

# SARASWATI COMMERCIAL (INDIA) LTD.

Regd. Off.: 209 - 210, Arcadia Building, 2nd Floor, 195, Nariman Point, Mumbai - 400 021.  
Tel: 4019 8600 • Fax: 4019 8650 • E-mail: saraswati.investor@gcvl.in  
Web: www.saraswaticommercial.com • CIN : L51909MH1983PLC166605

Date: 27.11.2020

To,  
Corporate Relationship Department  
**Bombay Stock Exchange Limited**  
P.J. Towers, 1<sup>st</sup> Floor,  
Dalal Street,  
Mumbai - 400 001

Ref: BSE Code: 512020

Regulation 34 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

**Sub: Submission of Revised Annual Report for the financial year 2019-2020**

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Addendum to the Annual Report submitted on 27<sup>th</sup> November, 2020, enclosed herewith please find Revised 37<sup>th</sup> Annual Report of the Company for the financial year 2019-20.

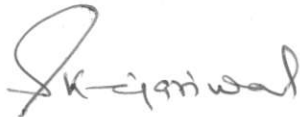
The Revised 37<sup>th</sup> Annual Report has been uploaded on the Company's website viz. [www.saraswaticommercial.com](http://www.saraswaticommercial.com).

You are requested to kindly acknowledge receipt of the same.

Thanking You,

Yours faithfully


For **SARASWATI COMMERCIAL (INDIA) LIMITED**



**Sandeep Kejariwal**  
Director  
DIN: 00053755



Encl: As above



# SARASWATI COMMERCIAL (INDIA) LIMITED

ANNUAL REPORT

2019 - 2020

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**CORPORATE INFORMATION****BOARD OF DIRECTORS AS ON 31<sup>st</sup> March, 2020**

Mr. Ritesh Zaveri	Non-Executive Director
Mr. Sandeep Kejariwal	Non-Executive Director
Mrs. Babita Thakar	Independent Director
Mr. Ketan Desai	Independent Director

**BANKERS**

HDFC Bank Limited  
Kotak Mahindra Bank Limited  
Credit Agricole Corporate & Investment Bank

**REGISTERED OFFICE**

209-210 Arcadia Building,  
2<sup>nd</sup> Floor, Plot No. 195,  
Nariman Point,  
Mumbai – 400021  
Tele. : 022-40198600, Fax: 022-40198650

**Board Committees****Audit Committee**

Mrs. Babita Thakar- (Chairperson)  
Mr. Ritesh Zaveri  
Mr. Ketan Desai

**Stakeholder Relationship Committee**

Mr. Ketan Desai - (Chairperson)  
Mr. Ritesh Zaveri  
Mrs. Babita Thakar

**Corporate Social Responsibility Committee**

Mr. Ketan Desai- (Chairperson)  
Mr. Ritesh Zaveri  
Mrs. Babita Thakar

**Nomination & Remuneration Committee**

Mrs. Babita Thakar- (Chairperson)  
Mr. Ritesh Zaveri  
Mr. Ketan Desai

**Asset Liability Management Committee**

Mr. Sandeep Kejariwal - (Chairperson)  
Mrs. Babita Thakar  
Mr. Ritesh Zaveri  
Mr. Rajiv Pathak

**Risk Management Committee**

Mr. Ritesh Zaveri (Chairperson)  
Mrs. Babita Thakar  
Mr. Sandeep Kejariwal

**IT STRATEGY COMMITTEE**

Mrs. Babita Thakar- (Chairperson)  
Mr. Sanket Baheti  
Mr. Shamim Ahmed

**Key Managerial Personnel**

Mr. Rajiv Pathak	Chief Executive Officer
Mrs. Vaishali Dhuri	Chief Financial Officer
Ms. Avani Sanghavi	Company Secretary & Compliance Officer

**Secretarial Auditors**

M/s Nishant Jawaasa & Associates  
Company Secretaries  
A/103, New Ankur CHS Ltd.  
Andheri (W), Mumbai - 400058

**Statutory Auditors**

M/s. Ajay Shobha & Co.  
Chartered Accountants  
A-701, La- Chapelle,  
Evershine Nagar, Malad (West),  
Mumbai- 400064

**Internal Auditors**

M/s. Rajiv A Gupta & Associates  
Chartered Accountants  
1/234/3230, Tagore Nagar,  
Vikhroli (East), Mumbai - 400083

**Registrar & Share Transfer Agent**

TSR Darashaw Consultants Private Limited  
(formerly known as TSR Darashaw Limited)  
6-10, Haji Moosa Patrawala Industrial  
Estate, 20 Dr. E Moses Road,  
Mahalaxmi, Mumbai-400011  
Telephone: 022- 66568484,  
Fax: 022- 66568494

**Website:**

[www.saraswaticommercial.com](http://www.saraswaticommercial.com)

**Corporate Identification Number**

[L51909MH1983PLC166605](https://www.mca21.com/identification-number/L51909MH1983PLC166605)

**Investors Relations Email ID**

[saraswati.investor@gcvi.in](mailto:saraswati.investor@gcvi.in)

**Stock Exchange's where company's  
Shares are listed**

[BSE Limited](https://www.bseindia.com/)

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## NOTICE

**NOTICE** is hereby given that the Thirty Seventh ('37') Annual General Meeting ('AGM') of the Members of **Saraswati Commercial (India) Limited ('Company')** will be held on Wednesday, 16<sup>th</sup> day of December, 2020 at 2.30 P.M. through video conferencing (VC) facility/Other Audio Visual Means (OAVM), to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt:

(a) the Audited Standalone Financial Statements of the Company for the year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon; and

(b) the Audited Consolidated Financial Statements of the Company for the year ended March 31, 2020, together with the Reports of the Auditors thereon.

2. To appoint a Director in place of Mr. Sandeep Kejariwal (holding DIN: 00053755), who retires by rotation and being eligible, seeks re-appointment.

### **SPECIAL BUSINESS:**

3. To consider, and if thought fit, to pass, the following Resolution as a **SPECIAL RESOLUTION** – (Re-Appointment of Mr. Ketan Desai (DIN: 07092422) as an Independent Non-Executive Director for second term for five consecutive years):

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) (including any statutory modification(s) or amendment(s) thereto or re-enactment thereof, for the time being in force), Mr. Ketan Desai (DIN: 07092422), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby reappointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years with effect from 12<sup>th</sup> February 2020 to 11<sup>th</sup> February, 2025;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, and things as may be necessary, proper, expedient or incidental including making necessary intimations/filings, signing all documents, papers or forms for the purpose of giving effect to this resolution.”

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION** – (Approval for Related Party Transactions):

**“RESOLVED THAT** in supersession of all the earlier resolutions passed by the shareholders of the Company and in accordance with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment, modification or re-enactment thereof), and Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies

(Meetings of Board and its Powers) Rules, 2014 and subject to such approvals, consent, sanctions and permission as may be necessary, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company or to any person authorized by them for entering into any contract or arrangement with related parties as defined under the Act on such terms and conditions as it may deem fit with respect to availing and rendering of services by Saraswati Commercial (India) Limited with immediate effect and every year thereafter, up to the maximum amount (per annum) as appended in table below:

Sr. No.	Name of the Related Party	Name of the Director/KMP who is related and nature of their relationship	Nature of Transaction	Maximum Value (per annum) (Rs. in crores)
1	Winro Commercial (India) Limited	Ketan Desai (Director) Vaishali Rajesh Dhuri (Director) Babita Thakar (Director) Ritesh Zaveri (CFO)	Availing and/or rendering revolving loan facility (floating interest rate)	75.00 (Sanctioned Limit)
2	Singularity Holdings Limited (formerly known as Geecee Investments Limited)	Vaishali Rajesh Dhuri (Director) Ritesh Zaveri (Director)	Availing and/or Rendering revolving loan facility (floating interest rate)	75.00 (Sanctioned Limit)
3	Four Dimensions Securities (India) Limited	Group Company (Common Promoters)	Rendering revolving loan facility (floating interest rate)	75.00 (Sanctioned Limit)
4	Urudavan Investment & Trading Private Limited	Group Company (Common Promoters)	Rendering revolving loan facility (floating interest rate) and providing security by way of pledging shares	100.00 (Sanctioned Limit)
5	Arcies Laboratories Limited	Associate Company (Common Promoters)	Rendering revolving loan facility (floating interest rate)	0.50 (Sanctioned Limit)
6	GTZ (Bombay) Private Limited	Group Company (Common Promoters)	Rendering revolving loan facility (floating interest rate)	0.25 (Sanctioned Limit)
7	Sam-Jag-Deep Investments Private Limited	Group Company (Common Promoters)	Rendering revolving loan facility (floating interest rate)	0.50 (Sanctioned Limit)

8	Geecee Holdings LLP	Group Entity	Rendering revolving loan facility (floating interest rate)	25.00 (Sanctioned Limit)
9	Arkaya Commercial Private Limited	Subsidiary Company (Common Promoters)	Rendering revolving loan facility (floating interest rate)	0.15 (Sanctioned Limit)
10	Four Dimensions Securities (India) Limited	Group Company (Common Promoters)	Availing Broking Services	1.00 (Sanctioned Limit)

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, and things as may be necessary, proper, expedient or incidental including making necessary intimations/filings, signing all documents, papers or forms for the purpose of giving effect to this resolution.”

**By order of the Board of Directors  
For Saraswati Commercial (India) Limited**

**Place: Mumbai**  
**Dated: 11<sup>th</sup> November, 2020**

**Avani Sanghavi**  
**Company Secretary & Compliance Officer**

**Registered Office:**  
209-210, Arcadia Building, 195,  
Nariman Point, Mumbai – 400 021.

**NOTES:**

1. The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 (“Act”), setting out material facts concerning the business under Item Nos. 3 to 4 set out above and details under Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Paragraph 1.2.5 of the Secretarial Standard on General Meetings, in respect of the Director seeking re-appointment at the Annual General Meeting (AGM) are annexed hereto.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 20/2020 dated May 5, 2020 (collectively “MCA Circulars” ), permitted companies to conduct Annual General Meeting (AGM) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members subject to compliance of various conditions mentioned therein. In compliance with the MCA Circulars and applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 37<sup>th</sup> AGM of the Company is being convened and conducted through VC.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a Member of the Company. Since 37<sup>th</sup> AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 37<sup>th</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. As per the provisions under the MCA Circulars, Members attending the 37<sup>th</sup> AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the 37<sup>th</sup> AGM along with the Annual Report for the year 2019-20 are being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that this Notice and Annual Report 2019-20 will also be available on the Company’s website [www.saraswaticommercial.com](http://www.saraswaticommercial.com) and websites of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for participation by Members are given in the subsequent paragraphs. Participation at the AGM through VC shall be allowed on a first-come-first-served basis.
7. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The process of remote e-voting with necessary user id and password is given in the subsequent paragraphs. Such remote e-voting facility is in addition to voting that will take place at the 37<sup>th</sup> AGM being held through VC.
8. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote



by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.

9. Corporate Members are required to send email of certified copy of the Board resolution to the Scrutinizer at [njawsa@yahoo.co.in](mailto:njawsa@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) authorizing their representative to attend the AGM through VC and vote on their behalf.

10. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, TSR Darashaw Consultants Private Limited at 6-10 Haji Moosa Patrawala Industrial Estate, 20 Dr. E Mosses Road, Mahalaxmi, Mumbai- 400011 or may write to company secretary at [saraswati.investor@gcvl.in](mailto:saraswati.investor@gcvl.in).

11. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

12. All documents referred to in the accompanying Notice and the Explanatory Statement shall be available for inspection electronically. Members seeking to inspect such documents can send an email to [saraswati.investor@gcvl.in](mailto:saraswati.investor@gcvl.in).

13. The details of the Directors seeking appointment/ re-appointment at the 37<sup>th</sup> AGM is provided as Annexure to this Notice. The Company has received the requisite consents/declarations for the appointment/re-appointment under the Companies Act, 2013 and the rules made thereunder.

14. Members are requested to send all their documents and communications pertaining to shares to TSR Darashaw Consultants Private Limited at 6-10 Haji Moosa Patrawala Industrial Estate, 20 Dr. E Mosses Road, Mahalaxmi, Mumbai- 400011, (Maharashtra), Telephone: 022- 66568484, Fax: 022- 66568494 for both physical and demat segments of Equity Shares. Please quote on all such correspondence- "Unit – Saraswati Commercial (India) Limited."

15. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrars and Share Transfer Agents, M/s. TSR Darashaw Consultants Private Limited.

16. The shares of the Company are under Compulsory Demat trading. Members holding shares in physical form are requested to convert their shares into dematerialized form in their own interest. As per SEBI Notification No. SEBI/LADNRO/GN/2018/24 w.e.f. 5th December, 2018 shares are required to be held in dematerialized form only. Members holding shares in physical form are requested to do the needful. For assistant/information required in this matter, kindly contact to our Registrar & Share Transfer Agent and/or Company Secretary.

17. Benefits of Dematerialization: Shares held in dematerialized form have several advantages like immediate transfer of shares, faster settlement cycle, faster disbursement of non-cash corporate benefits like rights, etc., lower brokerage, ease in portfolio monitoring, etc. The risks as addressed are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. Members may note that the Notice and the Annual Report 2019-2020 will also be available on the Company's website

[www.saraswaticommercial.com](http://www.saraswaticommercial.com) . To support “Green Initiative”, Members who have not registered their e-mail addresses are requested to register the same with M/s. TSR Darashaw Consultants Private Limited / their Depository Participants, in respect of shares held in physical or electronic mode respectively.

18. Since the 37<sup>th</sup> AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

19. Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, as maintained under the Companies Act, 2013 will be available for inspection by the Members electronically during the 37<sup>th</sup> AGM. Members seeking to inspect such documents can send an email to [saraswati.investor@gcvi.in](mailto:saraswati.investor@gcvi.in).

**20. Information and instructions relating to E-voting are as under:**

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities and Depositories Limited (NSDL).

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

**The remote e-voting period begins on Saturday, 12<sup>th</sup> December, 2020 at 09:00 A.M. and ends on Tuesday, 15<sup>th</sup> December, 2020 at 05.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.**

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is  12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at

[evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders:**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [njawasa@yahoo.co.in](mailto:njawasa@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to Ms. Pallavi Mhatre at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [saraswati.investor@gcvl.in](mailto:saraswati.investor@gcvl.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [saraswati.investor@gcvl.in](mailto:saraswati.investor@gcvl.in).

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at [saraswati.investor@gcvl.in](mailto:saraswati.investor@gcvl.in). The same will be replied by the company suitably.
6. Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis. The Scrutinizer will submit his report to the Chairperson after completion of the scrutiny. The result of the voting on the Resolutions at the Meeting shall be announced by the Chairperson or any other person authorized by him immediately after the results are declared.

The results declared along with the Scrutinizer's report, will be displayed on the website of the Company at [www.saraswaticommercial.com](http://www.saraswaticommercial.com) and on the website of NSDL immediately after the declaration of the result by the Chairperson or any person authorised by him and communicated to the Stock Exchanges.

**Other Information:**

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
2. The remote e-voting period commences on Saturday, 12th December, 2020 (09:00 a.m. IST) and ends on Tuesday, 15th December, 2020 (05:00 p.m. IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on cutoff date i.e. Wednesday, 9th December, 2020 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Members, he shall not be allowed to change it subsequently.
3. The venue of the meeting shall be deemed to be the Registered Office of the Company at 209 / 210, Arcadia Building, 2nd Floor, 195, Nariman Point, Mumbai, Maharashtra, 400021.
4. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on cut-off date i.e. Wednesday, 9th December, 2020. 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting.
5. Nishant Jawasa, Practicing Company Secretary (Membership No. F6557) of M/s. Nishant Jawasa & Associates, Practicing Company Secretaries, have been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as voting at the meeting, in a fair and transparent manner.

6. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.saraswaticommercial.com](http://www.saraswaticommercial.com) immediately after the results are declared and the same shall be communicated to BSE Limited where the shares of the Company are listed.

**By order of the Board of Directors  
For Saraswati Commercial (India) Limited**

**Place: Mumbai  
Dated: 11<sup>th</sup> November, 2020**

**Avani Sanghavi  
Company Secretary & Compliance Officer**

**Registered Office:**  
209-210, Arcadia Building, 195,  
Nariman Point, Mumbai – 400 021.

**ANNEXURE TO THE NOTICE****EXPLANATORY STATEMENT PURSUANT TO THE SECTION 102 OF THE COMPANIES ACT, 2013****Item no. 3**

Mr. Ketan Desai was appointed as an Independent Non- Executive Director of the Company by the members at the Extra Ordinary General Meeting of the Company held on 20<sup>th</sup> March, 2015 for a period of five consecutive years. As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five (5) consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of up to five consecutive years on the Board of a Company.

The Nomination and Remuneration Committee (NRC) at its meeting held on 12<sup>th</sup> February, 2020 has unanimously recommended to the Board the re-appointment of Mr. Ketan Desai as an Independent Director for a further term not exceeding five (5) consecutive years on passing of a special resolution by the Company. The NRC while recommending the reappointment of Mr. Ketan Desai, has considered various factors viz. the number of Board meetings, Committee meetings and General Meetings attended by him, his knowledge and experience, his participation in the decisions taken by the Board, summary of his performance evaluation and his independent judgment in the opinion of the Board.

Accordingly, based on the recommendation of NRC and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board at its meeting held on 12<sup>th</sup> February, 2020 has unanimously re-appointed Mr. Ketan Desai, who being eligible for re-appointment as an Independent Director and offering himself for re-appointment for second term of five consecutive years with effect from 12<sup>th</sup> February 2020 to 11<sup>th</sup> February, 2025, subject to the approval of members at the 37<sup>th</sup> AGM of the company.

Mr. Ketan Desai has been an active member of the Board and the committees of the Board of which he is a member. He brings independent judgment to the Board of the Company and his continued association will be valuable and positive. With his entrepreneur skills and vast management experience, the Company has benefited immensely.

