized at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- a) **Amortized cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.**
- b) **Fair value through other comprehensive income (FVTOCI)**, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- c) **Fair value through profit or loss (FVTPL)**, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognized in the Statement of Profit and Loss in the period in which they arise. Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortized cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortized cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortized cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognized gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are de-recognized when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership.

Concomitantly, if the asset is one that is measured at:

- a) Amortized cost, the gain or loss is recognized in the Statement of Profit and Loss;
- b) Fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition: Interest income is recognized in the Statement of Profit and Loss using the effective interest method. Dividend income is recognized in the Statement of Profit and Loss when the right to receive dividend is established.

I. Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measure data mortised cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are de-recognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

J. Cash and cash equivalents

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

K. Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

L. Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

M. Revenue

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
 - a) **Interest income:** Income from a financial asset is recognised when it is probable that the economic benefits will flow to Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the interest rate as applicable.
 - b) **Dividend income:** dividend is recognised when the right to receive the payment is established (generally on shareholder's approval by the reporting date).
 - c) Other revenues: are recognised on accrual basis, except where there are uncertainties in realisation / determination of income and in such case income is recognised on realisation / certainty.

N. Employee Benefits**a) Retirement benefit costs and termination benefits :**

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Contribution towards Provident Fund is paid as per the statutory provisions. These benefits are charged to the Statement of profit and loss of the year when they become due. For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets(excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement.

b) Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Leave availment / encashment benefit is provided as per Company Scheme. Employee's are entitled to accumulate leaves subject to certain limit as per Company scheme. Liabilities for compensated absence that are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service, are measured at the present value of expected future payment to be made in respect of service provided by employees up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of reporting period. Re-measurement as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The liability is determined through actuarial valuation using projected unit credit method.

O. Leases

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

a) Company as a Lessee

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

b) Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalized within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

P. Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred taxation.

a) Current Tax

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of tax able income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

b) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used

in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

c) Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group. Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Q. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

R. Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

S. Operating Segment

The Company is engaged in a single segment i.e. Financing Operations viz., inter corporate deposits and investments. Presently Company is not carrying on any operation except realizing all debts or maintaining existing assets. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

T. Earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to the owners of the company by weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue. For the purpose of calculating diluted earnings per share, profit or loss attributable to the owners of the Company and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

U. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.

V. Financial and Management Information Systems

The Company's Accounting System is designed to unify the Financial Records and also to comply with the relevant provisions of the Companies Act, 2013, to provide financial and cost information appropriate to the businesses and facilitate Internal Control.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

ADDITIONAL NOTES TO ACCOUNTS

26) RESTRUCTURING SCHEME

Preamble

The management for a structured debt repayment had prepared two schemes of arrangement for reorganization of share capital of the company and for compromise with its secured and unsecured creditors. Both the schemes of arrangement envisage a viable, just & equitable settlement with its secured and unsecured creditors while simultaneously increasing the risk and stake of the promoters and their shareholding through fresh infusion of funds by the promoter company.

The company moved an application before the Hon'ble Company Law Board, New Delhi on 22nd July 2004 under Regulation 44 of the Company Law Regulations, 1991 proposing a fresh repayment schedule to fixed depositors of the Company. The same repayment schedule included in the "**Fresh Restructuring Scheme**" filed before the Hon'ble High Court of Delhi at New Delhi on 24th September 2004.

The implementation of the schemes is subject to the fulfillment of all the conditions of erstwhile section 391 to section 394 of the Companies Act, 1956 and approval/orders of the Hon'ble Delhi High Court. The Hon'ble Delhi High Court did not approve the company's first scheme filed in May 2000, though approved by the secured and unsecured creditors in their respective meetings convened pursuant to the orders of the Hon'ble Court, yet the Hon'ble Court did not accord sanction to the scheme on technical grounds. An application for review had been filed before the Hon'ble Delhi High Court on 30th May 2003, which is not yet to be listed for hearing and which is hereinafter, wherever applicable, referred to as the "**Old scheme under review**". The company intends not to pursue the review application filed for the old scheme under review before the Hon'ble Delhi High Court and it is proposed to be withdrawn at an appropriate stage of the proceedings for the sanction of the "**Fresh Restructuring Scheme**".

The company filed a fresh Scheme of Arrangement for the reorganization of the share capital of the company and for compromise with the secured and unsecured creditors of the company, hereinafter referred to as the "**Fresh Restructuring Scheme**" before the Hon'ble Delhi High Court at New Delhi on 24th September 2004.

Pursuant to the orders of the Hon'ble Delhi High Court, the unsecured creditors and debenture holders in their meeting convened under the Chairpersonship of court appointed Chairpersons (retired Judges of Hon'ble Delhi High Court) on 1st April 2005 and 2nd April, 2005 have approved the scheme without any modifications with the requisite majority. The meeting of the other secured creditors (banks/ institutions) was held on 17th September 2005 and has also approved the scheme by the requisite majority after considering some modifications proposed by the Punjab & Sind Bank.

The promoter company has undertaken, subject to sanction of the scheme by the Hon'ble Delhi High Court, to contribute to Rs. 195,000,000 of which Rs. 156,000,000 were deposited with the Registrar of the Hon'ble Delhi High Court Registrar, as per court order by the promoter group, and the balance amount of Rs 39,000,000 had been deposited with the Registrar of the Hon'ble Delhi High Court Registrar on 27th April, 2012.

The restructured debts of the company for each category of debt is on the basis of outstanding as envisaged in the fresh restructuring scheme filed in the year 2004 excluding interest not provided for and all liquidated damages/penal charges and interest on unpaid interest. The **"Fresh Scheme of Arrangement"** is drawn on the basis of acceptance of waiver of payment of past and future interest, penal charges, liquidated damages, and any other charges, costs and claims etc. except as provided and for values contained therein which is subject to the approval of the Hon'ble Delhi High Court.

Over the years and till 31st March, 2017, the accounts of the company have been drawn on the assumption that the **"fresh restructuring scheme"** will be accepted and implemented. If it is not accepted and cannot be implemented for any reason the total liability before the proposed restructuring scheme including those for which no provision has been made and has been quantified under appropriate heads, shall become payable.

Developments during the financial year ended 31st March, 2019

Justice Anil Kumar as one man committee was appointed vide order dated:- 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The Hon'ble High Court of Delhi entrusted the following functions to said One Man Committee :-

- (i) To scrutinize and finalize the list of depositors/ claimants so as to assess the genuineness of the depositors and their claim and to weed out any duplicate) benami, fictitious and doubtful claims.
- (ii) To categorize the claimants/ depositors into groups, on the basis of various parameters. For instance, depositors could be segregated into (a) individuals (b) corporate (c) institutions (Banks and Finance Companies), etc. Similarly, very small depositors wherein, the amount due is only upto Rs. 5,000 could be segregated as a separate category.
- (iii) At the same time it would also be open to the Central Bank of India which was constituted a debenture trustee by the company, to put up any claims that they may have before the said committee.
- (iv) To take stock of the entire assets of the company, whether in the form of fixed assets or bank accounts and fixed deposits, etc.
- (v) To assess the value of the fixed assets of the company and for the purpose, If need be, take the help of a professional valuer. Also, to get from the company its brief statement of accounts which shall include all income and expenditures, so as to enable a proper review of the assets and liabilities of the company.
- (vi) To suggest modalities for the disposal of fixed assets, so that the money realized could be used for disbursement of principal amounts as well as interest (over the delayed period), if possible, amongst the depositors.
- (vii) To make suggestions on the modalities of payment, which would obviously depend upon the amounts finally realized after disposing off/ liquefying all assets of the company.

The one man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. Hon'ble High Court of Delhi also noted that none of the parties had any objection on the implementation of the report. The task of implementing the report was also assigned to Justice Anil Kumar. Hon'ble High Court of Delhi held that the issue of revival of the company will be decided once all payments are made in the manner as suggested in the report. The report of one committee has laid the schedule of payments to parties covered under the scheme as under :-

- (i) Before starting repayment of amount, the genuineness of the all the depositors and their claims shall be assessed to weed out any benami, fictitious and doubtful claims. Notices to all the depositors/ claimants shall be sent and consideration of their pleas and contentions will be necessary. From the data it has also been observed that some of the individuals and companies have invested sums by depositing multiple small amounts. Committee observed that that it already has sufficient funds, ready cash, to repay about 70% of the deposits to all the depositors having deposits of more than Rs 5,000 including secured creditors in the first stage. It is recommended in the circumstances that 70% a part of the amount be paid to the creditors having deposits of more than 5,000 and full amount be paid to those who have deposits of Rs. 5,000 or less than Rs.5,000 in the first instance.

- (ii) In order to realise the maximum value of the immovable asset of the Company, the premises/property in the building of NBCC, it is the recommendation of the committee that the same be sold by the auction by the Hon'ble Company Court. The company has estimated its value around Rs.41 Cr., whereas the creditors are of the view that its value will not be less than Rs 80 crores. It has been noticed that the disputes are pending between NBCC and the Petitioner Company with regard to the said property which is pending adjudication before Shri S.K. Kaul, Sole Arbitrator appointed by NBCC in terms of Agreement dated 9th Dec, 1995 and is now fixed for final arguments. The claim of NBCC is for an amount of Rs.2.88 Cr. It is also noticed that such other and several disputes are pending with regard to this NBCC property, which make it unfeasible for anyone to sell it easily or to get a realistic value of the property on the basis of valuation report and then to decide on such valuation as to how much total amount is to be paid to the creditors. Valuation of such a property will also be more of distress sale value and will not be realistic. In the circumstances an efficacious way will be to pay a part of the amount from the liquid assets available with the company and in the meantime also to sell the fixed assets of the Company by auction by the Hon'ble Company Court. This will result in a part payment to all the genuine creditors and to realize the actual value of the immovable assets of the Company. This will also facilitate the Hon'ble Company Court to determine whether some interest should be paid to the creditors considering all the other factors including that the endeavour is not to wind up the Company but to revive the Company if sufficient surplus is available with the Company after selling all its immovable assets. Therefore, it is recommended" that the" immovable and fixed assets of the company be sold by auction by Hon'ble Company Court in the manner adopting the modalities which are followed while selling the fixed assets and the immovable properties of the companies which are under liquidation with the help from Official Liquidator or a Consultant, though the sale of the properties is not for the purpose of winding up the Petitioner Company.
- (iii) Tentative realizable value of the following assets of the Company will be :-

1. Value of Assets/Sources of Funds As on 31.12.15

S.N.	Source	Amount Rs in Cr.
1	Sale of Immoveable assets	42.00
	Receivables	8.50
	Investments in shares	1.00
	Fixed Deposits with Banks	47.50
	Promoter Contribution-Deposits with High Court	29.50
	Total	128.50
Less	Scheme Repayment Cost	1.00
	Statutory Dues & Taxation	1.43
	Legal Cost	0.50
	To be deposited with P & H High Court	1.00
	Due to Employees	0.50
	Claim of MS Shoes arbitration award	5.13
	Claim of NBCC-pending arbitration	2.88
	Income Tax on Interest for Deposit with Delhi High Court	3.00
	Total	15.44
	Net Available	113.06

As on 31.12.2015, the details of creditors for repayment are as follows however after weeding out the claims of fictitious, doubtful claims and benami, the amount payable to creditors may decrease and my not increase.