The Company has received a declaration from him stating that he meets the criteria of Independence as prescribed under sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given his consent to continue to act as Director of the Company, if so appointed by the members. In the opinion of the Board, Mr. Ketan Desai fulfills the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his reappointment as an Independent Non-Executive Director of the Company and is independent of the management.

Copy of the draft letter for appointment of Mr. Ketan Desai as an Independent Non-Executive Director setting out terms and conditions would be available for inspection without any fee by the members electronically during the 37<sup>th</sup> AGM of the Company. Members seeking to inspect such document can send an email to [saraswati.investor@gcvl.in](mailto:saraswati.investor@gcvl.in).

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Ketan Desai as an Independent Director.

Accordingly, the Board recommends passing of the Special Resolution in relation to re-appointment of Mr. Ketan Desai as an Independent Director of the Company for another term of five consecutive years with effect from 12<sup>th</sup> February 2020 to 11<sup>th</sup> February, 2025, for the approval by the shareholders of the Company.



Except Mr. Ketan Desai, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the accompanying Notice of the AGM. Mr. Ketan Desai is not related to any Director of the Company. A brief profile of Mr. Ketan Desai for his appointment as Independent Director is mentioned in the table annexed to the notice.

#### **Item No. 4**

Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended, prescribes the procedure for approval of related party transaction(s).

In accordance with the provisions of Section 188(1)(b) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2019, prior approval of the Members by way of an Ordinary Resolution is required for entering into any transaction between related parties for the following where the amount involved exceeds 10 percent or more of the net worth of the Company.

1. Sale, purchase or supply of any goods or materials;
2. Selling or otherwise disposing of, or buying, property of any kind;
3. Leasing of property of any kind;
4. Availing or rendering of any services;
5. Appointment of any agent for purchases or sale of goods, materials, services or property;
6. Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company and
7. Underwriting the subscription of any securities or derivatives thereof, of the Company.

In the light of provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013).

Further, the proviso to section 188 also states that nothing in section 188(1) will apply to any transaction entered into by the company in its ordinary course of business and at arm's length basis. The below mentioned transactions are in ordinary course of business and at arm's length but exceed the threshold limits prescribed and thus as a practice of good compliance approval of members is required to be sought.

The particulars of the transaction pursuant to the provisions of Section 188 and the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

<b>Name of the Related Party</b>	<b>Nature of Relationship</b>	<b>Name of Director(s) or KMP who is/are related and nature of relationship</b>	<b>Nature of contracts / arrangements / transactions</b>	<b>Material terms of the contracts/arrangements/ transactions</b>	<b>Monetary Value</b>	<b>Are the transactions in the ordinary course of business</b>	<b>Whether the transactions have been approved by the Audit Committee and the Board of Directors of the Company</b>

Winro Commercial (India) Limited	Common Director/ KMP	Ketan Desai (Director) Vaishali Dhuri (Director) Babita Thakar (Director) Ritesh Zaveri (CFO)	Availing & rendering revolving loan facility (floating interest rate)	To be determined on an arm's length basis	Maximum upto 75.00 crores	Yes	Yes
Singularity Holdings Limited (formerly known as Singularity Holdings Limited)	Common Director/ KMP	Vaishali Dhuri (Director) Ritesh Zaveri (Director)	Availing & Rendering revolving loan facility (floating interest rate)	To be determined on an arm's length basis	Maximum upto 75.00 crores	Yes	Yes
Four Dimensions Securities (India) Limited	Group Company	Group Company (Common Promoters)	Rendering revolving loan facility and availing broking services	To be determined on an arm's length basis	Loan - Maximum upto 75.00 crores Brokerage upto 1 Crore	Yes	Yes
Urudavan Investment & Trading Private Limited	Group Company	Group Company (Common Promoters)	Rendering revolving loan facility (floating interest rate) and providing security by way of pledging shares	To be determined on an arm's length basis	Maximum upto 100.00 crores	Yes	Yes
Arcies Laboratories Limited	Associate Company	Associate Company (Common Promoters)	Rendering revolving loan facility (floating interest rate)	To be determined on an arm's length basis	Maximum upto 0.50 crores	Yes	Yes
GTZ (Bombay) Private Limited	Group Company	Group Company (Common Promoters)	Rendering revolving loan facility (floating interest rate)	To be determined on an arm's length basis	Maximum upto 0.25 crores	Yes	Yes

Sam-Jag-Deep Investments Private Limited	Group Company	Group Company (Common Promoters)	Rendering revolving loan facility (floating interest rate)	To be determined on an arm's length basis	Maximum upto 0.50 crores	Yes	Yes
Geecee Holdings LLP	Group Entity	Group Entity	Rendering revolving loan facility (floating interest rate)	To be determined on an arm's length basis	Maximum upto 25.00 crores	Yes	Yes
Arkaya Commercial Private Limited	Subsidiary Company	Subsidiary Company (Common Promoters)	Rendering revolving loan facility (floating interest rate)	To be determined on an arm's length basis	Maximum upto 0.15 crores	Yes	Yes

The members are further informed that no member/s of the Company being a related party or having any interest in the resolution as set out at item No. 6 shall be entitled to vote on this resolution.

The Directors recommends the resolution for members' approval as an Ordinary Resolution. None of the other Directors, Key Managerial Personnel or their relatives other than those mentioned in the aforementioned table are in any way concerned or interested, financially or otherwise in this resolution.

The details required pursuant to clause 1.2.5 of Secretarial Standard 2 (SS 2) pertaining to the extent of shareholding of the Promoter, and of all the Relatives of (Promoter of the Company holding more than 2 % interest is as follows:

Sr. No.	Name of the Promoter holding more than 2 % in the Related party	Name of Company	% of holding
1	Ashwin Kumar Kothari	Winro Commercial (India) Limited	2.28
2.	Rohit Kothari	Arcies Laboratories Limited	24.95
		GTZ (Bombay) Private Limited	30.00
		Sam-Jag-Deep Investments Private Limited	34.00
		Geecee Holdings LLP	25.00
3.	Ashwin Kumar Kothari (HUF)	Sam-Jag-Deep Investments Private Limited	6.00
4.	Ashwin Kumar Kothari (S)(HUF)	Sam-Jag-Deep Investments Private Limited	5.80
5.	Pannalal C Kothari (HUF)	Urudavan Investment and Trading Private Limited	14.87
		Sam-Jag-Deep Investments Private Limited	8.00
6.	Four Dimensions Securities (India) Limited	Winro Commercial (India) Limited	25.95
		Singularity Holdings Limited	8.45
		Geecee Holdings LLP	50.00
7.	Winro Commercial (India)	Singularity Holdings Limited	40.47

	Limited	Four Dimensions Securities (India) Limited	39.52
		Urudavan Investment and Trading Private Limited	6.61
		Arkaya Commercial Private Limited	20.82
8.	Four Dimensions Commodities Private Limited	Singularity Holdings Limited	3.47
9.	Singularity Holdings Limited (formerly known as Geecee Investments Limited)	Winro Commercial (India) Limited	8.79
		Urudavan Investment and Trading Private Limited	48.50
		Sam-Jag-Deep Investments Private Limited	4.00
		Arkaya Commercial Private Limited	17.35

**ADDITIONAL INFORMATION OF DIRECTORS SEEKING RE-APPOINTMENT(S) AT THE 37<sup>TH</sup> ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015 AND CLAUSE 1.2.5 OF SECRETARIAL STANDARDS ON GENERAL MEETINGS:**

<b>Name</b>	Mr. Sandeep Kejariwal	Mr. Ketan Desai
<b>Date of Birth</b>	9 <sup>th</sup> January, 1964	28 <sup>th</sup> December, 1966
<b>Qualification</b>	Bachelors degree in commerce (B. Com), Fellow Chartered Accountant (FCA)	Diploma in Engineering.
<b>Brief Profile</b>	Mr. Sandeep Kejariwal holds a Bachelors degree in commerce (B. Com), Fellow Chartered Accountant (FCA). He is specialized in the field of compliance, commercials, accounts related matter and dealing in capital markets.	Mr. Ketan Desai holds a Diploma degree in Civil Engineering and he has been serving on the Board of several companies.
<b>Expertise in specific functional areas</b>	Experience of over 25 years of experience in the field of compliance, commercials, accounts related matter and dealing in capital markets.	Experience of over 30 Years in the field of Civil Engineering.
<b>Name of Companies in which also holds Directorship as on March 31, 2020</b>	<ul style="list-style-type: none"> <li>• Maxis Plant Private Limited</li> <li>• Sandeep Farming Private Limited</li> <li>• Riverbed Agro Private Limited</li> <li>• Yashvi Farms And Plantation Private Limited</li> <li>• Shriyam Agriculture Private Limited</li> <li>• GTZ Bombay Private Limited</li> <li>• Geecee Business Private Limited</li> <li>• Better Time Realtors Private Limited</li> <li>• Four Dimensions Securities (India) Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Winro Commercial (India) Limited</li> </ul>

<b>Date of First appointment (appointment as an additional director on the Board)</b>	25 <sup>th</sup> July, 2019	13th February, 2015
<b>Membership / Chairmanship of Committees of other Boards</b>	Mr. Sandeep Kejariwal is not a member or chairperson of any committees of any other companies.	Mr. Ketan Desai is a member/ chairperson in the following committees of other companies: <ul style="list-style-type: none"> <li>• Winro Commercial (India) Limited <ul style="list-style-type: none"> <li>➤ Audit Committee- Member</li> <li>➤ Stakeholder Relationship Committee-Chairman</li> <li>➤ Nomination &amp; remuneration Committee- Member</li> <li>➤ Risk Management Committee-Member</li> <li>➤ Asset Liability Management Committee- Member</li> <li>➤ IT Strategy Committee- Chairman</li> </ul> </li> </ul>
<b>Shares held in the company</b>	Nil	Nil
<b>Relationship with other Directors, Managers and other KMP</b>	Mr. Sandeep Kejariwal is not related to any Director, Managers and Key Managerial Personnel of the company.	Mr. Ketan Desai is not related to any Director, Managers and Key Managerial Personnel of the company.
<b>No. of Board Meeting attended</b>	5/7	6/7
<b>Terms and conditions of appointment</b>	Re-appointment as a Non-executive Director of the company liable to retire by rotation to comply with the provisions of section 152 of the Companies Act, 2013	Re-Appointment of Mr. Ketan Desai (DIN: 07092422) as an Independent Non-Executive Director for another (second) term for five consecutive years

**By order of the Board of Directors  
For Saraswati Commercial (India) Limited**

Place: Mumbai  
Dated: 11<sup>th</sup> November, 2020

Avani Sanghavi  
Company Secretary & Compliance Officer

**Registered Office:**  
209-210, Arcadia Building, 195,  
Nariman Point, Mumbai – 400 021.

## DIRECTORS' REPORT

The Members,

The Directors of the Company are pleased to present their 37<sup>th</sup> Annual Report together with the annual audited consolidated and standalone financial for the financial year ended 31<sup>st</sup> March, 2020.

### 1. FINANCIAL PERFORMANCE:

The summary of the Company's financial performance for the year under review along with previous year figures are given hereunder:

Particulars	Standalone		Consolidated {Consolidation with Subsidiaries & Associate}	
	Year ended 31.03.2020	Year ended 31.03.2019	Year ended 31.03.2020	Year ended 31.03.2019
Total Revenue (I)	136.47	778.36	136.47	778.25
Total Expenses (II)	1,441.26	703.69	1,442.16	702.06
Profit before share in profit/ (loss) of associates and tax (I-II= III)	(1,304.79)	74.67	(1,305.69)	76.19
Share in profit/ (loss) of associates (IV)	-	-	-	-
Profit/ (loss) Before Tax (III+IV= V)	(1,304.79)	74.67	(1,305.69)	76.19
Less: Tax Expenses (VI)	(343.91)	38.09	(343.88)	38.07
Profit/ (loss) for the year (V-VI= VII)	(960.88)	36.58	(961.81)	38.12
Other Comprehensive Income before share in profit/(loss) of associates and tax (VIII)	(8,625.51)	473.25	(8,741.95)	451.51
Share in profit/(loss) of associates (IX)	-	-	-	-
Other Comprehensive Income before tax (VIII+IX= X)	(8,625.51)	473.25	(8,741.95)	451.51
Less: Tax expenses (XI)	(869.69)	120.56	(881.80)	118.30
Other Comprehensive Income for the year (X-XI= XII)	(7,755.82)	352.69	(7,860.15)	333.21
Total Comprehensive Income (VII+XII= XIII)	(8,716.69)	389.27	(8,821.96)	371.33
<b>Net Profit attributable to:</b>				
Owners of the company	-	-	(961.45)	37.52
Non-controlling interest	-	-	(0.37)	0.60
<b>Other comprehensive income attributable to:</b>				
Owners of the company	-	-	(7,819.61)	340.74
Non-Contributing interest	-	-	(40.53)	(7.52)
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	-	-	(8,781.06)	378.25
Non-Contributing interest	-	-	(40.90)	(6.92)
<b>Earnings per share</b>				
Basic	(96.00)	3.65	(96.09)	3.81
Diluted	(96.00)	3.65	(96.09)	3.81

Note: figures are represented in Ind-AS

## 2. OPERATIONS AND OVERVIEW OF FINANCIAL PERFORMANCE:

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, other relevant provisions of the Act on an accrual basis. This is the first time adoption of financial statements of the Company under Ind AS.

### • Revenues – Standalone:

The standalone revenue from operations and other income of the Company stood at Rs. 136.47 Lakhs for the financial year ended 31st March, 2020 as against Rs. 778.36 Lakhs in the previous financial year. After providing for Depreciation the Company has incurred a loss before tax of Rs. 1304.79 Lakhs as against profit of Rs. 74.67 lakhs. After making provision for tax for the year; the loss for the year amounted to Rs. 960.87 Lakhs as against profit of Rs. 36.58 lakhs.

The Company's other comprehensive income (net of tax) for the financial year ended 31<sup>st</sup> March, 2020 was loss of Rs. 7,755.82 Lakhs compared to profit of Rs. 352.69 Lakhs in previous year. The company's total comprehensive income for the financial year ended 31<sup>st</sup> March, 2020 was loss of Rs. 8,716.69 Lakhs as against profit of Rs. 389.27 Lakhs in the previous financial year.

### • Revenues – Consolidated:

The Company has consolidated its subsidiaries in the the financial statement as per Ind AS 110 "Consolidated Financial Statement" & of its associate Companies in accordance with Ind AS 28 "Accounting for - Investments in Associates and Joint Ventures" by using "Equity Method" of consolidation.

The consolidated revenue from operations and other income of the Company stood at 136.47 Lakhs for the financial year ended 31<sup>st</sup> March, 2020 as against 778.25 Lakhs in the previous financial year. After providing for Depreciation the Company has incurred a loss before tax of Rs. 1305.69 Lakhs as against profit of Rs. 76.19 lacs . After making provision for tax for the year; the loss f or the year amounted to Rs. 961.81 Lakhs as against Profit of Rs. 38.12 lacs

Company's other comprehensive income (net of tax) for the financial year ended 31st March, 2020 was loss of Rs. 7860.15 Lakhs compared to profit of Rs. 333.21 Lakhs in previous year. The companies total comprehensive income for the financial year ended 31st March, 2020 was loss of Rs. 8,821.96 Lakhs as against profit of Rs. 371.33 Lakhs in the previous financial year.

## 3. COVID-19:

In the last month of FY 2020 the COVID-19 pandemic developed rapidly into a global crisis forcing governments to enforce lock-downs of all economic activity. Tough times invariably test a Company's fortitude and sustainability. It sure tested your Company's determination as well throughout this financial year. It presented us with a challenging environment, which worsened on account of COVID-19. The overall business environment remained subdued with demand slackening across high-growth sectors. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services. Although there are uncertainties due to the pandemic the Company will strive to navigate the challenges ahead.

## 4. DIVIDEND:

Considering the loss incurred in the current financial year, your Directors have not recommended any dividend for the financial year under review.

**5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

**6. TRANSFER TO RESERVE:**

During the year, your Company has incurred losses therefore; the Company has not transferred any amount to Reserves u/s. 45 IC of Reserve Bank of India Act.

**7. CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There were no changes in nature of the business of the Company done during the year.

**8. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES:****• Subsidiaries:**

The following Companies are the Subsidiaries:

Sr. No.	Name of the Subsidiaries	% of holding
1	Sareshwar Trading and Finance Private Limited.	60.77
2	Arkaya Commercial Private Limited	61.83

**• Associates:**

The Company has the following Associate:

Sr. No.	Name of the Associate	% of holding
1	Arcies Laboratories Limited	31.03

**Financial Highlights of Subsidiaries & Associates:**

(Rs. in Lakhs – Except EPS)

Particulars	Subsidiary		Associates
	Sareshwar Trading and Finance Private Limited	Arkaya Commercial Private Limited	Arcies Laboratories Limited
Year ended 31 <sup>st</sup> March, 2020 {Standalone figures}			
Total Revenue (I)	-	-	1.00
Total Expenses (II)	0.40	0.51	3.68
Profit before share in profit/(loss) before tax (I-II= III)	(0.40)	(0.51)	(2.68)
Less: Tax expenses (IV)	0.04	-	-
Profit/ (loss) for the year (III-IV= V)	(0.43)	(0.51)	(2.68)
Other Comprehensive Income before tax (VI)	(74.75)	(41.68)	-
Less: Tax expenses (VII)	(7.77)	(4.34)	-
Other Comprehensive Income (VI-VII= VIII)	(66.98)	(37.35)	-
Total Comprehensive Income (V+VIII= IX)	(67.41)	(37.86)	(2.68)
<b>Earning per Share</b>			
Basic	(0.28)	(1.78)	(33.27)
Diluted	(0.28)	(1.78)	(33.27)



- **Joint Ventures:**

The company has no Joint ventures.

- **Salient Features of Subsidiaries and Associates:**

Pursuant to Section 129 (3) of the Companies Act, 2013 read with the Rules (5) of the Companies (Accounts) Rules, 2014 the salient feature of Financial Statement of Associates in Form AOC 1 which forms part of this report.