Details of Creditors for repayment under Scheme: (As on 31.12.15)

Rs in Cr

S.N.	Source	Amount Rs in Cr.
I	Fixed Deposit holders	56.31
II	Debentures	25.53
III	ICD & BRD lenders	0.27

IV	Punjab & Sind Bank	8.03
V	Indusind Bank	5.77
VI	Pressman Limited	4.10
VII	SBI Homes Finance Ltd (To be paid in shares)	0.25
VIII	SIDBI	0.36
IX	Maturity Interest on Fixed Deposits	14.48
X	Maturity interest on Debentures	2.35
	Total	117.45

Taking these figures and facts and circumstances it is recommended that repayment be made in two phases, as detailed below:

Phase 1:

S.N.	Particulars	Source of Utilization
I	Repayment to the extent of 70% of the principal amount of Fixed Deposits, Debentures and Banks having deposits of more than Rs.5,000/	Available Cash in Bank, Fixed Deposits and Promoter's Deposits with Court
II	Full amount be paid to Fixed Deposits, Debentures and Banks having deposit of Rs. 5,000 / - and less	Available Cash in Bank, Fixed Deposits and Promoter's Deposits with Court

Phase 2

In the second phase, which should also commence. with phase 1 simultaneously, properties and shares and all the assets be liquidated by selling and the realized amount is recommended to be utilized for the repayment of balance 30% of principal and the maturity value on the fixed deposits, debentures and banks. If the amount is still available to the Company, the Hon'ble Company Court may decide whether some amount - be paid as interest as has also been recommended by the Reserve Bank of India. Certain steps of the Phase 2 which can commence with phase 1 i.e. sale of the properties of the Company by the Hon'ble Company Court and/ or such steps which will be required to sell the assets of the Company in order to realize the value of the assets to meet the liabilities of the fixed deposits and debentures creditors. **In the circumstances, the Debt Settlement is under :-**

DEBENTURES

(A) Amount due to Debenture-holders as decided by one man committee as at 31st December, 2015

S.N.	Particulars	Amount
I	Principal Outstanding	Rs 25.53 Cr
II	Maturity Interest	Rs 2.35Cr
	TOTAL	Rs 27.88Cr

(A) Payment Schedule (Rs. in Cr.)

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	17.87 Cr.	-
II	Less than Rs 5,000	1.69	-
III	30% of total amount	-	5.97
IV	Maturity Interest	-	2.35
	TOTAL	Rs 19.56 Cr.	Rs 8.32 Cr.

Some of the debentures holders have already been paid by the Central Bank of India. The amount which has been already been paid to the Debenture Holders by the Central Bank of India be paid to the Bank. The Central Bank of India has also claimed some amount in a suit

filed before the Hon'ble Bombay High Court. No claim has however, been filed by the Central Bank of India before the Committee despite opportunity granted to the Bank. While computing the amount payable in phases to other creditors, this amount claimed by the Bank will be not disbursed till the bank is able to establish its claim in the appropriate proceedings before the Court.

FIXED DEPOSITS

(B) Amount due to Fixed Depositors as decided one man committee as at 31st December, 2015

S.N.	Particulars	Amount Rs in Cr.
I	Principal Outstanding	Rs 56.31 Cr
II	Maturity Interest	Rs 14.48 Cr
	TOTAL	Rs 70.79 Cr

(A) Payment Schedule (Rs. in Cr.)

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 36.15Cr.	-
II	Less than Rs 5,000	Rs 4.67 Cr.	-
III	30% of total amount	-	Rs 15.49 Cr
IV	Maturity Interest	-	Rs 14.48 Cr
	Total	Rs 40.82 Cr.	Rs 29.97 Cr.

SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (SIDBI)

(C) Amount due to SIDBI as decided by one man committee as at 31st December, 2015

S.N.	Particulars	Amount Rs . in Lacs
I	Principal Outstanding	Rs 36.30Lac
II	Interest	--
	TOTAL	Rs 36.30 Lac

(B) Payment Schedule (Rs. in lacs)

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 25.41 Lac	-
II	Less than Rs 5,000	-	-
III	30% of total amount	-	Rs 10.89 Lac
	Total	Rs 25.41 Lac	Rs 10.89 Lac

PUNJAB & SIND BANK (PSB)

Background

The Punjab and Sind Bank had filed recovery proceedings in the year 2000 before the Debt Recovery Tribunal for Rs.12.17 Cr. comprising of Rs.8.50 Cr. as ledger balance and Rs.3.76 Cr. as Memo Interest. In the year 2000. Company in order to redress the repayment issues, propounded a scheme and in the scheme of rearrangement with its creditors proposed to pay Rs 9.51Cr to the Bank and the Bank voted in favour of scheme and the suit in DRT has been stayed by the High Court and the Bank agreed to receive Rs. 9.51 crores. This amount was agreed after protracted discussions/ negotiations with PSB, and it has been agreed that amount payable as on Sept,1997 will be taken as principal and interest from Sept 1997 to March, 2000 will be added @ 10% quarterly compounded. Thus the amount payable became Rs 9.51 Cr. It was admitted and justified by the said bank that this settlement was as per RBI guidelines. Reliance for this can be placed on an internal note dated 12th Sept, 2000 of the bank and a letter dated 20th Oct,2000 from the counsel of PSB. As per terms of settlement Rs 50.00 Lacs were paid to PSB in the year 2000. Though the part payment has been made to the Bank pursuant to settlement and scheme, however, due to modifications made in scheme for, PSB by Company in the creditors meeting. The scheme was, will be paid in 6 equal yearly installments of one year after the approval of the said scheme or 1st April, 2006 which ever will be earlier and

balance 40% by equity shares at any time within three years of the effective date or 1.4.2006. The shares were to be allotted on preferential allotment basis as per the rate approved by SEBI under its guidelines. The sale price of the share was protected to the extent of Rs.375 lacs by issuing fresh additional equity, if required. The bank was paid Rs. 90 lacs in the year 2005-06, but further amount could not be paid on account of order dated 6th March, 2006 "of the Hon'ble Court. The Bank received the amounts partly under the settlement and could not withdraw from the scheme without refunding the amounts received by it, yet in 2012 it filed an application for intervention/ objection to the scheme which has not been allowed. In the circumstances the amount payable to the bank has been taken as settled with the Bank and 70% of the said amount be paid forthwith in the first phase and balance in the second phase which is substantially better as earlier only Rs.60 lakhs was payable in six years and equity shares were to be issued for the balance amount. Under the previous proposal which has been accepted by the Bank, the amount was payable in installments and part of the amount by converting the amount in' equity shares **whereas under present recommendation 70% of the amount is payable forthwith and balance' amount in second phase after liquefying all the assets of the Company which will be probably within two years.**

In the scheme, the amount payable to Punjab & Sind Bank has been quantified at Rs. 9.0180 Cr as on 30th June 2004. This figure has been arrived at after compounding the interest payable on the principal amount due as on 30th September 1997, at the rate of 10% compounded quarterly till 31st March 2000, after allowing credit for actual amount paid till date. (Present Value of amount payable after all adjustments the payable amount is Rs 8.034 Cr) The settlement made with the Bank in the scheme earlier has been considered as the base. Accordingly, keeping in line with the above settlement and OTS guidelines of RBI, the following payments is recommended to be made to PSB:

(D) Amount due to PSB as decided one man committee as at 31st December, 2015

S.N.	Particulars	Amount Rs in Cr.
I	Principal Outstanding	Rs 8.03 Cr
II	Interest	--
	TOTAL	Rs 8.03 Cr.

(A) Payment Schedule (Rs. in Cr.)

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 5.62 Cr	-
II	Less than Rs 5,000	-	-
III	30% of total amount	-	Rs 2.41 Cr
	Total	Rs 5.62 Cr	Rs 2.41 Cr

INDUSIND BANK

In the scheme, the total principal amount payable to IndusInd Bank has been quantified at Rs 6.515 Lacs as on 30th June 2004. This figure has been arrived at after calculating interest upto 31st March 2000 @12% p.a. compounded quarterly on the principal amount of L/C devolvement, after allowing credits for actual amounts paid till date and credit for margin money amounting to Rs. 35.99 Lacs, and excludes penal interest/ additional interest/ overdue charges, if any, debited by the' Bank. (Present outstanding after all adjustments is Rs 5.77Cr) The settlement made with the Bank in the earlier scheme has been considered as the base. The total amount payable under the scheme to IndusInd Bank so quantified shall be repaid in line with the above settlement and RBI guidelines of OTS is as under:

(E) Amount due to INDUSIND Bank as decided by one man committee as at 31st December, 2015

S.N.	Particulars	Amount Rs in Cr.
I	Principal Outstanding	Rs 5.77 Cr
II	Interest	--
	TOTAL	Rs 5.77 Cr.

(A) Payment Schedule

(Rs. in Cr.)

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 4.04 Cr	-
II	Less than Rs 5,000	-	-
III	30% of total amount	-	Rs 1.73 Cr
	Total	Rs 4.04 Cr	Rs 1.73 Cr

SBI HOME FINANCE LTD

A consent decree was passed by the Hon'ble High Court of Delhi at New Delhi on 12th December 2000 for an amount of Rs.315,00,000/- The terms of the Consent Decree were as under :-

- i. Rs 2.90 Crores were to be paid on or before 31st March 2001 under a monthly payment schedule commencing from December 2000, and on payment of Rs. 2.90 Crores, the title of the property was to be released;
- ii. the sum of Rs. 25.00 Lacs was to be discharged by issuance of Equity shares of the Company of the face value of Rs. 10/- at a premium of Rs. 20/- per share or as per applicable SEBI guidelines. In terms of the Decree, a sum of Rs. 2.90 Crores has been paid by the Company to SBI Home Finance and the title deeds of the NBCC property have been released by SBI Home Finance Ltd. However, balance amount of Rs. 25.00 Lacs which was to be converted into fully paid up shares of the Company at Rs. 30/- per share (share value Rs. 10/- plus premium Rs. 20/- per shares) have not been issued by the Company.

The Company proposes to allot shares worth Rs. 25.00 Lacs to SBI Home Finance Ltd. as per the Decree awarded by the Hon'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme as per applicable SEBI guidelines. Under this scheme, payment shall be discharged in the following manner:-

(F) Amount due to SBI Home Finance Ltd as decided by one man committee as at 31st December, 2015

S.N.	Particulars	Amount Rs in Cr.
I	Principal Outstanding	Rs 25 Lacs
II	Interest	--
	TOTAL	Rs 25 Lacs

(G) Payment Schedule by issuing in Shares

S.N.	Particulars	Rupees in Lac
I	To be discharged by issuance of Equity shares of the Company of the face value of Rs. 10/- at a premium of Rs. 20/- per share or as per applicable SEBI guidelines	Rs 25 Lac
II	The Company proposes to: allot shares worth Rs. 25.00 Lacs to SBI Home Finance Ltd. as per the Decree awarded by the Hon'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme as per applicable SEBI guidelines	-
	Total	Rs 25 Lac

ICD LENDERS

ICD Lenders will be paid principal due to them as on 30th June 2004. Interest dues are waived and cancelled. The payment of principal to the ICD lenders will be made as follows:

(A) Amount due to ICD Lenders as decided by one man committee

S.N.	Particulars	Amount Rs in Lac
I	Principal Outstanding	Rs 27.17 Lac
II	Interest	--
	TOTAL	Rs 27.17 Lac

(B) Payment Schedule (Rs. in Cr.)

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 19.02 Lac	-
II	30% of total amount	-	Rs 8.15 Lac
	Total	Rs 19.02 Lac	Rs 8.15 Lac

PRESSMAN LEASING

The amount due to M/s, Pressman Leasing has been quantified at the lump sum of Rs 4.10 Cr and such amount would be paid 55% in cash and 45% in shares and details are under :-

(A) Amount due to PRESSMAN LEASING as decided by one man committee

S.N.	Particulars	Amount Rs in Cr
I	Principal Outstanding	Rs 4.10 Cr
II	Interest	--
	TOTAL	Rs 4.10 Cr.

(B) Payment Schedule in cash

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 1.58 Cr	-
II	30% of total amount	-	Rs 00.68Cr
	Total	Rs 1.58 Cr	Rs 00.68 Cr

(H) Balance Payment by Issuing of Equity Shares

S.N.	Particulars	Amount Rs in Cr
I	To be discharged by issuance of Equity shares of the Company of the face value of Rs. 10 as per applicable SEBI guidelines	Rs 1.84 Cr
	TOTAL	Rs 1.84 Cr

Developments during the financial year ended 31st March, 2019

During the financial year ending March 2019, the company is continuing to make payments to deposit holders and debenture holders in Phase – I. Phase II has not started yet.