## 9. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:

The composition of the Board is in accordance with provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with an appropriate combination of Non-executive and Independent Directors.

The Company has the following 4 (four) directors on its Board, two of whom are Independent Directors.

Name of the Director	Date of appointment	Position held
Mr. Sandeep Kejariwal	25.07.2019	Non- Executive Director
Mrs. Babita Thakar	26.07.2014	Independent Director
Mr. Ketan Desai	13.02.2015	Independent Director
Mr. Ritesh Zaveri	13.11.2017	Non- Executive Director, Chairman

### **Women Director:**

In terms of the provision of Section 149 of the Companies Act, 2013 and Regulation 17 (1) of SEBI (LODR) Regulation, 2015 a Company shall have at least one woman director on the board of the Company. Your Company has appointed Mrs. Babita Thakar on 26<sup>th</sup> July, 2014.

### **Appointment / Resignation of Directors:**

1. In terms of the provisions of the Companies Act, 2013 Mr. Sandeep Kejariwal, Director, retire by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting. A brief profile of Director proposed to be re-appointed is given in the notes to the Notice of the ensuing Annual General Meeting.
2. Mr. Ketan Desai, Independent Director of the Company was re-appointed for another (second) term for five consecutive years subject to approval of members with effect from 12<sup>th</sup> February 2020 to 11<sup>th</sup> February, 2025.

The Company has devised a policy on directors' appointment and remuneration including criteria for deeming qualifications, independence of director and other matter provided under sub-section (3) of section 178. Such Nomination & Remuneration policy devised by the company can be accessed on the website of the company- [www.saraswaticommercial.com](http://www.saraswaticommercial.com).

- **Evaluation of Board of Directors:**

The Board carried out evaluation of its own as well as performance of that of its committees. The Board also carried out performance evaluation of all the individual directors. Additionally, the Nomination and Remuneration committee of the Board also carried out the evaluation of the performance of the individual directors. The performance evaluation was carried out by the way of obtaining feedback from the directors through a structured questionnaire prepared in accordance with the Board evaluation policy.

The structured questionnaire prepared to evaluate the performance of individual directors, the Board and committees contained various different parameters.

The performance evaluation of the Non-Independent directors was carried out by the independent directors at their separate meeting held on 23<sup>rd</sup> December, 2019.

- **Declaration from Independent Directors:**

All the Independent Directors have confirmed to the Board they meet the criteria of Independence as specified under section 149(6) of the Companies Act, 2013, and that they qualify to be the Independent Directors pursuant to Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Further, they have also confirmed that they meet the requirements of Independent directors as mentioned under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

- **Key Managerial Personnel**

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the company are as follows:

Sr. No.	Name	Designation
1	Mr. Rajiv Pathak	Chief Executive Officer
2	Mrs. Vaishali Dhuri	Chief Financial Officer
3	Ms. Avani Sanghavi	Company Secretary & Compliance Officer

There has been no change in the KMP during the year under review.

#### 10. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements of Section 134 (3) (c) of the Companies Act, 2013, your Directors confirm the following that:

- a) in the preparation of the annual accounts for the year ended on 31<sup>st</sup> March, 2020, the applicable accounting standards have been followed;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2020 and of the profit of the Company as on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) the Directors have prepared the annual accounts for the year ended 31<sup>st</sup> March, 2020 on a going concern basis.
- e) the Directors have laid down Internal Financial Controls to be followed by the company and that such Internal Financial Controls are adequate and are operating effectively.
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### 11. COMMITTEES OF THE BOARD:

The Company has various Committees which have been constituted as a part of good corporate governance practices and the same are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

Details of the following Committees constituted by the Board along with their composition, terms of reference and meetings held during the year are provided in the Report on Corporate Governance which forms a part of this Directors Report:

- i) Audit Committee
- ii) Nomination and Remuneration Committee
- iii) Stakeholders Relationship Committee
- iv) Corporate Social Responsibility Committee
- v) Risk Management Committee
- vi) Asset Liability Management Committee
- vii) IT Strategy Committee

The details with respect to the composition, powers, roles, terms of reference, Meetings held and attendance of the Directors at such Meetings of the relevant Committees are given in detail in the Report on Corporate Governance of the Company which forms part of this Annual Report.

## 12. NOMINATION AND REMUNERATION POLICY:

The Board of Directors has framed a policy which lays down a framework in relation to Remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

The policy is displayed on the website of the Company at -

<http://www.saraswaticommercial.com/policies/NOMINATION%20AND%20REMUNERATION%20POLICY-SCIL.pdf>.

## 13. AUDITOR AND AUDITORS REPORT:

### STATUTORY AUDIT:

In accordance with section 139 of Companies Act, 2013, Ajay Shobha & Co., Chartered Accountants, (FRN: 317031E), were appointed as Statutory Auditors of the Company at the 34<sup>th</sup> Annual General meeting to hold office for a period of five years from the conclusion of 34<sup>th</sup> Annual General Meeting (AGM), till the conclusion of the 39<sup>th</sup> AGM subject to ratification of their appointment by Members at every AGM, if so required under the Act. Members may note that the first provision to section 139 of the Companies Act, 2013 which requires ratification of the appointment of Statutory Auditors by the Members at every AGM has been omitted by the Companies (Amendment) Act, 2017 with effect from 7<sup>th</sup> May, 2018. Accordingly, matter for ratification of appointment of statutory auditors at the ensuing AGM has been withdrawn from the Statute. Hence the resolution seeking ratification of the Members for continuance of their appointment at this AGM is not being sought.

There are no qualifications, reservations or adverse remarks made by M/s Ajay Shobha & Co., Statutory Auditors in their report for the financial year ended 31<sup>st</sup> March, 2020. The Auditors Report is enclosed with the financial statements in this Annual Report.

### SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company had appointed M/s Nishant Jawa & Associates, a firm of the Company Secretaries in Practice (C.P. No 6993) to conduct Secretarial Audit of the Company for the financial year ended 31<sup>st</sup> March, 2020. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2020 is appended to this Report in Form MR-3.

The Secretarial Audit Report does not contain any qualifications, reservations or adverse remark. The Secretarial Audit Report (MR-3) forms part of this Annual Report as “**(Annexure-1)**” to the Directors Report.

### COST AUDIT AND MAINTANANCE OF COST RECORDS:

The Cost Audit as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, is not required and accordingly no such cost accounts and records are made and maintained by the Company.

### SECRETARIAL STANDARDS:

The company has complied with the applicable secretarial standards issued by the Institute of Companies Secretaries of India on meeting of the Board of Directors and General Meeting.

**14. DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

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

The policy is displayed on the website of the company at –

<http://www.saraswaticommercial.com/policies/Policy%20On%20Prevention%20of%20Sexual%20Harassment.pdf>

The provisions and guidelines of the Internal Complaints committee are not applicable to the Company. However, during the financial year 2019-20, the Company has not received any complaints on sexual harassment and no complaints remain pending as of 31<sup>st</sup> March, 2020.

**15. PUBLIC DEPOSITS:**

The Company has not accepted any deposit from the public under Chapter V of the Companies Act, 2013 or under the corresponding provisions of Section 58A of the Companies Act, 1956 and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of balance sheet.

**16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:****A] Conservation of Energy and Technology Absorption:**

- i) The step taken or impacts on conservation of energy – The operation of your Company are not energy intensive. However, adequate measures have been initiated for conservation of energy.
- ii) The steps taken by the Company for utilizing alternative sources of energy – though the operations of the Company are not energy intensive, the Company shall explore alternative sources of energy, as and when necessity arises.
- iii) The capital investment on energy conservation equipments - NIL

**B] Foreign Exchange Earnings & Outgo:**

(Rs. In Lacs)

PARTICULARS	2019-2020	2018-2019
Foreign Exchange Earning	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

**C] Technology Absorption:**

- a. The efforts made towards Technology Absorption: None
- b. The benefits derived like product improvement, cost reduction, product development: Not Applicable
- c. The Expenditure incurred in Research & Development: Nil

**17. PARTICULARS OF REMUNERATION**

The information required under Section 197(12) of the Companies Act, 2013 and the Rules made there-under, in respect of the employees of the company

- a) The ratio of the remuneration of each director to the median remuneration of the employee of the company for the financial year:  
No remuneration is been paid to the Directors of the company. However the Independent Directors are paid sitting fees for attending the meeting of the Board & committees and the details of the same are furnished in Form MGT- 9.
- b) The percentage of increase/ (decrease) in remuneration of each Director, Chief Executive Officer (CEO), Chief Financial Officer(CFO) and Company Secretary (CS) if any, in the financial year-

Name of the Person	% of increase/(decrease)
Rajiv Pathak (CEO)	(12.96)%
Vaishali Dhuri (CFO)	(5.97)%
Avani Sanghavi (CS)	(1.10)%

Kindly note that no remuneration is been paid to the Directors of the Ccompany.

- c) The percentage increase/ (decrease) in the median remuneration of employees in the financial year – **(7.49)%**
- d) The number of permanent employees on the rolls of company as on 31<sup>st</sup> March, 2020 – **8(Eight)**
- e) 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:
- The average increase in salaries of employees other than managerial personnel in 2019-20 was **(11.48)%**. Percentage increase in the managerial remuneration for the year was **(6.68)%**
- f) The key parameters for any variable component of remuneration availed by the directors:  
No variable component of remuneration has been availed by the directors.
- g) Affirmation that the remuneration is as per the remuneration policy of the Company.  
The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through the compensation package, the Company endeavor to attract, retain develop and motivate a high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process, The Company affirms remuneration is as per the remuneration policy of the Company.
- h) Details Pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and forming part of the directors report for the year ended 31<sup>st</sup> March, 2020.

As required under Rule 5 (2) the Company does not have any employees who:

- (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate was not less than 1 Crore and 2 Lakh rupees;
- (ii) if employed for a part of the financial year were in receipt of remuneration of not less than Eight Lakh and Fifty Thousand per month;
- (iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

Details of top ten employees in terms of remuneration drawn as per Rule 5 (2) are as follows:

Name and Age of the employee and % of equity shares held	Designation of employee	Qualifications & Experience	Date of Commencement of Employment	Gross Remuneration received (Per annum)	Other Terms & Conditions	Nature of employment, whether contractual or otherwise	Nature of duties of the employees	The last employment held by such employee before joining the company.	Relationship with other Directors of the Company
Rajiv Pathak Age: 40 Years % of shares held: NIL	CEO	Qualification: CA Experience: 13 Years	13.02.2015	36,01,579	As per Appointment letter	Non-contractual	Looks after Investments	Dolat Capital Market Private Limited	There is no relationship with any Director.
Sanket Baheti Age: 29 Years % of shares held: NIL	Analyst	Qualification: MBA Experience: 5 Years	08.03.2015	17,15,205	As per Appointment letter	Non-contractual	Looks after Research Analysis	--	There is no relationship with any Directors.
Vaishali Dhuri Age: 49 Years % of shares held: NIL	CFO	Qualification: BSC Experience: 18 Years	13.02.2015	9,62,756	As per Appointment letter	Non-contractual	Looks after Accounts & Taxation	D. L. Mehta & Co.	There is no relationship with any Directors.
K S Premanand Age: 55 Years % of shares held: NIL	Secretary to Directors	Qualification: Under Graduate Experience: 27 Years	01.04.2017	9,47,227	As per Appointment letter	Non-contractual	Secretarial work & Administration	Aroni Commercials Limited	There is no relationship with any Directors
Anoop Chaturvedi Age: 61 Years % of shares held: NIL	Officer	Qualification: M COM Experience: 37 Years	01.04.2017	9,13,723	As per Appointment letter	Non-contractual	Looks after Accounts	Aroni Commercials Limited	There is no relationship with any Directors
Avani Sanghavi Age: 33 Years % of shares held: NIL	Company Secretary	Qualification: CS, B.com Experience: 9 Years	14.08.2017	8,01,235	As per Appointment letter	Non-contractual	Looks after Secretarial compliances	First Winner Industries Limited	There is no relationship with any Directors.

Gajendra Pawar Age: 47 Years % of shares held: NIL	Admin Manager	Qualification: Under Graduate  Experience: 26 Years	01.04.2017	5,98,716	As per Appoint ment letter	Non- contract ual	Looks after Adminw ork	Aroni Commerci als Limited	There is no relationship with any Directors
Nilesh Bhoir Age: 29 Years % of shares held: NIL	Back Office Assistant	Qualification: Under Graduate  Experience: 8 Years	14.09.2017	1,77,877	As per Appoint ment letter	Non- contract ual	Back Office Work	Rasana Internatio nal Private Limited	There is no relationship with any Directors

**18. EXTRACT OF ANNUAL RETURN:**

The details forming part of extract of the Annual Return in Form MGT-9 as required under section 92 of the Companies Act, 2013, is included in this report as ("**Annexure-2**") and forms an integral part of this Report.

**19. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GURANTEES GIVEN AND SECURITIES PROVIDED:**

The details of Loans, Guarantees and Investments made are given in the Notes to the Financial Statements. However, provisions of Section 186 of Companies Act, 2013 except Sub section (1), are not applicable to the company.

**20. INDEPENDENT DIRECTORS' DECLARATION:**

The Independent Directors hold office for a fixed term of five years and are not liable to retire by Rotation. In accordance with Section 149(7) of the Companies Act 2013, Mrs. Babita Thakar and Mr. Ketan Desai have given a written declaration to the Company confirming that they meet the criteria of Independence as mentioned under Section 149(6) of the Companies Act, 2013 and SEBI Regulations and the same have been considered and taken on record by the Board.

Further, there has been no change in the circumstances which may affect their status as independent director during the year.

**21. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

The Company has familiarized its independent Directors to provide insights into the Company and to enable them to understand the Company's business in depth, to familiarize them with the processes and functionalities of the Company to assist them in understanding their roles and responsibilities. Further, the Independent Directors are provided with opportunity to interact with the Management of the Company and help them to understand the Company's strategy, their roles, rights, responsibilities in the Company, nature of the industry in which the company operates, business model of the company and such other areas as may arise from time to time through various programmes.

The said program was conducted for the familiarization of Independent directors. The details of the same can found on the website of the company –

[http://www.saraswaticommercial.com/policies/final%20Details\\_of\\_Familiarisation\\_Programme\\_SARASWATI.pdf](http://www.saraswaticommercial.com/policies/final%20Details_of_Familiarisation_Programme_SARASWATI.pdf).

**22. CORPORATE GOVERNANCE:**

The Company is committed to adhere to the Corporate Governance Requirements set out by the Securities and Exchange Board of India (SEBI).

The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this report.

The requisite certificate from the M/s. Nishant Jawa & Associates, Company Secretaries confirming compliance with the conditions of Corporate Governance as stipulated under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included as a part of this report.

### 23. DISCLOSURES:

#### • RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The details regarding materially significant related party transactions made by the Company which may have a potential conflict with the interest of the Company at large are disclosed in **Form AOC-2 (Annexure-3)** which forms a part of this Annual report.

The Board has formulated Policy on Related Party Transactions, pursuant to the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the same is displayed on the Company's website at <http://www.saraswaticommercial.com/policies/Policy%20-%20Related%20Party%20Transaction.pdf>.

#### • CEO AND CFO CERTIFICATION:

The Chief Executive Officer and the Chief Financial Officer of the Company have given a Certificate to the Board as contemplated in Regulation 17 of the Listing Regulations. The Certificate forms a part of this Annual Report.

#### • CODE OF CONDUCT:

The Board of Directors have laid-down a "Code of Conduct" (Code) for all the Board Members and the senior management personnel of the Company and the same Code is displayed on the Website of the Company – [www.saraswaticommercial.com](http://www.saraswaticommercial.com). Annual declaration is obtained from every person covered by the Code.

#### • MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis report as stipulated in Regulation 34 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of this Annual Report.

#### • POLICIES AND PROGRAMMES:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All such policies which are applicable to the company are available on our website (<http://www.saraswaticommercial.com/policies-and-code.asp>). The policies are reviewed by the Board and updated based on need and new compliance requirements.

The policies and programmes adopted by the company along with their web links are as follows:

Sr. No.	Name of the policy	Web link
1	Document Retention and Archival Policy	<a href="http://www.saraswaticommercial.com/policies/Policy%20-%20Document%20Retention%20and%20Archival%20Policy.pdf">http://www.saraswaticommercial.com/policies/Policy%20-%20Document%20Retention%20and%20Archival%20Policy.pdf</a>
2	Policy for determination of Materiality	<a href="http://www.saraswaticommercial.com/policies/Policy%20-%20Materiality.pdf">http://www.saraswaticommercial.com/policies/Policy%20-%20Materiality.pdf</a>
3	Policy on prevention of sexual harassment	<a href="http://www.saraswaticommercial.com/policies/Policy%20On%20Prevention%20of%20Sexual%20Harassment.pdf">http://www.saraswaticommercial.com/policies/Policy%20On%20Prevention%20of%20Sexual%20Harassment.pdf</a>



4	Nomination & Remuneration Policy	<a href="http://www.saraswaticommercial.com/policies/NOMINATION%20AND%20REMUNERATION%20POLICY-SCIL.pdf">http://www.saraswaticommercial.com/policies/NOMINATION%20AND%20REMUNERATION%20POLICY-SCIL.pdf</a>
5	CSR Policy	<a href="http://www.saraswaticommercial.com/policies/CSR%20Policy_SARASWATI.pdf">http://www.saraswaticommercial.com/policies/CSR%20Policy_SARASWATI.pdf</a>
6	Vigil Mechanism Policy	<a href="http://www.saraswaticommercial.com/policies/Policy%20-%20Whistle%20blower%20&amp;%20Vigil%20Mechanism.pdf">http://www.saraswaticommercial.com/policies/Policy%20-%20Whistle%20blower%20&amp;%20Vigil%20Mechanism.pdf</a>
7	Related Party Transaction Policy	<a href="http://www.saraswaticommercial.com/policies/Policy%20-%20Related%20Party%20Transaction.pdf">http://www.saraswaticommercial.com/policies/Policy%20-%20Related%20Party%20Transaction.pdf</a>
8	Board Evaluation Policy	<a href="http://www.saraswaticommercial.com/policies/Policy%20-%20Board%20Evaluation.pdf">http://www.saraswaticommercial.com/policies/Policy%20-%20Board%20Evaluation.pdf</a>
9	Board Diversity	<a href="http://www.saraswaticommercial.com/policies/Policy%20-%20Diversity%20of%20the%20Board.pdf">http://www.saraswaticommercial.com/policies/Policy%20-%20Diversity%20of%20the%20Board.pdf</a>
10	Succession Policy	<a href="http://www.saraswaticommercial.com/policies/Policy%20-%20Succession%20Policy.pdf">http://www.saraswaticommercial.com/policies/Policy%20-%20Succession%20Policy.pdf</a>
11	Familiarisation Programme for Independent Directors	<a href="http://www.saraswaticommercial.com/policies/final%20Details_of_Familiarisation_Programme_SARASWATI.pdf">http://www.saraswaticommercial.com/policies/final%20Details_of_Familiarisation_Programme_SARASWATI.pdf</a>
12	Code for Prevention of Insider Trading	<a href="http://www.saraswaticommercial.com/policies/Saraswati%20-%20Insider%20Trading%20Code%20-%202004.04.2019.pdf">http://www.saraswaticommercial.com/policies/Saraswati%20-%20Insider%20Trading%20Code%20-%202004.04.2019.pdf</a>

#### 24. NUMBER OF MEETINGS OF THE BOARD, ANNUAL GENERAL MEETING AND EXTRA ORDINARY GENERAL MEETINGS:

During the year, Seven (7) meetings of the Board of Directors were held. The maximum time gap between any two Meetings was not more than one hundred and twenty days. These Meetings were well attended.

The 36<sup>th</sup> Annual General Meeting (AGM) of the Company was held on 26<sup>th</sup> September, 2019. However, During the year under review, no Extraordinary General Meeting (EGM) were held.

Detailed information on the Meetings of the Board, its Committees, the AGM and EGM is included in the Report on Corporate Governance, which forms part of this Annual Report.

#### 25. INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate Internal Financial Controls with reference to financial statements. During the year, no material or serious observations have been highlighted for inefficiency or inadequacy of such controls.

Report of the Statutory Auditors on the Internal Financial Controls with reference to the financial statements as required under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") forms part of this Annual Report as Annexure-A to the Auditors Report.

#### 26. INSURANCE:

The company has adequately insured all its Assets and properties.

**27. CORPORATE SOCIAL RESPONSIBILITY:**

The Board of Directors constituted a Corporate Social Responsibility (CSR) Committee consisting of three Directors out of which one is Independent Director. The Board of Directors at its meeting held on 12<sup>th</sup> August, 2015 has adopted and approved the CSR policy as recommended by the CSR Committee.

Pursuant to the provisions of Section 135 of the Companies Act, 2013 i.e Corporate Social Responsibility, any company qualifying any of the below mentioned criteria shall ensure that it spends in every financial year at least 2% of average net profit of the company made during the three immediately preceding Financial year:

- a. Net Worth of the Company is Rs 500 Cr or more; or
- b. Turnover of the Company is Rs 1000 Cr or more; or
- c. Net profit of the Company is Rs 5 Cr or more

The Company has not spent any amount in the current year towards Corporate Social Responsibility since none of the aforementioned criteria has been satisfied in the immediately preceding financial year.

The Company has in place Corporate Social Responsibility policy which is displayed on the website of the Company at ([www.saraswaticommercial.com](http://www.saraswaticommercial.com)).

**28. BOARD EVALUATION:**

The Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board/Committee. The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices, participation in the long-term strategic planning and the fulfillment of Directors' obligations and fiduciary responsibilities, including but not limited to, active participation at the Board and Committee meetings.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non- Independent Director was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

The Nomination and Remuneration Committee and the Board of Directors have laid down criteria for performance evaluation of Directors, Chairperson, Board Level Committees and Board as a whole and also the evaluation process for the same. The performances of the members of the Board, the Board level Committees and the Board as a whole were evaluated at the meeting of the Independent Directors held on 23<sup>rd</sup> December, 2019. The Board of Directors expressed their satisfaction with the evaluation process.

**29. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS:**

During the financial year 2019-2020, there were no significant and material orders passed by any Regulator/ Court that would impact the 'going concern' status of the Company and its future operations.

**30. VIGIL MECHANISM POLICY:**

The Company has a Vigil Mechanism/ Whistle Blower policy to report genuine concerns or grievances pursuant to Section 177 of Companies Act, 2013 and Regulation 22 of the Listing Regulations, 2015. The Vigil Mechanism/Whistle Blower policy has been posted on the website of the Company (<http://www.saraswaticommercial.com/policies/Policy%20-%20Whistle%20blower%20&%20Vigil%20Mechanism.pdf>).

**31. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There have been no material changes and commitments affecting the financial positional of the Company between the end of the financial year and date of this Report. There has been no change in the nature of the business of the Company.

**32. GENERAL:**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under the review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Changes in Share Capital.
3. Issue of equity shares with differential rights as to dividend, voting or otherwise.
4. Issue of share (including sweat equity shares) to employees of the Company under any scheme.
5. None of the Directors of the company receives any remuneration or commission from the Company as well as from any of its subsidiaries.
6. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

**33. ACKNOWLEDGEMENTS:**

Your Directors take this opportunity to express their gratitude for the support and co-operation from the Investors, Banks and Statutory Authorities. Your Directors express their deep appreciation to the Company's employees at all levels for their unstinted efforts and valuable contributions during the year

**By order of the Board of Directors  
For Saraswati Commercial (India) Limited**

**Place: Mumbai**

**Dated: 11<sup>th</sup> November, 2020**

**Registered Office:**

209-210, Arcadia Building, 195,  
Nariman Point, Mumbai – 400 021.

**Ritesh Zaveri  
Chairman  
DIN: 00054741**

ANNEXURES TO THE DIRECTORS REPORT:ANNEXURE 1

Form No. MR-3

## SECRETARIAL AUDIT REPORT

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

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

To,  
The Members,  
**Saraswati Commercial (India) Limited**

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (v) Other laws applicable specifically to the Company namely:
  - a) Reserve Bank of India Act, 1934 to the extent it is applicability for a Non-Banking Finance Company

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

We further report that, there was no actions/events in pursuance of:

- a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

- c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
  - d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
  - e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
  - f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
- requiring compliance thereof by the Company during the financial year.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with The Stock Exchanges.

We further report that based on the information provided by the Company, its officer and authorized representatives during the conduct of Audit, and also review of the quarterly compliances report by respective departmental head/ Company Secretary taken on record by the Board of Directors of the Company, in our opinion adequate system and processes and control mechanism exists in the Company to monitor and ensure compliance with applicable general laws like labor laws.

We further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by statutory financial auditor and other designated professionals.

We further report that the Board of Directors of the Company is constituted with proper balance of Executive Directors and Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

As per the minutes of the meetings of the Board of Directors and committees thereof all decisions were unanimous and no dissenting views have been recorded.

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

We further report that during the audit period there was no other specific events/action in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a majority bearing on the Company's affairs.

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

**Place: Mumbai**

**Date: 7<sup>th</sup> November, 2020**

**UDIN: F006557B001181401**

**For Nishant Jawasa & Associates  
Company Secretaries**

**Nishant Jawasa  
Proprietor  
FCS-6557  
C.P. No. 6993**

**Annexure A**

To,  
The Members,  
**Saraswati Commercial (India) Limited**

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

1. The compliance of provisions of all laws, rules, regulations, standards applicable to Saraswati Commercial (India) Limited (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place: Mumbai**  
**Date: 7<sup>th</sup> November, 2020**

**For Nishant Jawasa & Associates**  
**Company Secretaries**

**Nishant Jawasa**  
**Proprietor**  
**FCS-6557**  
**C.P. No. 6993**

## ANNEXURE 2

<b>FORM NO. MGT 9</b>
<b>Extract Of Annual Return as on financial year ended on 31.03.2020</b>
<b>Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration ) Rules, 2014.</b>

I **REGISTRATION & OTHER DETAILS:**

i	CIN	L51909MH1983PLC166605
ii	Registration Date	24/01/1983
iii	Name of the Company	Saraswati Commercial (India) Limited
iv	Category/Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
v	Address of the Registered office & contact details	209-210, Arcadia Building, 2nd Floor, 195, Nariman Point, Mumbai - 400021 Phone: 022 40198600 / Fax: 022 40198650
vi	Whether listed company	YES
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	M/s. TSR Darashaw Consultatnts Private Limited (Formerly known as TSR Darashaw Limited) 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai - 400011 Tel: 022 66178581/ 66178408, Fax 022 6656 8494

II **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company :

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Investment, trading in shares and securities and lending activites	6499	100%

III **PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN/GLN	Holding Subsidiary / Associate	% of Shares Held	Applicable Section
1	<b>Arkaya Commercial Private Limited</b> 209-210, Arcadia Building, 2nd Floor, 195, Nariman Point, Mumbai - 400021	U65999MH1994PTC295909	Subsidiary Company	61.83	2(87)(ii) of the Companies Act, 2013

2	<b>Sareshwar Trading and Finance Private Limited</b> 209-210, Arcadia Building, 2nd Floor, 195, Nariman Point, Mumbai - 400021	U51900MH1996PTC096829	Subsidiary Company	60.77	2(87)(ii) of the Companies Act, 2013
3	<b>Arcies Laboratories Limited</b> 19, Western India House, 2nd Floor, Sir P.M Road, Fort, Mumbai 400 001	U24200MH1945PLC004429	Associate Company	31.03	2(6) of the Companies Act, 2013

#### IV SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS % OF TOTAL EQUITY)

##### i) Category-wise Share Holding

	Category of Shareholders	No. of Shares held at the beginning of the year i.e 01.04.2019				No. of Shares held at the end of the year i.e 31.03.2020				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A)</b>	<b>Promoter</b>									
<b>(1)</b>	<b>Indian</b>									
(a)	Individuals / Hindu Undivided Family	2,92,268	0	2,92,268	29.20	2,92,268	0	2,92,268	29.20	0.00
(b)	Central Government / State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	4,23,682	0	4,23,682	42.33	4,23,682	0	4,23,682	42.33	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total (A) (1)</b>	<b>7,15,950</b>	<b>0</b>	<b>7,15,950</b>	<b>71.53</b>	<b>7,15,950</b>	<b>0</b>	<b>7,15,950</b>	<b>71.53</b>	<b>0.00</b>
<b>(2)</b>	<b>Foreign</b>									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	22,000	0	22,000	2.20	22,000	0	22,000	2.20	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institution	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00



(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (A) (2)</b>		<b>22,000</b>	<b>0</b>	<b>22,000</b>	<b>2.20</b>	<b>22,000</b>	<b>0</b>	<b>22,000</b>	<b>2.20</b>	<b>0.00</b>
<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+ (A)(2)</b>		<b>7,37,950</b>	<b>0</b>	<b>7,37,950</b>	<b>73.73</b>	<b>7,37,950</b>	<b>0</b>	<b>7,37,950</b>	<b>73.73</b>	<b>0.00</b>
<b>(B)</b>	<b>Public Shareholding</b>									
<b>(1)</b>	<b>Institution</b>									
(a)	Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Central Government / State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Foreign Portfolio Investors (Corporate)	0	0	0	0.00	0	0	0	0.00	0.00
(j)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (B) (1)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>(2)</b>	<b>Non-Institutions</b>									
(a)	Bodies Corporate									
	i. Indian	1,12,562	47,088	1,59,650	15.95	1,12,472	47,088	1,59,560	15.94	-0.01

	ii. Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Individuals -									
i	Individual shareholders holding nominal share capital upto Rs. 1 lakh	35,786	24,608	60,394	6.03	41,392	18,912	60,304	6.02	-0.01
ii	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	41,050	0	41,050	4.10	41,050	0	41,050	4.10	0.00
(c)	Any Other (specify)									
i	Non Resident Indians (NRIs)	346	0	346	0.03	321	0	321	0.03	0.00
ii	HUF	1,431	0	1,431	0.14	1,414	0	1,414	0.14	0.00
iii	Clearing Members	107	0	107	0.01	329	0	329	0.03	0.02
	<b>Sub-total (B) (2)</b>	<b>1,91,282</b>	<b>71,696</b>	<b>2,62,978</b>	<b>26.27</b>	<b>1,96,978</b>	<b>66,000</b>	<b>2,62,978</b>	<b>26.27</b>	<b>0.00</b>
	<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>1,91,282</b>	<b>71,696</b>	<b>2,62,978</b>	<b>26.27</b>	<b>1,96,978</b>	<b>66,000</b>	<b>2,62,978</b>	<b>26.27</b>	<b>0.00</b>
	<b>TOTAL (A)+(B)</b>	<b>9,29,232</b>	<b>71,696</b>	<b>10,00,928</b>	<b>100.00</b>	<b>9,34,928</b>	<b>66,000</b>	<b>10,00,928</b>	<b>100.00</b>	<b>0.00</b>
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0	0	0	0.00	0.00
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>9,29,232</b>	<b>71,696</b>	<b>10,00,928</b>	<b>100.00</b>	<b>9,34,928</b>	<b>66,000</b>	<b>10,00,928</b>	<b>100.00</b>	<b>0.00</b>

## ii) Share Holding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2019			Shareholding at the end of the year 31.03.2020			% change in shareholding 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	Ashwin Kumar Kothari	61081	6.10	0	61081	6.10	0	0.00
2	Ashwin Kumar Kothari (smaller)(HUF)	59366	5.93	0	59366	5.93	0	0.00
3	Ashwin Kumar Kothari (HUF)	59343	5.93	0	59343	5.93	0	0.00
4	Panna Lal C Kothari Huf	50979	5.09	0	50979	5.09	0	0.00
5	Rohit Kothari	42141	4.21	0	42141	4.21	0	0.00
6	Meena A Kothari	19347	1.93	0	19347	1.93	0	0.00
7	Harisingh Shyamsukha	11	0.00	0	11	0.00	0	0.00
8	Niyati Mehta	22000	2.20	0	22000	2.20	0	0.00
9	Winro Commercial (India) Limited	177584	17.74	0	177584	17.74	0	0.00
10	Four Dimensions Securities (India) Limited	205787	20.56	0	205787	20.56	0	0.00
11	Four Dimensions Commodities Private Limited	31000	3.10	0	31000	3.10	0	0.00
12	Sam-Jag-Deep Investments Private Limited	1450	0.14	0	1450	0.14	0	0.00
13	Singularity Holdings Limited (Formerly known as	7861	0.79	0	7861	0.79	0	0.00

	Geecee Investments Limited)							
		7,37,950	73.73	0	7,37,950	73.73	0	0.00

## iii) Change in Promoter's Shareholding

Serial no	Particulars	Shareholding at the beginning of the year i.e. 01.04.2019		Cumulative Shareholding during the year i.e. 31.03.2020	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	<b>THERE IS NO CHANGE IN PROMOTER HOLDING</b>			
	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):				
	At the End of the year				

## iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters &amp; Holders of GDRs and ADRs)

Sr.No.	Name of the Shareholder	Date	No of Shares	% of total shares of the Company	Cumulative Shares during the year	% of total shares of the Company during the year
1	<b>Ageless Capital And Finance Private Limited</b>					
	At the beginning of the year	01.04.2019	0	0.00	0	0.00
	Increase	20.12.2019	63930	6.39	63930	6.39
	At the end of the year	31.03.2020			63930	6.39
2	<b>Kamal Visaria</b>					
	At the beginning of the year	01.04.2019	20,000	2.00	20,000	2.00
	At the end of the year	31.03.2020			20,000	2.00
3	<b>Luv Kush Projects Limited</b>					
	At the beginning of the year	01.04.2019	20,000	2.00	20,000	2.00
	At the end of the year	31.03.2020			20,000	2.00
4	<b>Marco Private Limited</b>					
	At the beginning of the year	01.04.2019	19,136	1.91	19,136	1.91
	At the end of the year	31.03.2019			19,136	1.91

5	<b>Panchmukhi Properties Limited</b>					
	At the beginning of the year	01.04.2019	12,000	1.20	12,000	1.20
	At the end of the year	31.03.2020			12,000	1.20
6	<b>Akash Bhanshali</b>					
	At the beginning of the year	01.04.2019	10,525	1.05	10,525	1.05
	At the end of the year	31.03.2020			10,525	1.05
7	<b>Lata Bhanshali</b>					
	At the beginning of the year	01.04.2019	10,525	1.05	10,525	1.05
	At the end of the year	31.03.2020			10,525	1.05
8	<b>Bihariji Commercial Limited</b>					
	At the beginning of the year	01.04.2019	10,000	1.00	10,000	1.00
	At the end of the year	31.03.2020			10,000	1.00
9	<b>Ananta Jewels Private Limited</b>					
	At the beginning of the year	01.04.2019	9,006	0.90	9,006	0.90
	At the end of the year	31.03.2020			9,006	0.90
10	<b>Associated Non-Ferrous Metals Pvt Ltd</b>					
	At the beginning of the year	01.04.2019	8,133	0.81	8,133	0.81
	At the end of the year	31.03.2020			8,133	0.81
11	<b>Angular Trading Pvt Ltd</b>					
	At the beginning of the year	01.04.2019	31,966	3.19	0	0.00
	Decrease	20.12.2019	-31,966	-3.19	0	0.00
	At the end of the year	31.03.2020	0	0.00		
12	<b>G R N Finsec Private Limited</b>					
	At the beginning of the year	01.04.2019	31,964	3.19	31,964	3.19
	Decrease	20.12.2019	-31,964	-3.19	0	0.00
	At the end of the year	31.03.2020	0	0.00		

## (v) Shareholding of Directors &amp; Key Managerial Personnel

Sr. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	0	0.00	0	0.00

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)	0	0.00	0	0.00
At the end of the year	0	0.00	0	0.00

Note: None of the Director or Key Managerial Personnel holds any share in the Company.