Payments made prior phase I and (In Phase I)

Particulars	Debentures	Fixed Deposits
Principal Outstanding as per the Scheme of One Man Committee	255,285,689	563,136,275
Less: Redemption made during the year with the approval of High Court of Delhi	264,845	232,495
Balance as on 1st April 2017	255,020,844	562,903,780
Less: Redemption made during the year ended 31-March-2018 as per the scheme of one man committee	17,616,779	17,911,251
Balance as on 31st March 2018	237,404,065	544,992,529
Less: Redemption made during the year ended 31-March-2019 as per the scheme of one man committee	35,195,313	21,245,671
Balance as on 31st March 2019	202,208,752	523,746,858

27) Earnings Per Share (EPS):

		Year ended 31st March, 2019	Year ended 31st March, 2018
a)	Calculation of Weighted Average Number of Equity Shares of 100 each		
	Number of Shares at the beginning of the period**	22,125,054	22,125,054
	Number of Shares at the close of the period**	22,125,054	22,125,054
	Weighted Average number of Equity Shares**		
	During the period	22,125,054	22,125,054
b)	Net Profit/(Loss) for the period attributable to Equity Shares (in Rs.)	(9,481,207)	(9,29,611)
c)	Earning per share – Basic**	(0.43)	0.04
d)	Earning per share – Diluted**	(0.43)	0.04

28) Contingent Liabilities and Commitments**A) Contingent Liabilities**

- (a) During the year ended 30th June, 2011 the company's tenant had filed a claim of Rs. 10,000,000 against the company due to damages suffered by the tenant which is still pending under arbitration proceedings as on 31st March, 2019.
- (b) There is a demand of Rs. 3,458,902 raised by Income Tax Department for the Assessment Year 2006-07 and Rs. 357,542 for the Assessment Year 2012-13 for payment of income tax under the Income Tax Act, 1961, which is disputed by the company and pending before the appropriate authorities as on 31st March 2019.
- (c) There is an award passed by the arbitrator against the company in the matter of MS Shoes East Limited on May 28, 2012 for Rs. 5,128,320 i.e. the claim amount, along with Rs. 30,680,848 towards interest cost for an underwriting given by the company in the year 1995 for the public issue of M/s MS Shoes East Ltd. Furthermore, an incidental cost which includes arbitration venue rent, record keeping cost, administrative cost and stamp paper charges amounting to Rs. 549,280, had been awarded to the company. The total financial impact comes to Rs. 36,358,448 which has been contested by Company before Hon'ble Delhi High Court.
- (d) Due to dispute with the builder namely M/s NBCC Ltd. from which the company had purchased an office premises in the year 1995, regarding a claim of Rs. 28,829,634 on account of increase in super area and certain other expenditure which the builder i.e. M/s NBCC Ltd. had incurred and the same is pending in arbitration. Breakup of the amount of Rs. 28,829,634 mentioned supra is as follows:

S.No.	Description	Amount
1.	Difference in super area Vs. provisional area	22,928,254/-
2.	Claim of property tax	319,100/-
3.	Claim of ground rent	2,167,190/-
4.	Allied charges	782,210/-
5.	Augmentation of Electric sub station	132,880/-
6.	Loss of profit	2,000,000/-
7.	Arbitration cost	500,000/-
TOTAL		28,829,634/-

B) Commitments

There are no non-cancellable capital commitments.

29) Defined Benefit Plans/Long Term Compensated Absences :-**Description of Plans**

The Company makes contributions to Defined Benefit and Defined Contribution Plans for qualifying employees. Gratuity Benefits and Leave Encashment Benefits are unfunded in nature. The Defined Benefit Plans are based on employees' length of service.

The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method at the year end. The Company makes regular contributions to these Employee Benefit Plans. The net Defined benefit cost is recognized by the companies in Financial Statements.

Discount Rate: The present value of Defined Benefit Plans liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on Government bonds. A decrease in yields will increase the fund liabilities and vice-versa.

The estimated term of the benefit obligations works out to 10.87 years. For the current valuation a discount rate of 7.63% p.a. compound has been used.

Salary Escalation Rate: The Salary Escalation rate usually consists of at least three components, viz. regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again, a long term view as to the trend in salary escalation rates has to be taken rather than guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

Withdrawals Rate: Past experience indicates the current level of attrition. The assumption may incorporate the Company's policy towards retention of employees, historical data and industry outlook.

Mortality Rate: We have used Indian Assured Lives Mortality Table (IALM) 2006-08, as issued by Institute of Actuaries of India, for the valuation.

The following table summarize the components of net benefit expenses recognized in the statement of Profit & loss and the funded status and the amount recognized in Balance Sheet during 2018-19

PARTICULARS	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Unfunded	Unfunded	Unfunded	Unfunded
	31.03.2019		31.03.2018	
Statement of profit & loss				
Net employee benefit expense recognized in employee cost				
Current Service Cost	101,963	29,991	70,303	18,047
Interest Cost on Defined Benefit Obligation	102,541	25,281	74,679	14,821
Total Expense recognized in the Statement of Profit and Loss	204,504	55,272	144,982	32,868
Remeasurements recognised in Other Comprehensive Income				
Net Actuarial (Gain)/Loss	424,732	190,791	234,088	106,988
Total defined benefit cost recognized in Profit & Loss and Other Comprehensive Income	629,236	246,063	379,070	139,856
Changes in the present value of the defined benefit obligation are as follows:				
Opening Defined Benefit Obligation	1,343,913	331,246	964,843	191,485
Interest Cost	102,541	25,281	74,679	14,821

Current Service Cost	101,963	29,991	70,303	18,047
Benefits Paid	-	-	-	-
Actual Losses / (Gain) on Obligation	424,732	190,791	234,088	106,988
Closing Defined Benefit Obligation	1,973,149	577,404	1,343,913	331,341
Classification in Balance Sheets				
Net Assets/ (Liability)	Gratuity		Leave Encashment	
	Current	Non-Current	Current	Non-Current
As at 31st March 2019	1,325,140	6,48,009	397,796	179,608
As at 31st March 2018	922,131	421,782	226,378	104,963
The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:				
Discount Rate	7.63	7.63	7.63	7.63
Increase in Compensation Cost	6.00	6.00	6.00	6.00

SENSITIVITY ANALYSIS

	PARTICULARS	Gratuity	Leave encashment
a.	<u>Defined benefit obligation - Discount rate + 100 Basis points</u>	(61,339)	(20,608)
b.	Defined benefit obligation - Discount rate - 100 Basis points	70,155	24,074
c.	Defined benefit obligation – Salary escalation rate + 100 Basis points	70,598	24,226
d.	Defined benefit obligation – Salary escalation rate - 100 Basis points	(62,775)	(21,084)

30) For year ended 31st March, 2019, Company has no dues from any party that it is covered under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED).