#### V INDEBTEDNESS:

(Rs. in Lakhs)

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	48.00	-	48.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	1.57	-	1.57
<b>Total (i+ii+iii)</b>	-	<b>49.57</b>	-	<b>49.57</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	-	3155.07	-	3155.07
Reduction	-	(2203.07)	-	(2203.07)
<b>Net Change</b>	-	<b>952.00</b>	-	<b>952.00</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	1,000.00	-	1,000.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	4.03	-	4.03
<b>Total (i+ii+iii)</b>	-	<b>1,004.03</b>	-	<b>1,004.03</b>

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Managing Director, Whole time director and/or Manager: Not Applicable

Sr. No.	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
1	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others (specify)	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	-	-	-
	<b>Ceiling as per the Act</b>	Not Applicable		

## B. Remuneration to Other Directors:

(Rs. in Lakhs)

Sr. No.	Particulars of Remuneration	Name of the Directors		Total Amount (in Rs.)
1	Independent Directors	<b>Babita Thakar</b>	<b>Ketan Desai</b>	
	(a) Fee for attending board and committee meetings	0.19	0.14	<b>0.32</b>
	(b) Commission	-	-	-
	(c) Others, please specify	-	-	-
	<b>Total (1)</b>	<b>0.19</b>	<b>0.14</b>	<b>0.33</b>
2	Other Non Executive Directors	-	-	-
	(a) Fee for attending board committee meetings	-	-	-
	(b) Commission	-	-	-
	(c) Others, please specify.	-	-	-
	<b>Total (2)</b>	-	-	-
	<b>Total (B)=(1+2)</b>	<b>0.19</b>	<b>0.14</b>	<b>0.33</b>
	<b>Total Managerial Remuneration (A+B) (Within the limits of Companies Act, 2013.)</b>	<b>0.19</b>	<b>0.14</b>	<b>0.33</b>
	<b>Overall Ceiling as per the Act</b>	Sitting Fees paid to Directors shall not exceed Rs. 1 lac per Board Meeting or committee meeting		

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

(Rs. in Lakhs)

Sr. No.	Particulars of Remuneration		Key Managerial Personnel			
			Rajiv Pathak CEO	Avani Sanghavi Company Secretary	Vaishali Dhuri CFO	Total
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		34.85	7.33	8.78	50.96
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		-	-	-	-
2	Stock Option		-	-	-	-
3	Sweat Equity		-	-	-	-
4	Commission		-	-	-	-
	as % of profit		-	-	-	-
	others, specify		-	-	-	-
5	Others, please specify	Conveyance Reimbursement	-	0.04	0.11	0.15
		Telephone Reimbursement	-	0.10	0.10	0.20
		Medical Insurance Premium	0.64	-	0.28	0.92
		Petrol Reimbursement	0.52	0.54	0.36	1.42
<b>Total</b>			<b>36.02</b>	<b>8.01</b>	<b>9.63</b>	<b>53.66</b>

## VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Date:11.11.2020

Place: Mumbai

For and on behalf of the Board of Directors

Ritesh Zaveri  
Chairman  
DIN: 00054741

## Annexure 3

## FORM NO. AOC - 2

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

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 arm's length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis:**

There were no contracts or arrangements or transactions entered into during the year ended 31<sup>st</sup> March, 2020, which were not at arm's length basis.

**2. Details of material contracts or arrangements or transactions at Arm's length basis:**

The details of material contracts, arrangement or transactions at arm's length basis and not in the ordinary course of business during the financial year 2019-2020 are as follows:

Name of the related party and Nature of relationship	Nature of contract/arrangements/transactions	Duration of contract/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Winro Commercial (India) Limited, Group Company	Availing and/or Rendering of services	1 year (renewed every year)	Availing and/or rendering revolving loan facility (floating interest rate)	29.05.2019	-
Singularity Holdings Limited (formerly known as Geecee Investments Limited)	Availing and/or Rendering of services	1 year (renewed every year)	Availing and/or rendering revolving loan facility (floating interest rate)	29.05.2019	-
Four Dimensions Securities (India) Limited, Group Company	Rendering of services	1 year (renewed every year)	Rendering revolving loan facility (floating interest rate)	29.05.2019	-
Urudavan Investment & Trading Private Limited, Group Company	Rendering of services	1 year (renewed every year)	Rendering revolving loan facility (floating interest rate) and providing security by way of pledging shares	29.05.2019	-

For and on behalf of Saraswati Commercial (India) Limited

DATE: 11<sup>TH</sup> NOVEMBER, 2020

PLACE: MUMBAI

RITESH ZAVERI

CHAIRMAN

DIN: 00054741

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Management Discussion & Analysis Report:

Saraswati Commercial (India) Limited ('SCIL' or 'the Company') is a non deposit-taking Non-Banking Financial Company (NBFC-NDSI) registered with the Reserve Bank of India (RBI). It has two subsidiaries namely; Arkaya Commercials Pvt Ltd and Sareshwar Finance and Trading Pvt Ltd. The Company is engaged in the business of investment in shares and securities and lending activities.

### The COVID pandemic

The coronavirus COVID-19 pandemic is the defining global health crisis of our time and the greatest challenge we have faced since World War Two. But the pandemic is much more than a health crisis, it's also an unprecedented socio-economic crisis. The COVID-19 pandemic has spread across the world. In India too, which implemented a lockdown since 25 March 2020, the pandemic has created shocks ripping through society and the world of business. Governments and municipalities around the world instituted measures in an effort to control the spread of COVID-19, including restrictions on international and local travel, public gatherings and participation in physical meetings, as well as closure of non-essential services, universities, schools, stores, restaurants and other key service providers, with some countries imposing strict curfews.

It is difficult to assess definite future impact of COVID -19 on business operations at this point of time where lifting of 100% lockdown is not certain. The situation is still evolving, and it is not possible to hazard a guess on how this pandemic will evolve.

### (a) Economic review

#### • Global economy

The COVID-19 pandemic has spread with alarming speed, infecting millions and bringing economic activity to a near-standstill as countries imposed tight restrictions on movement to halt the spread of the virus. As the health and human toll grows, the economic damage is already evident and represents the largest economic shock the world has experienced in decades. The initial outlook for the ensuing year was for stronger growth, especially over the subdued 2019 economic performance, buoyed by favourable development on US-China trade negotiations, the UK transitioning to a new economic relationship with Europe by December 2020 and a healthy performance of emerging markets. However, 2020 saw a significantly changed scenario with the outbreak of the COVID-19 pandemic.

According to the World Bank, the baseline forecast envisions a 5.2 percent contraction in global GDP in 2020, using market exchange rate weights—the deepest global recession in decades, despite the extraordinary efforts of governments to counter the downturn with fiscal and monetary policy support. Over the longer horizon, the deep recessions triggered by the pandemic are expected to leave lasting scars through lower investment, an erosion of human capital through lost work and schooling, and fragmentation of global trade and supply linkages. The pandemic is expected to plunge most countries into recession in 2020, with per capita income contracting in the largest fraction of countries globally since 1870. Advanced economies are projected to shrink 7 percent.

Global coordination and cooperation—of the measures needed to slow the spread of the pandemic, and of the economic actions needed to alleviate the economic damage, including international support—provide the greatest chance of achieving public health goals and enabling a robust global recovery.

#### • Indian Economy

Growth in India continued to slow in Financial Year ("FY") 2020, akin to FY19. According to the International Monetary Fund ("IMF"), this was primarily due to domestic problems-i) sharper-than-expected slowdown in local demand and ii) stress in the NBFC sector. Consequently, the IMF downgraded India's growth forecast from 7.3% YoY in Apr'19 to 4.1% by Jan'20. Data from the Central Statistical Office (CSO) revealed that the slowing growth for successive quarters- 5.6%/5.1%/4.7% in 1Q/2Q/3QFY20 was driven by the i) decline in private consumption growth, and ii) contraction in capital formation in 2H2019. Even as some signs of bottoming growth were

observed in Jan'20 (strong GST collections, robust manufacturing PMI), the outbreak of COVID-19 in 4QFY20 reinforced growth pressures. India entered into a lockdown phase on 22Mar'20. For 2020, the IMF has slashed growth projection for India to 1.9%.

The economic slowdown directly reflected in stagnant tax collections. This took a toll on the fiscal deficit targets and the Centre revised its gross-fiscal deficit-to-GDP target for FY20 from 3.5% earlier to 3.8%. Despite the 50bps slippage, fiscal deficit targets seem unachievable for FY20 given that by Feb'20 the Centre's cumulative fiscal deficit already exceeded the revised target by 35%. For FY21, the deficit target has been set at 3.5% with aggressive revenue assumptions. This is further rendered unrealistic on account of likely receipt shortfall and relief packages in light of COVID-19.

### **(b) Outlook**

Strict containment and social distancing policies will bring economic activity to a near standstill, and lead to a sharp contraction in growth for the second quarter. Despite relief measures provided in the form of easing of monetary policy by central banks and fiscal packages announced by some governments, we are expected to see a contraction in global economy. Currently, the consensus of analysts is a degrowth in 2020 and subsequently a gradual recovery in 2021. However, it is marked with uncertainty depending on the ground reality, that is, the duration of lockdown, growth in infection rate with the opening up of economies, timeline for development of the vaccine and other factors.

### **(c) Industry structure and developments**

India has a diversified financial sector undergoing rapid expansion with many new entities entering the market along with the existing financial services firms. The sector comprises commercial banks, insurance companies, NBFCs, housing finance companies, co-operatives, pension funds, mutual funds and other smaller financial entities. After the COVID-19 impact gradually tapers off, the financial services sector is poised to grow eventually on the back of strong fundamentals, adequate liquidity in the economy, significant government and regulatory support, and the increasing pace of digital adoption. In fact, digital transactions will play a larger role in the financial eco-system than hitherto witnessed.

#### **• NBFC Industry:**

Over the past few years, NBFCs have undergone a significant transformation and today they form an important component of India's financial system. Playing a critical role in the development of infrastructure, transport and employment generation, NBFCs are changing the business loan landscape in the country. Most NBFCs, leverage alternative and tech-driven credit appraisal methodologies to assess the credit worthiness of prospective borrowers. This difference in approach allows them to meet loan requirements of individuals and businesses left traditionally underserved by banks.

In response to current turmoil, RBI and the Government of India has come up with a slew of reforms such as reductions of repo rate, regulatory relaxation by extending moratorium and several measures to boost liquidity in the system howsoever the pandemic has impacted the premise of the corporate sector.

With the introduction of e-KYC, making borrowing an instant and hassle-free experience, NBFCs are already offering the right financial products to consumers and small businesses in a customised manner. The use of technology to optimise business processes also keeps cost overheads to a minimum, enabling credit to be availed at highly competitive interest rates.

#### Outlook of COVID on NBFC Industry:

- ✓ Payment defaults
- ✓ Delayed EMI payments
- ✓ Loss of credit
- ✓ Depleting Capital

✓ Overall earnings

The actual impact is still difficult to predict, and it will depend upon the time frame required to curb the pandemic and the various relief measures, which the government is expected to roll out. The NBFC/ HFC sector, which has managed to sustain amid a challenging funding scenario by taking various mitigating steps, will now have to weather the COVID-19 disruption. While the sector remains fairly well-capitalised, the trend in delinquencies in retail asset classes will be a key factor to monitor for the sector over the next few quarters, along with resource mobilisation capabilities.

Thanks to its investment exposure in riskier domains, the NBFC industry is facing serious challenges as it tries to combat the economic impact of the COVID-19 outbreak. Even as the Indian economy is likely to reopen towards the later part of the year, NBFCs will continue to face challenges in improving their asset quality and cash crunch.

• **Capital Markets:**

Financial year 2019-2020 was a volatile year for equity markets. Pre COVID-19, market capitalisation on each major exchange in India was about \$2.16 trillion. The 2019 stock market rally was limited to 8-10 stocks within the large caps. The Sensex returned around 14% (excluding dividends) for the year. However, in the start of 2020, there was overall recovery which led to both NSE and BSE traded at their highest levels ever, hitting peaks of 12,362 and 42,273 respectively.

Ever since COVID 19 strike, markets loom under fear as uncertainty prevails. It has sent markets around the world crashing to levels not witnessed since the Global Financial Crisis of 2008. Following the strong correlation with the trends and indices of the global market as BSE Sensex and Nifty 50 fell by 38 per cent. The total market cap lost a staggering 27.31% from the start of the year. The stock market has reflected the sentiments this pandemic unleashed upon investors, foreign and domestic alike. Companies have scaled back; layoffs have multiplied and employee compensations have been affected resulting in negligible growth in the last couple of months. Certain sector such as hospitality, tourism and entertainment have been impacted adversely and stocks of such companies have plummeted by more than 40%.

While the world has witnessed many financial crises in the past, the last one being the global recession of 2008, the current coronavirus crisis is different from the past fallouts.

Outlook of COVID on NBFC Industry:

As for the outlook for the market, we only need to look back at its history. Drops in BSE sensitive index is temporary, and each dip provides investors with the opportunity to enter the market and earn a higher return especially for those with long term horizon. Moreover, the higher the fluctuations, the higher chances of getting better returns. While these crises are real and it impacts the world economy, but historically, such crisis has not lasted long, as the world is competent enough to come up with answers to combat these challenges. Despite the fact that it's hard to predict the magnitude and impact of Coronavirus on the economy, but it is certain that the markets will bounce back soon the crisis gets over. With an average annual return (CAGR) of around 15 per cent, by growing from 100 points in 1979 to over 41,000 points in 2019, Sensex has proven time and again that corrections are temporary, but growth is permanent.

**Opportunities and threats**

Indian Economy provides excellent growth opportunities as the increased thrust to power, road, ports, telecom and other infrastructure projects will create a positive environment for the Investment and Financial Services Industry in India. Further, growth of service sector also presents new opportunities for Investment and Financial Services Industry in India.

With increasing globalization, integration of world markets, it not only provides new avenues for earning opportunities for our investment business but is also impacted / threatened by domestic and global events. The Company believes that it has to adopt robust risk management practices and continuously monitor and adapt to changing dynamics to not only take advantage of the earnings opportunities but also mitigate the risks and threats posed by the local and global events.

The most significant threat for any lending activity is to constantly exhibit operational excellence and contain the loss given defaults within the acceptable limits. The Company believes that this task is to be worked upon continuously through a very sharp learning and unlearning in order to achieve operational excellence.

**(e) Risks and Concerns**

The Financial services industry is subject to continuously evolving regulatory requirements due to increasing globalization, integration of world markets. Risk is an integral part of the business and almost every business decision requires the management to balance risk and reward. The Company is exposed to the market risk and credit risk. It is further exposed to risk of economic cycle. The company manages these risks by remaining very conservative and following requisite risk management practices.

**(f) Internal Control Systems and their adequacy:**

As a part of the effort to evaluate the effectiveness of the internal control systems, your Company's internal audit system reviews all the control measures on a periodic basis and recommends improvements, wherever appropriate. The Company has in place adequate internal control systems and procedures commensurate with the size, scale, complexity and nature of its business. These systems and procedures provide reasonable assurance of adherence to the accounting procedures and policies, maintenance of proper accounting records, reliability of financial information, compliance with regulatory directives, efficacy of its operating systems, protection of resources and safeguarding of assets against unauthorized use. The management regularly reviews the internal control systems and procedures, undertake corrective actions, in their respective areas and thereby strengthen the controls.

**(g) Segment-wise or product-wise performance:**

The Company is engaged in the business of investment, trading in shares and securities & Lending Activities. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable operating or geographical segments applicable to the Company.

The gross revenue from such Financing and Investment activities considered in profit & loss account for the year is Rs. 124.69 Lakhs and considered in other comprehensive income is Rs. 487.62 Lakhs.

**(h) Discussions on Financial Performance with respect to Operational Performance:**

Particulars	Standalone		Change in %
	Year ended 31.03.2020	Year ended 31.03.2019	
Total Revenue (I)	136.47	778.36	(82.47)
Total Expenses (II)	1,441.26	703.69	104.81
Profit before share in profit/ (loss) of associates and tax (I-II= III)	(1,304.79)	74.67	(1847.41)
Share in profit/ (loss) of associates (IV)	-	-	

Profit/ (loss) Before Tax (III+IV= V)	(1,304.79)	74.67	(1847.41)
Less: Tax Expenses (VI)	(343.91)	38.09	(1002.89)
Profit/ (loss) for the year (V-VI= VII)	(960.88)	36.58	(2726.76)
Other Comprehensive Income before share in profit/(loss) of associates and tax (VIII)	(8,625.51)	473.25	(1772.70)
Share in profit/(loss) of associates (IX)	-	-	
Other Comprehensive Income before tax (VIII+IX= X)	(8,625.51)	473.25	(1772.70)
Less: Tax expenses (XI)	(869.69)	120.56	821.38
Other Comprehensive Income for the year (X-XI= XII)	(7,755.82)	352.69	(2299.07)
Total Comprehensive Income (VII+XII= XIII)	(8,716.69)	389.27	(2339.24)
<b>Net Profit attributable to:</b>			
Owners of the company	-	-	-
Non-controlling interest	-	-	-
<b>Other comprehensive Income attributable to:</b>			
Owners of the company	-	-	-
Non-Contributing interest	-	-	-
<b>Total comprehensive Income attributable to:</b>			
Owners of the parent	-	-	-
Non-Contributing interest	-	-	-
<b>Earnings per share</b>			
Basic	(96.00)	3.65	(2726.63)
Diluted	(96.00)	3.65	(2726.63)

**(i) Key Financial Ratios:**

Ratio	Consolidation		Standalone	
	2019-2020	2018-2019	2019-2020	2018-2019
Interest Coverage Ratio	(27.28)	52.86	(27.52)	52.76
Current Ratio	2.13	14.34	2.14	14.70
Debt Equity Ratio	0.064	0.002	0.064	0.002
Operating Profit Margin	(135.33)%	52.72%	(135.17)%	52.62%
Net Profit Margin	(73.22)%	47.50%	(75.95)%	47.40%
Return on Net Worth	(2.86)%	2.87%	(2.99)%	2.89%
Inventory Turnover	1.67	1.97	1.67	1.97

Due to COVID-19, there has been massive diminution in the value of Investments resulting in extra-ordinary mark to mark losses in the financial year 2019-20. Hence, there are major variances in key financial ratio as compared to the previous financial year 2018-19.