31) As the Company has brought forward unabsorbed depreciation amounting to Rs. 28,290,610 under the Income Tax Act, 1961 and is unlikely to have taxable income in the foreseeable future. Deferred tax assets in situation where carry forward unabsorbed depreciation/business loss exists, are recognized to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered, accordingly Deferred Tax Assets on Unabsorbed Depreciation Losses are not recognized in accordance with Ind AS 12 "Income Taxes".

32) Deposit of Rs 195,000,000 by DCM Services Limited

DCM Services Ltd, as a promoter had committed to bring in Rs 195,000,000 as a promoter contribution upon sanction of their restructuring scheme under erstwhile Section 391 of the Indian Companies Act, 1956 which is under implementation by One Man Committee appointed with the direction of Hon'ble Delhi High Court.

The Court vide order dated 06.05.2008 has asked DCM Services Limited to deposit Rs. 195,000,000 with the Court and pursuant to the court order, DCM Services Limited deposited Rs 50,000,000 on 16.07.2010, Rs 67,000,000 on 18.11.2010, Rs. 39,000,000 on 21.04.2011 & Rs. 39,000,000 on 27.04.2012 aggregating to Rs. 195,000,000 on behalf of the promoters with the Registrar, Hon'ble Delhi High Court. All the funds are with Delhi High Court along-with accrued interest thereon. No financial impact of this has been recorded in the financials of the company for the period ended 31st March, 2019 as there is no clarity provided by Hon'ble High Court of Delhi on whether Company would have to issue any shares against such contribution as per SEBI guidelines or such amount would be refundable to DCM Services Limited or there would be no liability on the Company to pay or issue any shares. Till Company gets any clarity on this matter, no financial entry has been recorded in the books of accounts.

33) Related Parties Transactions:

A. List of Related parties

SN	Description of Relationship	Name of Party	
(a)	Significant Influence Exist	(i)	DCM Services limited
		(ii)	DCM International Limited
		(iii)	DCM Anubhavi Marketing Private Limited
(b)	Key Management Personnel	(i)	(i) Shantanu Deveshwar - Director

B. Transactions with related parties during the year (Amount in Rs.)

Particulars		For the year ending 31st March 2019	For the year ending 31st March 2018
Key Management Personnel			
1.	Remuneration	2,79,230	3,84,982
2.	Repayment of loan		
	- DCM Services Limited	-	1,56,31,000
	- DCM Anubhavi Marketing Private Limited	-	4,03,89,773
3.	Interest Expense		
	- DCM Services Limited	67,16,845	61,06,222
	- DCM International Limited	23,26,407	21,14,915
	- DCM Anubhavi Marketing Private Limited	18,36,728	16,69,753
4.	Interest Income		
	- DCM Services Limited	21,34,221	21,34,221
	- DCM International Limited	52,79,977	52,79,977
	- DCM Anubhavi Marketing Private Limited	11,66,250	11,66,250

C. Balance Outstanding (Amount in Rs.)

1.	DCM Services Ltd.	7,38,85,290	6,71,68,445
2.	DCM International Limited	2,55,90,476	2,32,64,070
3.	DCM Anubhavi Marketing Limited	2,02,04,010	1,83,67,281

34) Financial Instruments and Related Disclosures

a) Categories of Financial Instruments

Particulars	Note	As at 31st March 2019	As at 31st March 2018
I Financial Assets			
Measured at amortised cost			
(i) Investments	6	1,070	4,010,348
(ii) Cash and cash equivalents	8	2,279,885	11,358,706
(iii) Other Bank Balances	9	88,449,831	336,054,596
(iv) Others	3 & 10	221,748,530	18,850,464
Total (A)		312,479,316	370,274,114
II Measured at fair value through Other Comprehensive Income			
(i) Investments	6	NIL	NIL
Total (B)			
Measured at fair value through Profit & loss			
(i) Investments	2 & 6	12,134,641	11,268,140
Total (C)			
Total financial assets (A+B+C)		324,613,957	381,542,254

Financial Liabilities			
I	Measured at amortised cost		
	(i) Borrowings	14	140,449,776
	(ii) Other financial liabilities	17	776,564,088
	Total financial liabilities		917,013,863
			129,569,796
			832,376,324
			961,946,120

(b) Fair Value Hierarchy:

	Particulars	As at 31st March 2019	As at 31st March 2018
I	Financial Assets / Financial Liabilities at amortized cost		
	The carrying amount of financial assets and financial liabilities measured at amortized cost are a reasonable approximation of their fair values except the following:		
	Fair value of Borrowing measured (Level 3)	119,679,776	108,799,796
II	Financial assets at fair value through profit & loss		
	Investment in Equity Shares (Level 1)	4,471,781	9,551,235
	Investment in Equity Shares (Level 2)	7,662,860	4,010,353
III	Financial assets at fair value through Other Comprehensive Income	NIL	NIL

The Company determines the fair value of its financial instruments on the basis of the following hierarchy:

Level 1: The fair value of financial instruments that are quoted in active markets are determined on the basis of quoted price for identical assets or liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market are determined on the basis of net asset value as per last available audited financial statements.

Level 3: If one or more of the significant inputs is not based on observable market data, the fair value is determined using discounted cash flow method with the most significant inputs being the discount rate that reflects the credit risk of the counter-party.

35) Capital Management

The Company's objective for managing capital is to ensure as under:

- To ensure the company's ability to continue as a going concern.
- Maintaining a strong credit rating and healthy debt equity ratio in order to support business and maximize the shareholders' value.
- Maintain an optimal capital structure.
- Compliance financial covenants under the borrowing facilities.

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure keeping in view of:

- Compliance of financial covenants of borrowing facilities.
- Changes in economic conditions.

In order to achieve this overall objective of capital management, amongst other things, the Company aims to ensure that it meets financial covenants as decided by One Man Committee and Delhi High Court. **One Man Committee has given few recommendations for payments to its creditors which has been accepted by Hon'ble Delhi High Court.**

There has been no breach in the financial covenants of any borrowing facilities in the current period. There is no change in the objectives, policies or processes for managing capital over

previous year.

36) Going Concern Basis

The company filed a fresh Scheme of Arrangement for the reorganization of the share capital of the company and for compromise with the secured and unsecured creditors of the company, hereinafter referred to as the "Fresh Restructuring Scheme" before the Hon'ble Delhi High Court at New Delhi on 24th September 2004.

Pursuant to the orders of the Hon'ble Delhi High Court, the unsecured creditors and debenture holders in their meeting convened under the Chairpersonship of court appointed Chairpersons (retired Judges of Hon'ble Delhi High Court) on 1st April 2005 and 2nd April, 2005 have approved the scheme without any modifications with the requisite majority. The meeting of the other secured creditors (banks/ institutions) was held on 17th September 2005 and has also approved the scheme by the requisite majority after considering some modifications proposed by the Punjab & Sind Bank. The promoter company has undertaken, subject to sanction of the scheme by the Hon'ble Delhi High Court, contributed Rs. 195,000,000 of which Rs. 156,000,000 were deposited with the Registrar of the Hon'ble Delhi High Court Registrar, as per court order by the promoter group, and the balance amount of Rs 39,000,000 had been deposited on 27th April, 2012. The Fresh Restructuring Scheme kept pending for approval of Hon'ble High Court of Delhi. Over the years and till 31st March, 2017, the accounts of the company have been drawn on the assumption that the "fresh restructuring scheme" will be accepted and implemented. If it is not accepted and cannot be implemented for any reason the total liability before the proposed restructuring scheme including those for which no provision has been made and has been quantified under appropriate heads, shall become payable.

Justice Anil Kumar as one man committee was appointed vide order dated:- 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes.

The one man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. One Man Committee observed that that it already has sufficient funds, ready cash, to repay about 70% of the deposits to all the depositors having deposits of more than Rs 5,000 including secured creditors in the first stage. Under Phase -1, 70% a part of the amount be paid to the creditors having deposits of more than 5,000 and full amount be paid to those who have deposits of Rs. 5,000 or less than Rs.5,000 in the first instance. In the second phase, which should also commence. with phase 1 simultaneously, properties and shares and all the assets be liquidated by selling and the realized amount is recommended to be utilized for the repayment of balance 30% of principal and the maturity value on the fixed deposits, debentures and banks. If the amount is still available to the Company, the Hon'ble Company Court may decide whether some amount - be paid as interest as has also been recommended by the Reserve Bank of India. During the year ended 31st March, 2018, Company started paying the amount as per Phase-I and Phase I is still in continuation for the financial year ending 31st March 2019. Hon'ble High Court of Delhi held that the issue of revival of the company will be decided once all payments are made in the manner as suggested in the report. The accounts of the company have been prepared on a "going concern" basis on an assumption & premises made by the management that:-

- (a) Company incurred a net loss of Rs. 94,81,207 during the year ended March 31, 2019 and, as of that date, the Company's current liabilities exceeded its total assets by Rs. 28,11,92,526. The accumulated loss as on 31st March, 2019 stands to Rs. 65,10,18,439/-(Previous year Rs. 64,15,37,232/-). As on 31st March, 2019, the Company's total liabilities exceeded to its total assets by Rs. 42,97,67,899/- (Previous year Rs. 42,02,86,692/-).

- (b) The Company is not carrying on any business as to comply with the directives of the Reserve Bank of India the company ceased to accept deposits from September 1997 and the company's application to RBI for certificate of registration (CoR) as a NBFC had been rejected by the RBI in year 2004. The Company contends that the Scheme of One Man Committee shall be implemented in full and other aspect of fresh restructuring scheme such issuance of equity to SBI HOME FINANCE LTD and Pressman Leasing would be approved/decided upon by the Hon'ble Delhi High Court and accordingly the decision on revival of Company would be taken by Hon'ble Delhi High Court and
- (c) Adequate finances and opportunities would be available in the foreseeable future to enable the company to start operating on a profitable basis,
- 37)** The Company's application to RBI for Certificate of Registration (CoR) as a NBFC had been rejected by the RBI in year 2004. The company had made an appeal to the Appellate Authority, Ministry of Finance which directed the RBI to keep its order of rejection of CoR in abeyance for a period of six months and directed the company to file Fresh Restructuring Scheme before Hon'ble Delhi High Court. RBI has preferred an appeal before the Hon'ble Delhi High Court against the order of the appellate authority, which is still pending. This may be decided upon once scheme of One Man Committee shall be implemented in full and other aspect of fresh restructuring scheme would be approved/decided upon by the Hon'ble Delhi High Court.
- 38)** Balance confirmation of bills receivable and payable, advances recoverable in cash or in kind, receivables and payables relating to lease and hire purchase, lease security deposit of which party wise details are not available. Balance confirmation of inter-corporate deposits, balance of ex-employees, margin against L/C, loans from institutions, banks, and other receivables and payables have not been received from the parties/persons concerned. In the absence of balance confirmation the closing balances as per books of accounts have been incorporated in the final accounts and have been shown, unless otherwise stated by the management about its recoverability in the financials including considering the NPA Provisions, are good for recovery/ payment. Time barred debts under the Limitations Act have not been separately ascertained and written off or provided for. In the absence of such confirmation & corresponding reconciliation, it is not feasible for us to determine financial impact on the financials and the amount referred as payable in the financials can differ.
- 39) Segment information for the year ended 31st March 2019**
- The Company is engaged in a single segment i.e. Financing Operations viz., inter corporate deposits and investments. Presently Company is not carrying on any operation except realizing all debts or maintaining existing assets. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