**(j) Cancellation of Extra Ordinary General Meeting :**

The Company vide its letter dated 26th February, 2020 had intimated the Shareholders regarding the Extraordinary General Meeting of Members of the Company scheduled to be held on Thursday, 26th March, 2020 for issue of 105896 equity shares of face value Rs. 10/- each in the Company at an issue price of Rs. 2833/- per equity share (including premium of Rs. 2823/- per equity share) aggregating to Rs. 30,00,03,368/- on preferential

basis in accordance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

However, consequent to the rapidly developing spread of Novel Coronavirus Disease (COVID-19) in India, the advisories issued by the BMC, State Government, Central Government to avoid the spread of the COVID-19 virus including avoiding social gatherings and with a view to ensure health, safety and welfare of all stakeholders and in public interest, the Board vide its Circular Resolution dated 20th March, 2020, cancelled the said EGM scheduled to be held on Thursday, 26th March, 2020.

Further, the Board vide its circular resolution dated April 29, 2020 further deliberated the current prevailing situation of Novel Coronavirus Disease ('COVID-19') both at global and national level, the ensuing economic disruption that is expected to follow, its possible impact on the stock market sentiments and the consequent impact on the business and operations of the Company and accordingly cancelled its earlier resolution of allotment of equity shares through preferential basis and decided to review its requirements of additional capital in near future once stability is resumed.

**(k) Human Resource Development:**

The Company believes that the human resources are vital resource in giving the Company a competitive edge in the current business environment. The Company's philosophy is to provide congenial work environment, performance oriented work culture, knowledge acquisition/dissemination, creativity and responsibility. As in the past, the Company enjoyed cordial relations with the employees at all levels. Training plans for employees are developed based on needs identified in consultation with the employees and their departmental heads.

**(i) Cautionary Statements:**

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied due to risk and uncertainties. These risks and uncertainties include significant changes in political and economic conditions in India and internationally, volatility in interest rates and in the securities market, new regulations and Government policies that may impact the company's business as well as the ability to implement strategies. The Company assumes no responsibility nor is under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.



### CORPORATE GOVERNANCE REPORT

Corporate Governance is about promoting the fairness, transparency, accountability, commitment to values, ethical business conduct and about considering all stakeholders' interests while conducting the business. It represents the value framework, principles, rules, practices by which a company conducts its business activities. Corporate Governance essentially involves balancing the interests of a Company's shareholders, management, customers, suppliers, financiers, government and the community.

This Corporate Governance Report is pursuant to Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI (LODR) Regulations, 2015").

#### **(A) Company's Philosophy on Code of Corporate Governance**

Saraswati Commercial (India) Limited is fully committed to and continues to practice good Corporate Governance. The Company continuously strives at improving and adhering to the good governance practice as stipulated in various legislations viz. SEBI (LODR) Regulations, 2015 and all other applicable rules and regulations. The Company believes that good Corporate Governance practice generates goodwill among business partners, customers and investors, facilitates effective management and control of business and generates competitive returns for the investors. In addition to the basic governance practice, the Company lays significant emphasis on the principles of trusteeship, transparency, empowerment, accountability and integrity. The Company, through its Board and Committees, endeavors to strike and deliver the highest governing standards for the benefit of its stakeholders.

The Company has complied with all the regulations stipulated by the Securities Exchange Board of India (SEBI) in the Listing Regulations.

#### **GOVERNANCE STRUCTURE**

The Company's Governance structure consists of

- Board of Directors,
- Committees of Board,
- The Management.

The Board of Directors of the Company are pleased to present the Corporate Governance Report for the year ended 31st March, 2020.

#### **(B) Board of Directors**

##### **(i) Board Composition**

- The composition of the Board is in accordance with the requirements of the Regulation 17 of SEBI (LODR) Regulations, 2015. The Board of Directors consists of optimal combination of Non-Executive and Independent directors. As on March 31, 2020, the Board comprised of Four Non – Executive Directors of which Two are Independent Directors. The Chairperson of the Board is a Non-Executive Director.

- The constitution of the Board is as given below:

Director	Category of Directorship	Number of Directorships in other companies*				Number of positions held in other companies	
		Listed	Unlisted	Name of the entity	Category	Committee Membership s#	Committee Chairperson ships#
Mr. Ritesh Zaveri	Non-Executive Director	-	1	Singularity Holdings Limited (formerly known as Geecee Investments Limited) (Unlisted)	Non-Executive Director	-	-
Mr. Sandeep Kejariwal**	Non-Executive Director	-	1	Four Dimensions Securities (India) Limited (Un-listed)	Whole Time Director	-	-
Mr. Ketan Desai	Non Executive, Independent Director	1	-	Winro Commercial (India) Limited (Listed)	Independent Director	2	0
Mrs. Babita Thakar	Non – Executive Independent Director	1	-	Winro Commercial (India) Limited	Independent Director	0	2

\* Other Directorships exclude Directorships held in Private Limited Companies and in Saraswati Commercial (India) Limited (SCIL).

#Committee of Directors includes Audit Committee and Stakeholder Relationship Committee of Directors only. Committee Membership does not include Membership in Committee of Directors of SCIL.

\*\*Mr. Sandeep Kejariwal was appointed w.e.f. 25.07.2019 and Mr. V V Sureshkumar tendered his resignation w.e.f. 13.08.2019.

- Below is the summary of key skills, expertise and competencies which are taken into consideration while nominating candidates to serve on the Board of the Company.

Sr. No.	Skills/ Expertise/ Competencies
1	Legal, Corporate Governance, Risk and Compliance
2	Required qualifications and expertise
3	Leadership qualities
4	Integrity and experience

5	Industry Knowledge
6	Behavioral Competencies
7	Governance Skills

- There is no relationship between the directors inter-se.
- All the Independent Directors of the Company have provided declaration to the Board confirming satisfaction of the conditions of their Independence as laid down under Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Regulation 16(1)(b) of the SEBI LODR Regulations, 2015 during the year under review i.e. financial year 2019-20. Further, in opinion of the Board, all the Independent Directors of the Company fulfill the conditions specified under both the aforementioned statutes and are Independent of the management.

#### (ii) Board Meetings and Attendance of Directors

The Board meets at least once in a quarter to consider amongst other business the performance of the Company and quarterly financial results. When necessary, additional meetings are held. The Board meetings are generally held at the Registered Office of the Company at Mumbai. Agenda for each meeting along with explanatory notes are drafted and distributed well in advance to the Directors. Every Board Member is free to suggest the inclusion of items on the agenda.

The senior officials of the Company are invited to the Board meetings in respect of the items concerning them to provide additional inputs as and when necessary. The Board periodically reviews and takes note of, inter alia, the compliance confirmations in respect of laws and regulations applicable to the Company. The draft minutes of the Board and Committee meetings are circulated amongst the Directors/Members for their perusal and comments in accordance with Secretarial Standard-1 (SS-1) issued by the Institute of Company Secretaries of India. Suggestions, if any, received from the Directors/Members are suitably incorporated in the draft minutes, in consultation with the Chairman of the Board/Committee. Minutes are signed by the Chairman of the Board/Committee at the next meeting.

Seven (7) Board Meetings were held during the year ended 31st March, 2020. The dates of such Board Meetings are 20<sup>th</sup> April, 2019, 29<sup>th</sup> May, 2019, 13<sup>th</sup> August, 2019, 14<sup>th</sup> September, 2019, 12<sup>th</sup> December, 2019, 12<sup>th</sup> February, 2020 & 26<sup>th</sup> February, 2020. The meetings were held at least once in every quarter and the time period between two meetings did not exceed 120 days. The required quorum was present at all the above meetings. In addition to the Board Meetings, one (1) Circular Resolution was passed during the year in compliance with section 175 of the Companies Act, 2013. The details of attendance of the Directors at the Board meetings held during the financial year 2019-2020 and at the last annual general meeting are given below:

Name of the Directors	Number of Board Meetings held	Number of Board Meetings attended	Whether attended the Annual General Meeting held on 26 <sup>th</sup> September, 2019
Mr. Ritesh Zaveri	7	7	Yes
Mr. Sandeep Kejariwal**	7	5	Yes
Mr. V V Sureshkumar**	7	3	NA
Mr. Ketan Desai	7	6	Yes
Mrs. Babita Thakar	7	6	Yes

\*\*Mr. Sandeep Kejariwal was appointed w.e.f. 25<sup>th</sup> July, 2019 and Mr. V V Sureshkumar resigned from the directorship of the Company w.e.f. 13th August, 2019.

All the Directors have informed the Company periodically about their Directorship and Membership on the Board/ Committees of the Board of other Companies. None of the directors are related with any directors of the Board.

**(iii) Shares held by Non-Executive Directors as on 31<sup>st</sup> March, 2020**

Name of the Non-Executive Director	Equity Shares held (No.)
Mrs. Babita Thakar	NIL
Mr. Ketan Desai	NIL
Mr. Ritesh Zaveri	NIL
Mr. Sandeep Kejariwal	NIL

**(iv) Familiarisation Programme for Independent Directors:**

The Company has familiarized its Independent Directors to provide insights into the Company and to enable them to understand the Company's business in depth, to familiarize them with the processes and functionalities of the Company to assist them in understanding their roles and responsibilities. Further, the Independent Directors are provided with opportunity to interact with the Management of the Company and help them to understand the Company's strategy, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and such other areas as may arise from time to time through various programmes.

The said program was conducted for the familiarization of Independent Directors. The details of the same can be found on the website of the Company – [www.saraswaticommercial.com](http://www.saraswaticommercial.com) & through the following link: [http://www.saraswaticommercial.com/policies/final%20Details of Familiarisation Programme SARASWATI%2023.12.2019.pdf](http://www.saraswaticommercial.com/policies/final%20Details%20of%20Familiarisation%20Programme%20SARASWATI%2023.12.2019.pdf)

**(C) Board Committees**

To enable better and more focused attention on the affairs of the Company, the Board delegate particular matters to the committee set up for the purpose. The Committees have oversight of operational issues assigned to them by the Board.

As on 31st March, 2020, there were Seven (7) core Committees constituted by the Board. They are as follows:

- I. Audit Committee
- II. Stakeholder Relationship Committee.
- III. Nomination and Remuneration Committee
- IV. Corporate Social Responsibility Committee
- V. Risk Management Committee
- VI. Asset Liability Management Committee
- VII. IT Strategy Committee

The Board is responsible for the constitution, co-opting and fixing the terms of reference for Committee members of the said Committees. The details of various Committees are as under:

**I. Audit Committee**

The Audit Committee has a well defined composition and is constituted pursuant to Section 177 of the Companies Act, 2013, Rule 6 & 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI (LODR) Regulations, 2015, the details of Audit Committee is given below:

**(a) Composition of the Audit Committee**

The Audit Committee comprises of three Non-Executive Directors of which two are Independent Directors. The quorum for the Audit Committee Meeting is two members with at least 2 Independent Directors.

The composition of the Audit Committee is as follows:

1. Mrs. Babita Thakar - Chairperson (Non-Executive Independent Director)
2. Mr. Ritesh Zaveri - Member (Non-Executive Director)
3. Mr. Ketan Desai - Member (Non-Executive Independent Director)

All members of the Committee are financially literate, learned and experienced in their respective fields. The Committee acts as a link between the Statutory Auditors, the Internal Auditors and the Board of Directors of the Company. The Company Secretary acts as the Secretary to the Committee. The Meetings of the Audit Committee are also attended by the Chief Financial Officer, Internal Auditors and the Statutory Auditors as invitees. The minutes of each Audit Committee meeting are circulated amongst the members for their approval. The minutes as approved by the members are generally signed by the Chairman of the Committee at its next meeting.

**Attendance of the Audit Committee Meetings during the financial year ended 31<sup>st</sup> March, 2020**

During the financial year ended 31<sup>st</sup> March, 2020, Six (6) Audit Committee Meetings were held on 29<sup>th</sup> May, 2019, 13<sup>th</sup> August, 2019, 14<sup>th</sup> September, 2019, 12<sup>th</sup> December, 2019, 12<sup>th</sup> February, 2020 and 26<sup>th</sup> February, 2020.

The required quorum was present for all the Audit Committee meetings. The gap between two meetings did not exceed 120 days.

The table hereunder gives the attendance record of the Audit Committee members.

Name of the Member	No. of meetings held	No. of meetings attended
Mrs. Babita Thakar	6	6
Mr. Ketan Desai	6	6
Mr. Ritesh Zaveri	6	6

**(i) Primary objectives of the Audit Committee**

The Audit Committee inter-alia provides assurance to the Board on the adequacy of the internal control systems and financial disclosures. The primary objective of the Audit Committee (the "Committee") is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and the transparency, integrity and quality of financial reporting.

The Committee oversees the work carried out in the financial reporting process – by the management, including the independent auditor – and notes the process and safeguards employed by each.

**(ii) Terms of Reference**

The terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 inter alia includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing and examining, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required 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;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - 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 utilisation 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 and 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 there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
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 qualifications, 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.
21. The audit committee shall mandatorily review the following information:
  - Management discussion and analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - Internal audit reports relating to internal control weaknesses and

- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
- Statement of deviations:
  - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**(ii) Stakeholder Relationship Committee:**

The Stakeholder Relationship Committee is headed by a Non-Executive Independent Director and consisted of the following members as on date of this report:

**Composition:**

1. Mr. Ketan Desai - Chairperson (Non-Executive Independent Director)
2. Mr. Ritesh Zaveri - Member (Non-Executive Director)
3. Mrs. Babita Thakar - Member (Non-Executive Independent Director)

Ms. Avani Sanghavi is the Company Secretary & Compliance Officer of the Company. The Company appointed “TSR Darashaw Consultants Private Limited.” (formerly known as TSR Darashaw Limited) as its Registrar and Share Transfer Agent for the redressal of investor’s grievance and share transfer process. The RTA has acted upon all valid share transfers received during the year 2019-2020.

During the Financial Year ended 31<sup>st</sup> March, 2020, the aforesaid Committee met 4 times dated 29<sup>th</sup> May, 2019, 13<sup>th</sup> August, 2019, 12<sup>th</sup> December, 2019 & 12<sup>th</sup> February, 2020.

Members	Designation	Category of Directorship	No. of meetings held	No. of meetings attended
Mr. Ketan Desai	Chairman	Non-Executive, Independent Director	4	4
Mrs. Babita Thakar	Member	Non-Executive, Independent Director	4	4
Mr. Ritesh Zaveri	Member	Non-Executive Director	4	4

**Scope of the Shareholders Relationship Committee:**

The Stakeholders’ Relationship Committee deals with matters relating to shareholders/investors grievances viz. non-receipt of Annual Reports, non-receipt of declared Dividend and its redressal etc.

**Details of Shareholders’ complaints received and redressed during the FY 2019 - 2020 are as follows:**

Sl. No.	Particulars	No. of Complaints
1	Number of Investor complaints pending at the beginning of the year (i.e. as on 01.04.2019)	Nil
2	Number of Investor complaints received during the year (01.04.2019 - 31.03.2020)	Nil
3	Number of Investor complaints redressed during the year (01.04.2019 - 31.03.2020)	Nil
4	Number of Investor complaints remaining unresolved at the end of the year (i.e. as on 31.03.2020)	Nil

**(iii) Nomination and Remuneration Committee**

The Nomination and Remuneration Committee (NRC) of the company is constituted in accordance with the provisions of Regulation 19 of SEBI LODR Regulations, 2015 read with Section 178 of the Act. The NRC of the Company is entrusted with responsibilities concerning the nomination for appointment or removal of Directors and Senior Management including Key Managerial Personal, determination of performance evaluation of individual directors, the Board as a whole as well as the Board Committees.

The Nomination & Remuneration Committee is headed by a Non-Executive Independent Director and consisted of the following members as on date of this report:

**Composition:**

1. Mrs. Babita Thakar - Chairperson (Non-Executive Independent Director)
2. Mr. Ritesh Zaveri - Member (Non-Executive Director)
3. Mr. Ketan Desai - Member (Non-Executive Independent Director)

The powers, role and terms of reference of the Nomination & Remuneration Committee covers the areas as contemplated under Regulation 19 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors.

**Terms of Reference:**

This includes:

1. Formulation of criteria for determining qualifications, positive attributes and independence of a director;
2. Recommending to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
3. Formulation of criteria for evaluation of Independent Directors and the Board;
4. Devising a policy on Board diversity and identification of 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 their appointment and removal.

The aforesaid Committee met 3 times dated 29<sup>th</sup> May, 2019, 13<sup>th</sup> August, 2019 & 12<sup>th</sup> February, 2020, during the Financial Year from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020.

Members	No. of meetings held	No. of meetings attended
Mrs. Babita Thakar	3	3
Mr. Ketan Desai	3	3
Mr. Ritesh Zaveri	3	3

**Criteria for evaluation of the performance of Non-Executive Directors and Independent Directors:**

The Company has in place a Board Evaluation policy for Performance evaluation of the Board as a whole, its Committees, and Individual Directors (including Independent Directors).

An annual performance evaluation was carried out for the financial year 2019-2020 in a fair manner in accordance with the aforementioned policy.

**(iv) Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee is headed by a Non-Executive Independent Director and consisted of the following members as on date of this report:



**Composition:**

1. Mr. Ketan Desai - Chairperson (Non-Executive Independent Director)
2. Mr. Ritesh Zaveri - Member (Non-Executive Director)
3. Mrs. Babita Thakar - Member (Non-Executive Independent Director)

The aforesaid Committee met once dated 29<sup>th</sup> May, 2019 during the Financial Year from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020.