40) Statement of Net Assets and Profit or (loss), other comprehensive income and total comprehensive income attributable to owners

Name of the Company	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or (Loss)		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated net assets	Amount in Lakh	As % of Consolidated profit or loss	Amount in Lakh	As % of Consolidated other Comprehensive Income	Amount in Lakh	As % of Consolidated Total Comprehensive income	Amount in Lakh
Parent Company (Indian)								
DCM Financial Services Limited	100.51	-4319.65	98.73	-94.47	100	0.88	98.72	-93.59
Subsidiaries (Indian)								
Global IT Options Limited	-0.44	18.90	1.27	-1.10	0	0	1.16	-1.10
Non-Controlling Interest	-0.07	3.07	0.13	-0.12	0	0	0.13	-0.12
Total	100	-4297.68	100	-95.69	100	0.88	100	-94.81

41) Figures for the previous year are in brackets and have been re-grouped/re-classified wherever necessary to make them comparable with the figures of the current year.

For Mukesh Aggarwal

Chartered Accountants

Firm Registration No. 011393N

Rishi Mittal

Partner

M.No. 521860

Richa Kalra

Director

DIN: 07632571

Shantanu Deveshwar

Director

DIN: 08268523

Place : New Delhi

Dated : 28th May, 2019

Priya Sharma**Company Secretary****M. No. A-48306**

DCM FINANCIAL SERVICES LIMITED
CIN: L65921DL1991PLC043087, Tel-011-26387750
Regd. Office: D 7/3, Okhla Industrial Area-II, New Delhi-110020
Email ID: info@dfsionline.com; Website: www.dfsionline.com

PROXY FORM

Form No. MGT-11

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

CIN	L65921DL1991PLC043087
Name of the Company	DCM FINANCIAL SERVICES LIMITED
Registered Office	D-7/3 Okhla Industrial Area,Phase-2 New Delhi-110020

Name of the Member(s)	
Registered address	
E-mail I. d.	
Folio no./Client Id*	
DP ID	

I/We, being the member(s) of DCM Financial Services Limited holding _____ shares hereby appoint:

1. Name:.....
 Address:.....
 E-Mail I.D.:..... Signature..... or failing him
2. Name:.....
 Address:.....
 E-Mail I.D.:..... Signature..... or failing him
3. Name:.....
 Address:.....
 E-Mail I.D.:..... Signature..... or failing him

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the company, to be held on Monday, 30th September, 2019 at 11:00 A.M. at The Executive Club, 439, Village Shahoorpur, P.O., FatehpurBerli, New Delhi-110030 and at any adjournment there of in respect of such resolutions as are indicated below.

S. No.	Resolution	For	Against
1.	Ordinary Business to receive, consider and adopt thestandalone&consolidated financial statements of the Company for the financial year ended on 31st March, 2019 including the audited Balance Sheet as at 31st March, 2019, Profit & Loss Statement for the financial yearended on that date together with the Reports of Board of Directors and Auditors thereon		
2.	To ratify the appointment of M/s MukeshAggarwal& Co., Chartered Accountant, (Firm Registration No. 011393N) , as the Statutory Auditor of the Company		
3.	Special Business to Re-appointMs. RichaKalra (DIN: 07632571) as an Independent Director		

Signed this _____ day of _____ 2019

Signature of Shareholder _____ Signature of Proxy holder(s) _____

Affix Revenue Stamp of Rs. 1/-

Notes:

- (1) This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the meeting.
- (2) For the resolutions, statement setting out material facts, notes and instructions please refer to the notice of Annual General Meeting.
- (3) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (4) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

Please complete all details including details of member(s) and proxy(ies) in the above box before submission



DCM FINANCIAL SERVICES LIMITED
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Form No. MGT-12

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

BALLOT PAPER

28th Annual General Meeting of the members of DCM Financial Services Limited to be held on Monday, 30th September, 2019 at 11:00 A.M at The Executive Club, 439, Village Shahoorpur, P.O., FatehpurBerli, New Delhi-110030 :-

Name of First Named Shareholder (In Block Letters)	
Postal Address	
Folio No./DP ID & Client ID	
No. of Shares held	
Class of Shares	

I hereby exercise my vote in respect of Ordinary/ Special Resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

S. No.	Brief of Resolutions	In favor	Against
1.	Ordinary Business to receive, consider and adopt the standalone & consolidated financial statements of the Company for the financial year ended on 31st March, 2019 including the audited Balance Sheet as at 31st March, 2019, Profit & Loss Statement for the financial year ended on that date together with the Reports of Board of Directors and Auditors thereon		
2.	To ratify the appointment of M/s Mukesh Aggarwal & Co., Chartered Accountant, (Firm Registration No. 011393N) , as the Statutory Auditor of the Company		
3.	Special Business to Re-appoint Ms. Richa Kalra (DIN: 07632571) as an Independent Director		

Date:

Place: New Delhi

.....
Signature of Shareholder



DCM FINANCIAL SERVICES LIMITED
CIN: L65921DL1991PLC043087, Tel-011-26387750
Regd. Office: D 7/3, Okhla Industrial Area-II, New Delhi-110020
Email ID: info@dfslonline.com; Website: www.dfslonline.com

ATTENDANCE SLIP

28th Annual General Meeting, on Monday, 30th September, 2019 at 11:00 A.M.

Name of the Member <i>(In Block Letters)</i>	
Address	
Folio No./DP ID & Client ID	
No. of Shares held	
Name of Proxy <i>(To be filled in, if the proxy attends instead of the member)</i>	

I, hereby certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 28th Annual General Meeting of the Company held on Monday, 30th September, 2019 at 11:00 A.M. at The Executive Club, 439, Village Shahoorpur, P.O., Fatehpur Beri, New Delhi-110030.

.....
Member's /Proxy's Signature

Note:

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be distributed at the meeting venue.



If Undelivered, please return to:



D7/3, Okhla Industrial Area-II
Mezzanine Floor, New Delhi-110020