Members	No. of meetings held	No. of meetings attended
Mr. Ketan Desai	1	1
Mrs. Babita Thakar	1	1
Mr. Ritesh Zaveri	1	1

Pursuant to provisions of Companies Act, 2013, any Company qualifying any of the below mentioned criteria shall ensure that it spends in every financial year at least 2% of average net profit of the company made during the three immediately preceding Financial year:

- a. Net Worth of the Company is Rs 500 Cr or more; or
- b. Turnover of the Company is Rs 1000 Cr or more; or
- c. Net profit of the Company is Rs 5 Cr or more

The Company has not paid any amount towards Corporate Social Responsibility since none of the aforementioned criteria has been satisfied in the immediately preceding financial year.

**(v) Risk Management Committee**

As per Master Direction issued by the Reserve Bank of India for Non-Banking Financial Company (Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016), an NBFC is required to constitute a Risk Management Committee (RMC) to manage the integrated risk. The Company has a RMC and a Policy to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business.

The Risk Management committee is headed by Non-Executive Director and consisted of the following members:

**Composition:**

1. Mr. Ritesh Zaveri -Chairman (Non-Executive Director)
2. Mr. V V Sureshkumar\* -Chairman (Non-Executive Director)
3. Mr. Sandeep Kejariwal\* -Member (Non-Executive Director)
4. Mrs. Babita Thakar -Member (Non-Executive Independent Director)

The aforesaid Committee met 4 times dated 29<sup>th</sup> May, 2019, 14<sup>th</sup> September, 2019, 12<sup>th</sup> December, 2019 & 12<sup>th</sup> February, 2020, during the Financial Year from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020.

Members	No. of meetings held	No. of meetings attended
Mr. Ritesh Zaveri	4	4
Mr. Sandeep Kejariwal*	4	3
Mr. V V Sureshkumar*	4	1
Mrs. Babita Thakar	4	4

\*Pursuant to the appointment of Mr. Sandeep Kejariwal w.e.f. 25<sup>th</sup> July, 2019 and resignation of Mr. V V Sureshkumar w.e.f. 13<sup>th</sup> August, 2019, the Board has reconstituted the Risk Management Committee.

The Risk Management Committee is responsible for framing, implementing and monitoring the risk management plan for the Company, overseeing the management of the integrated risk which includes liquidity risk and interest rate risk.

**Terms of reference of Risk Management Committee includes the following:**

- To ensure that the risk management process and culture are embodied throughout the Company;
- Oversee the Company's risk exposures, risk/return and proposed improvements to the Group's risk Management framework and its risk appetite, strategy, principles, policies and standards;
- To provide adequate information to the Board on key risk management matters;
- To identify new strategy risk including corporate matter;
- To review the risk management plan and ensure its effectiveness.

**(vi) Asset Liability Management Committee**

The Asset Liability Management Committee of the Company is entrusted with the task of reviewing the asset liability mismatches and to report to the Board with respect thereto.

The Asset Liability Management committee consisted of the following members:

**Composition:**

1. Mr. V V Sureshkumar\* - Chairman (Non-Executive Director)
2. Mr. Sandeep Kejariwal\* - Chairman (Non-Executive Director)
3. Mr. Ritesh Zaveri - Member (Non-Executive Director)
4. Mrs. Babita Thakar - Member (Non-Executive Independent Director)
5. Mr. Rajiv Pathak - Member (Chief Executive Officer)

The aforesaid Committee met 4 times dated 29<sup>th</sup> May, 2019, 14<sup>th</sup> September, 2019, 12<sup>th</sup> December, 2019 & 12<sup>th</sup> February, 2020, during the Financial Year from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020.

Members	No. of meetings held	No. of meetings attended
Mr. Sandeep Kejariwal*	4	3
Mr. V V Sureshkumar*	4	1
Mrs. Babita Thakar	4	4
Mr. Ritesh Zaveri	4	4
Mr. Rajiv Pathak	4	4

\*Pursuant to the appointment of Mr. Sandeep Kejariwal w.e.f. 25<sup>th</sup> July, 2019 and resignation of Mr. V V Sureshkumar w.e.f. 13<sup>th</sup> August, 2019, the Board has reconstituted the Asset Liability Management Committee.

**Role of Asset Liability Management Committee:**

- Reviewing the effects of various possible changes in the market conditions related to the Balance Sheet and recommend the action needed to adhere to the Company's internal limits;
- Articulating the current interest rate view of the Company and deciding the future business strategy on this view;
- To ensure that all activities are within the overall regulatory framework and government regulation;
- To consider the significance of ALM of any changes in customer behavior and formulate appropriate actions.

**(vii) IT STRATEGY COMMITTEE**

As per the Master Direction - Information Technology Framework for the NBFC Sector dated 8<sup>th</sup> June, 2017 (Ref. Master Direction DNBS.PPD.No.04/66.15.001/2016-17), NBFC's are required to form IT Strategy Committee on or before 30<sup>th</sup> June, 2018. Therefore the Board constituted the IT Strategy Committee on 28<sup>th</sup> May, 2018. The said Committee will be responsible for review and amend the IT strategies in line with the corporate strategies, Board Policy Reviews, cyber security arrangements and any other matter related to IT Governance.

**The Composition of the IT Strategy Committee is as follows:**

Name of the Members	Designation in Committee	Category of Directorship / Designation	No. of meetings attended
Mrs. Babita Thakar	Chairperson	Non-Executive, Independent Director	3
Mr. Sanket Baheti	Member	Chief Information Officer	3
Mr. Shamim Ahmed	Member	Group Chief Technology Officer	3

The aforesaid Committee met 3 times dated 29<sup>th</sup> May, 2019, 14<sup>th</sup> September, 2019 & 12<sup>th</sup> February, 2020, during the Financial Year from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020.

**(D) REMUNERATION OF DIRECTORS:**

Remuneration of Directors:

The Directors of the Company may receive sitting fees and/or such other remuneration as may be permissible under the provisions of Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration committee and approved by the Board of Directors.

During the year under review,

- The Non-Executive Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees for the purpose of attending meetings of the Board/Committee of the Company.
- None of the directors were paid any remuneration during the year 2019-2020.
- The Company does not have any stock option plan or performance linked incentives for its directors.

**(E) Separate Meeting of Independent Directors of the Company:**

A separate meeting of Independent Directors of the company without the attendance of Non-Independent Directors and members of management was held on 23.12.2019 as required under Schedule IV of Companies Act, 2013 (Code for Independent Directors) and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements), 2015. The Independent Directors, inter alia reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of other Non-Executive directors.

**(F) General Body Meetings:**

Details of General Meetings held in last **three** years are given hereunder:

Particulars	Year	Date	Venue	Time	Details of Special Resolution
34 <sup>th</sup> AGM	2016-2017	28/09/2017	Oricon House, 6 <sup>th</sup> Floor, 12, K. Dubhash Marg, Fort, Mumbai-400001	4.30 p.m.	<ul style="list-style-type: none"> <li>Increase the borrowing limit under section 180 (1) (c) of the Companies Act, 2013</li> </ul>
35 <sup>th</sup> AGM	2017-2018	27/09/2018	Oricon House, 6 <sup>th</sup> Floor, 12, K. Dubhash Marg, Fort, Mumbai-400001	4.30 p.m.	No Special Resolution
36 <sup>th</sup> AGM	2018-2019	26/09/2019	Oricon House, 6 <sup>th</sup> Floor, 12, K. Dubhash Marg, Fort, Mumbai-400001	4.30 p.m.	<ul style="list-style-type: none"> <li>Re-Appointment of Mrs. Babita Thakar (DIN: 06934171) as an Independent Director Non-Executive Director for another (second) term for five consecutive years</li> </ul>

**Extra Ordinary General Meeting:**

No Extra Ordinary General meeting of the Company was held during the year under review.

**Postal ballots**

No Special Resolution requiring postal ballot was placed before the last Annual General Meeting.

**Details of Special Resolution proposed to be conducted through postal ballot:**

No special resolution is being proposed for the ensuing Annual General Meeting for being passed through postal ballot.

**(G) Disclosures:****(i) Related Party Transactions:**

All related party transactions that were entered into during the financial year were in the ordinary and normal course of the business and at arm's length basis. There were no transactions of material nature with Directors/Promoters or any related entity, which will have any potential conflict with the interests of the Company at large. Transactions with the related parties are disclosed in 'Notes on Accounts' annexed to the Financial Statements for the year under review. Pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has adopted the policy on dealing with related party transactions and the said policy is available at <http://www.saraswaticommercial.com/policies/Policy%20-%20Related%20Party%20Transaction.pdf>

All the Related Party Transactions are placed on a quarterly basis before the Audit Committee and Board for approval. Prior omnibus approval of the Audit Committee and the Board is obtained for the transactions which are foreseeable and are repetitive in nature.

Pursuant to Regulation 23(9) of the Listing Regulations, your Company has filed the reports on related party transactions with the Stock Exchanges.

**(ii) Details of Non-Compliances by the company:**

There has been no non-compliance by the Company and no penalties or strictures were imposed on the Company by the Bombay Stock Exchange Limited, Securities and Exchange Board of India or any other statutory authority on any matter related to capital markets, during the last three years/period.

**(iii) Vigil Mechanism/ Whistle Blower Policy:**

The Company has already put in place a mechanism for employees to report to the Management, concerns about unethical behaviour, actual or suspected fraud or violation of the Companies Code of Conduct or Ethics Policy. The said Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the higher levels of supervisors, managers including the Audit Committee. We confirm that during the financial year 2019-20 no employee of the Company was denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz <http://www.saraswaticommercial.com/policies/Policy%20-%20Whistle%20blower%20&%20Vigil%20Mechanism.pdf>.

**(iv) Compliance with the Mandatory requirements and Implementation of the Non-mandatory requirements:**

The Company has complied with the mandatory requirement of the Corporate Governance as stipulated under Regulation 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has not implemented the non-mandatory requirements except stated otherwise in this Annual Report.

**(v) Reconciliation of Share Capital Audit Report:**

M/s. Nishant Jawa & Associates, Company Secretary in Practice carried out Share Capital Audit to reconcile the total admitted equity share capital with the NSDL and CDSL and total issued and listed equity share capital.

The Audit Report confirms that the total issued or paid-up capital is in conformity with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**(vi) Secretarial Audit:**

M/s. Nishant Jawa & Associates, Practicing Company Secretaries have conducted the Secretarial Audit of the Company for the year 2019-2020. Their Audit Report confirms that the Company has complied with the applicable provisions of the Act and the Rules made there under, Listing Regulations, applicable SEBI Regulations, Secretarial Standards and other laws applicable to the Company. The Secretarial Audit Report forms part of the Board's Report. Pursuant to Regulation 40 (9) of the Listing Regulations, certificates have been issued on a half-yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

**(vii) Recommendation of the Committees:**

During the financial year ended March 31, 2020 the Board of Directors has accepted recommendations of the committees of the Board.

**(viii) Policy on Determination of Materiality of Events:**

The Company has adopted Policy for Determination of Materiality of Events / Information for Disclosures and Policy on Preservation of Document and Archival Policy. The policies have been uploaded on our website at the link <http://www.saraswaticommercial.com/policies/Policy%20-%20Materiality.pdf>.

**(ix) Imposition of Penalty:**

There have been no instances or occurrences of non-compliance by the Company and no penalties have been issued by the Stock Exchange or Securities and Exchange Board of India.

**(x) Disclosure on compliance with Corporate Governance Requirements :**

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations. The Company has complied with the requirements of Part C (Corporate Governance Report) of sub- paras (2) to (10) of Schedule V of the Listing Regulations.

**(xi) Code For Prevention of Insider Trading:**

On December 31, 2018, Securities and Exchange Board of India amended the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, prescribing various new requirements with effect from April 1, 2019. In accordance with the amendment, the Company has amended the Insider Trading Policy and Corporate Policy Statement on Investor Relations in line with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018. This policy includes policy and procedures for inquiry in case of leak of UPSI or suspected leak of UPSI. The Board reviews the policy on a need basis. The amended policy is available on our website, at <http://www.saraswaticommercial.com/policies/Saraswati%20-%20Insider%20Trading%20Code%20-%202004.04.2019.pdf>

**(xii) Company Secretary in Practice Certification:**

In accordance with the SEBI (Listing Obligations and Requirement) Regulations, 2015, the Company has obtained the certificate from M/s. Nishant Jawa and Associates, Company Secretaries, confirming that as on 31st March, 2020, none of the Directors on the Board of the Company are debarred or disqualified from being appointed or continuing as directors by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such authority and the same is annexed to this Report.

**(xiii) Total fees paid to Statutory Auditors:**

The total amount of fees paid to the Statutory Auditors of the Company during the financial year 2019-2020 is stated in the Notes to financial statements, which forms a part of this Annual Report.

**(xiv) Internal Complaints Committee:**

The Company is not required to constitute Internal Complaints Committee since it has less than 10 employees.

**(xv) Details of Utilisation of Funds raised through Preferential Allotment/Qualified Institutional Placement:**

The Company has not raised any funds raised through Preferential Allotment/ Qualified Institutional Placement.

**(xvi) Disclosures related to Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013:**

Sr. No.	Particulars	No. of complaints
1	Number of complaints filed during the financial year	0
2	Number of complaints disposed of during the financial year	0
3	Number of complaints pending as on end of the financial year	0

**(xvii) Green Initiative:**

The Ministry of Corporate Affairs has allowed Companies to send all future notices/ communication/ documents including Notice of Annual General Meeting and Annual Report of the Company, in an electronic form, through e-mail to the shareholders. We request you to join us in this initiative and register your e-mail ID with Company's Registrar and Transfer Agent, M/s. TSR Darashaw Consultants Private Limited, in case you are holding shares in physical form. In case you are holding shares in dematerialized form, please register your e-mail ID with your depository participant directly. As per circular issued by SEBI dated April 20, 2018, the Company through the Registrar and Transfer Agent had circulated regular reminder letters to those physical shareholders whose PAN and/or Bank account details were not available requesting them to register their PAN and/or bank account details. Members are requested to register their PAN and Bank Account Details (Core Banking Solutions enabled account number, 9 digit MICR code and 11 digit IFS Code), in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with the Company's Registrar and Transfer Agent, M/s. TSR Darashaw Consultants Private Limited.

**(H) Means of Communication:**

- (i) Your company maintains a website [www.saraswaticommercial.com](http://www.saraswaticommercial.com) , wherein the investors can avail all the information required by them about the company, directors, quarterly financial results, annual reports, material events or information, quarterly compliances, contact details, etc.
- (ii) The quarterly/annual financial results of the Company are duly submitted to the Stock Exchange in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are published in the following newspapers in compliance with the provisions of the Regulation 47 of the said Regulations:
  1. Financial Express (Nationwide edition)
  2. Mumbai Lakshadeep (in Mumbai)

The quarterly results as well as the proceedings of the Annual General Meeting were uploaded on the portal of BSE Limited i.e. [listing.bseindia.com](http://listing.bseindia.com) immediately after the conclusion of the respective meetings.

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

- (iii) As per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 all periodical information, including the statutory filings and disclosures, are sent to BSE Limited. The filings required to be made under the same for each quarter are also filed on BSE Listing Centre.
- (iv) No presentations were made to the institutional investors or to analysts during the year under review.
- (v) The company has designated email ID for its shareholders viz. [saraswati.investor@gcvl.in](mailto:saraswati.investor@gcvl.in) and the same is displayed on the Company's website.
- (vi) Further, the annual reports containing audited standalone and consolidated financial statements of the Company together with Directors' Report, Auditors' Report and other important information are circulated to the members and others entitled thereto. However, this year in view of the outbreak of COVID-19 pandemic and owing to the difficulties involved in dispatching of physical copies of Annual Report, the Ministry of Corporate Affairs ("MCA") has vide its circular no 20/2020 dated May 05, 2020 directed the Companies to send the Annual Report only by e-mail to all the Members of the Company. Therefore, the Annual Report for FY 2019-20 and Notice of Thirty-Seventh (37<sup>th</sup>)AGM of the Company is being sent to the Members at their registered e-mail addresses in accordance with said circular.

**(vii) Redressal of Investor Grievances through SEBI Complaints Redressal System (SCORES)**

SCORES (SEBI Complaints and Redressal System) is a centralized web based grievance redressal system launched by SEBI (<http://scores.gov.in>) . SCORES provide a platform for aggrieved investors, whose grievances, pertaining to securities market, remain unresolved by the concerned Listed Company or registered intermediary after a direct approach. This enables the market intermediaries and Listed Companies to check the complaints online from investors, redress such complaints and report redressal online. All the activities starting from lodging of a complaint till its closure by SEBI would be handled in an automated environment and the complainant can view the status of his complaint online. An investor, who is not familiar with SCORES or does not have access to SCORES, can lodge complaints in physical form at any of the offices of SEBI. Such complaints would be scanned and also uploaded in SCORES for processing.



## (I) General Shareholders' Information:

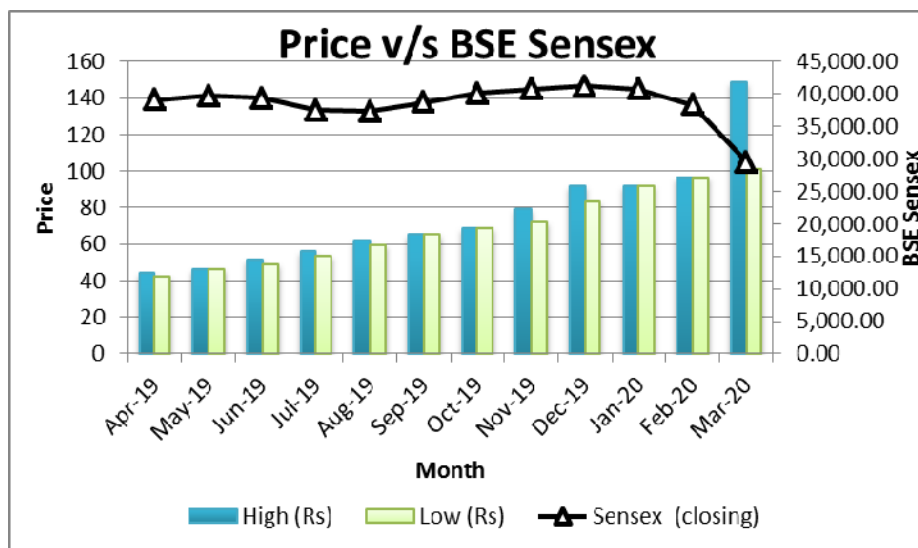
(i)	CIN	L51909MH1983PLC166605
(ii)	Date, time and venue of Annual General Meeting of Shareholders	<p><b>16<sup>th</sup> December, 2020</b> 02.30 P.M.</p> <p>The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.</p>
(iii)	Financial Year / Financial Calendar	<p>The financial year of the Company starts from April 1st and ends on March 31st of the succeeding year.</p> <p><b>Tentative calendar of Board meetings for the Financial year 2020-2021</b> 30<sup>th</sup> June, 2020 (Quarter 1 Financial Results) – Board meeting held on 9th September, 2020 30th September, 2020 (Quarter 2 Financial Results) – Board meeting held on 11th November, 2020 31st December, 2020 (Quarter 3 Financial Results) - By 14th February, 2021 31<sup>st</sup> March, 2021 (Quarter 4 Financial Results) - By 30<sup>th</sup> May, 2021</p> <p>Annual General Meeting for year ended 31<sup>st</sup> March, 2021 – By 30<sup>th</sup> September, 2021.</p> <p>Due to the COVID-19 outbreak the above dates are subject to changes pursuant to exemptions provided by SEBI, if any.</p>
(iv)	Dates of book closures	9th December, 2020 to 16th December, 2020 (both days inclusive)
(v)	Registered Office	<p>209-210, Arcadia Building, 2<sup>nd</sup> Floor, Plot No.195, Nariman Point, Mumbai – 400021</p> <p>Tel. No.: 022 –4019 8600</p> <p>Fax No.: 022 – 40198650</p>
(vi)	Listing on stock exchanges	<p>The Equity Shares of the Company are listed on:</p> <ul style="list-style-type: none"> <li>- BSE Limited</li> <li>- Annual Listing Fees as prescribed has been paid to the said Stock Exchange for the year 2020 – 2021.</li> </ul>
(vii)	Stock Exchange Code	512020 (BSE Limited)



**(viii) Stock Market price data**

Monthly high and low at the Bombay Stock Exchange Limited for financial year ended 31<sup>st</sup> March, 2020:

Month	High Rs.	Low Rs.	BSE Sensex (Closing)
April 2019	44.30	42.20	39,031.55
May 2019	46.50	46.50	39,714.20
June 2019	51.20	48.80	39,394.64
July 2019	56.40	53.75	37,481.12
August 2019	62.15	59.20	37,332.79
September 2019	65.25	65.25	38,667.33
October 2019	68.50	68.50	40,129.05
November 2019	79.20	71.90	40,793.81
December 2019	91.65	83.15	41,253.74
January 2020	91.65	91.65	40,723.49
February 2020	96.20	96.20	38,297.29
March 2020	149.00	101.00	29,468.49

**(ix) Performance in comparison to BSE Sensex:****(x) Registrar and Share Transfer Agents:**

**TSR Darashaw Consultants Private Limited**  
(formerly known as TSR Darashaw Limited)

6-10, Haji Moosa Patrawala Ind. Estate,

20, Dr. E. Moses Road,

Nr. Famous Studio, Mahalaxmi

Mumbai – 400001

**(xi) Share Transfer System:**

Transfers in physical forms are generally registered by Registrar and Share Transfer Agents (RTA), M/s. TSR Darashaw Consultants Private Limited within a period of 30 days of receipt of documents complete in all respect. Invalid share transfers are returned within a period of 15 days from the date of receipt. The Stakeholder Relationship Committee of the Company meets as often as required.

SEBI has recently amended relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to disallow Listed Companies from accepting request for transfer of securities which are held in physical form, with effect from 1<sup>st</sup> April, 2019. The shareholders who continue to hold shares and other types of securities of Listed Companies in physical form even after this date, will not be able to lodge the shares with Company / its RTA for further transfer. They will need to convert them to demat form compulsorily if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form, will be accepted by the Listed Companies / their RTAs.

**(xii) Distribution of Shareholding as on 31<sup>st</sup> March, 2020:**

No. of Equity Shares held	Shareholders		Shares	
	Number	% to total Shareholders	Number	% to total Capital
1 - 5000	902	97.20	48300	4.83
5001 - 10,000	9	0.97	67884	6.78
10,001 - 20,000	7	0.75	111533	11.14
20,001 - 30,000	1	0.11	22000	2.20
30,001 - 40,000	1	0.11	31000	3.10
40,001 - 50,000	1	0.11	42141	4.21
50,001 – 1,00,000	5	0.54	294699	29.44
1,00,001 & above	2	0.21	383371	38.30
	<b>928</b>	<b>100.00</b>	<b>1,000,928</b>	<b>100.00</b>

**(xiii) Categories of Shareholding as on 31<sup>st</sup> March, 2020:**

Category	Shareholders		Shares	
	Number	% to total Sharehold	Number	% to total Capital
<b>PROMOTERS HOLDING</b>				
Indian Promoters	12	1.29	715950	71.53
Foreign Promoters	1	0.11	22000	2.20
<b>Total of promoter holding</b>	<b>13</b>	<b>1.40</b>	<b>737950</b>	<b>73.73</b>
<b>NON- PROMOTER HOLDING</b>				
Institutional Investors	0	0.00	0	0.00
FII's	0	0.00	0	0.00

Others	0	0.00	0	0.00
Corporate Bodies	17	1.83	159560	15.94
Indian Public	863	93.00	101354	10.13
NRIs / OCBs	6	0.65	321	0.03
Clearing Member	4	0.43	329	0.03
HUF	25	2.69	1414	0.14
Total of non-promoter holding	<b>915</b>	<b>98.60</b>	<b>262978</b>	<b>26.27</b>
<b>Grand Total</b>	<b>928</b>	<b>100.00</b>	<b>1000928</b>	<b>100.00</b>

**(xiv) Dematerialisation of shares and liquidity**

ISIN for Dematerialization is INE967G01019

Name of Depository	Position as on 31 <sup>st</sup> March, 2020 (No. of shares)	% of Total Issued Capital
NSDL	772355	77.17%
CDSL	162573	16.24%
Physical	66000	6.59%
Total No. of shares	1000928	100%

**Reconciliation of Share Capital Audit Report**

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the stock exchange where the Company's shares are listed. The audit confirms that the total listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

M/s. Nishant Jawa & Associates, Company Secretary in Practice carried out Share Capital Audit to reconcile the total admitted equity share capital with the NSDL and CDSL and total issued and listed equity share capital.

**(xv) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity.**

There are no GDR/ADR/Warrant or any Convertible Instruments pending conversion or any other instrument likely to impact the equity share capital of the Company.

**(xvi) Commodity price risk or foreign exchange risk and hedging activities**

The Company does not deal with any commodity and hence not exposed to any commodity price risk. As on March 31, 2020, the Company does not have any foreign exchange receivable and foreign exchange payable.

**(xvii) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:**

The Company is not required to obtain any credit ratings.

**(xvii) Disclosures with respect to demat suspense account/ unclaimed suspense account:**

Sr. no.	Particulars	Details
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 listed entity for transfer of shares from suspense account during the year;	NIL
c	number of shareholders to whom 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

**(xix) Plant location:**

The Company does not have any plant.

**(xx) Address for Correspondence:**

**TSR Darashaw Consultants Private Limited  
(previously known as TSR Darashaw Limited)**

6-10, Haji MoosaPatrawala Industrial Estate,  
20 Dr. E Moses Road, Mahalaxmi

Mumbai- 400011

Tel. No.: 022-66178581/ 66178408

Fax No.: 022- 6656 8494

Email: [csg-unit@tsrdarshaw.com](mailto:csg-unit@tsrdarshaw.com)

**Ms. Avani Sanghavi  
Company Secretary &  
Compliance Officer**

209-210 Arcadia Building, 2nd  
Floor, 195 Nariman Point,

Mumbai-400021,

Phone: (022) 4019 8600

Email: [saraswati.investor@gcvi.in](mailto:saraswati.investor@gcvi.in)

## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
**Saraswati Commercial (India) Limited**

1. We have examined the compliance of conditions of Corporate Governance by **Saraswati Commercial (India) Limited** ("the Company"), for the year ended on March 31, 2020, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the year ended March 31, 2020.
4. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place: Mumbai**  
**Date: 7<sup>th</sup> November, 2020**  
**UDIN: F006557B001181456**

**For Nishant Jawasa & Associates**  
**Company Secretaries**

**Nishant Jawasa**  
**Proprietor**  
**FCS-6557**  
**C.P. No. 6993**

## CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

To,  
The Members,  
**Saraswati Commercial (India) Limited**

We have examined the registers, records, books and papers of **Saraswati Commercial (India) Limited** (the Company) having CIN: L51909MH1983PLC166605 as particularly required to be maintained under the Companies Act, 2013, (the Act) and the rules made thereunder. In our opinion, and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we hereby certify that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of the company by the Board/Ministry of Corporate Affairs or any such statutory authority.

**Place: Mumbai**  
**Date: 7<sup>th</sup> November, 2020**  
**UDIN: F006557B001181445**

**For Nishant Jawasa & Associates**  
**Company Secretaries**

**Nishant Jawasa**  
**Proprietor**  
**FCS-6557**  
**C.P. No. 6993**

**DECLARATION REGARDING COMPANY'S CODE OF CONDUCT**

**To**  
**The Board of Directors**  
**Saraswati Commercial (India) Limited**

I confirm that the Company has received from the members of the Board and Senior Management team of the Company, declarations of compliance with the Code of Conduct as applicable to them during the financial year ended 31st March, 2020.

**Place: Mumbai**  
**Date: 22<sup>nd</sup> July, 2020**

**Rajiv Pathak**  
**Chief Executive Officer**

**CONFIRMATION CERTIFICATE**

**To**  
**The Members**  
**Saraswati Commercial (India) Limited**

I confirm that the Company has received from all the Directors, a declaration of compliance in accordance with the provisions of Section 165 of the Companies Act, 2013 and Regulation 17 (A) & 26 (1) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended 31<sup>st</sup> March, 2020.

**Place: Mumbai**  
**Date: 22<sup>nd</sup> July, 2020**

**Rajiv Pathak**  
**Chief Executive Officer**

**COMPLIANCE CERTIFICATE**

To,  
The Board of Directors  
**Saraswati Commercial (India) Limited**

I, Rajiv Pathak, Chief Executive Officer and I, Vaishali Dhuri, Chief Financial Officer of Saraswati Commercial (India) Limited hereby certify that

(a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2020 and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

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

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee

(i) that there are no significant changes in internal control over financial reporting during the year;

(ii) that there are no significant changes in accounting policies during the year; and

(iii) that there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Place: Mumbai**  
**Date: 22<sup>nd</sup> July, 2020**

**Rajiv Pathak**  
**Chief Executive Officer**

**Vaishali Dhuri**  
**Chief Financial Officer**

**INDEPENDENT AUDITORS' REPORT**

To

The Members of

**Saraswati Commercial (India) Limited**

**Report on the audit of the Standalone Ind AS financial statements**

**Opinion**

We have audited the accompanying standalone Ind AS financial statements of **Saraswati Commercial (India) Limited** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the standalone Ind AS 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, the aforesaid standalone Ind AS financial statements give the information required by the **Companies Act, 2013, as amended** ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2020 and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for year ended then ended on that date.

**Basis for opinion**

We conducted our audit of the standalone Ind AS financial statements in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report. We are independent of the Company in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone Ind AS financial statements.

**Emphasis of Matters**

We further draw your attention to Note 46 of Standalone Ind AS Financial Statements, as regards the management's assessment of the financial impact due to restrictions and conditions related to Covid-19 pandemic situation.

Our report is not modified in respect of this matter.



**Key Audit matters**

Key Audit Matters are those matters that, in our professional judgments, 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 informing 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.

<b>Key Audit Matters</b>	<b>How our audit addressed the key audit matter</b>
<b>(a) Adoption of new accounting framework (Ind AS)</b>	
<p>Refer Note No. 2.2. and 36 to the standalone Ind AS financial statements</p> <p>The Company adopted the Ind AS, with the effect from 1<sup>st</sup> April, 2019, notified by the Ministry of Corporate Affairs with the transition date of 1<sup>st</sup> April, 2018.</p> <p>The following are the major impact areas for the Company upon transition:</p> <ul style="list-style-type: none"> <li>• Classification and measurement of financial assets</li> <li>• Additional disclosures as per the requirements of the new financial reporting framework.</li> </ul> <p>Transition to the new financial reporting framework is an intricate process involving multiple decision points for management i.e. Ind AS 101. First Time Adoption prescribes choices and exemptions for first time application of Ind AS principles at the transition date.</p> <p>We identified the transition date accounting as a key audit matter because of the significant degree of management judgement in the first-time application of Ind AS principles as at the transition date particularly in the areas noted above and the additional disclosures associated with transition to Ind AS.</p>	<p>We have assessed the design, implementation and operating effectiveness of key internal controls over management's evaluation of exceptions and exemptions availed in line with the principles under Ind AS 101.</p> <p>We evaluated management's exception and exemptions for compliance / acceptability under Ind AS 101. We understood the methodology implemented by management to give impact on the transition.</p> <p>We assessed areas of significant estimates and management judgement in line with principles under Ind AS.</p> <p>We compared the reasonableness of management assumptions in respect of recognition and measurement of financial instruments etc.</p> <p>We performed the audit procedures on transition adjustments and subsequent measurements and found management's assessment to be reasonable and the disclosures are appropriate</p>
<b>(b) Fair Valuation of investments</b>	
<p>The Company's investments (other than investment in Associate and Subsidiaries) are measured at fair value at each reporting date and these fair value measurements significantly impact the Company's results.</p>	<p>We have assessed the Company's process to compute the fair value of various investments. For quoted instruments we have independently obtained market quotations and calculated the fair valuations. For the unquoted instruments,</p>

	we have obtained an understanding of the valuation methods used by management and analysed the reasonableness of the principal assumptions made for estimating the fair values and various other data used while arriving at the fair value measurement.
<b>(c) Impairment of financial assets (expected credit losses) (ECL)</b>	
<p>Ind AS 109 requires the Company to provide for impairment of its financial assets.</p> <p>ECL is a probability weighted estimate of credit losses. It is measured as the present value of cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with contract and the cash flows that the Company expects to receive).</p> <p>The Company applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired :</p> <ul style="list-style-type: none"> <li>(a) Historical trend of collection from counterparty;</li> <li>(b) Company's contractual rights with respect to recovery of dues from counterparty;</li> <li>(c) Credit rating of counterparty and any relevant information available in public domain;</li> </ul> <p>After applying above criteria, Management has decided to make minimum ECL provision as the provisioning rates as per RBI prudential norms unless higher provisioning is required as per above criteria.</p>	<p>We have assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued on 13<sup>th</sup> March 2020.</p> <p>We have obtained an understanding of the ECL model used by management and analysed the reasonableness of the principal assumptions made for ECL Calculation.</p>

#### Information other than the Standalone Ind AS financial statements and auditors' report thereon

The Company's boards of directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance Report in Annual Report of The Company for the Financial Year 2019-20, but does not include the Standalone Ind AS financial statements and our auditor's report thereon.

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

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

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

### **Management's responsibility for the Standalone Ind AS financial statements**

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these Ind AS 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 Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules 2015, as amended. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The boards of directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the Standalone Ind AS financial statements**

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements 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

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"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The balance sheet, the statement of profit and loss (including other comprehensive income), 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) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g) In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to any director of the Company. However sitting fees paid to Independent directors are within the limit prescribed under section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- a. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 30 to the Standalone Ind AS financial statements;
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- c. There were no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Ajay Shobha & Co.**  
**Firm Registration No. 317031E**  
**Chartered Accountants**

**Ajay Gupta**  
**Partner**  
**Membership No. 053071**  
**Place: Mumbai**

**Dated: 22<sup>nd</sup> July, 2020**

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

The Annexure A referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March 2020, we report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.  
(b) As per the information and explanations given to us physical verification of fixed assets has been carried out once during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable, having regard to the size of the company and nature of its business.  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
2. Stock in trade (shares held for trading) consists of equity shares and mutual fund units held in dematerialized form, Physical form – i.e Mutual Fund Statement/Share certificates. The Company verifies the balances in Depository Participant Account, Mutual Fund statements and physical certificates with Books at regular interval. In our opinion the frequency of verification is reasonable. On the basis of our examination of inventory records, in our opinion the company is maintaining proper records of inventory and there is no material discrepancies noticed.
3. The Company has granted unsecured loans to companies covered in the Register maintained under section 189 of the Act.
  - a. According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that, the terms and conditions of the aforesaid loans granted by the Company were not prejudicial to the interest of the Company.
  - b. In respect of the aforesaid loans, the receipts of principal and interest were regular.
  - c. In respect of the aforesaid loans, no overdue amount of loans granted to companies listed in the register maintained under Sec on 189 of the Act.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security as applicable.
5. In our opinion and according to the information and explanations given to us the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
7. According to the information and explanations given to us and the books and records examined by us, in respect of statutory dues:
- According to the information and explanations given to us and the records examined by us, the company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods and service tax, duty of customs, duty excise, cess and other statutory dues wherever applicable.
  - According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, goods and service tax, custom duty, excise duty, cess were in arrears as at 31<sup>st</sup> March 2020 for a period of more than six months from the date they became payable.
  - According to the information and explanations given to us, the following dues have not been deposited by the company on account of dispute:

**Aroni Commercials Limited- Transferor Company**

Sr. No.	Name of the statute	Nature of the due	Amount (Rs in Lakhs)	Period to which the amount relates	Forum where the dispute is pending	Amount paid under protest/ refund adjusted (Rs. in Lakhs)
1.	Madhya Pradesh Sales Tax Act	Sale Tax liabilities due to rejection of "C" form and Pending "C" form	20.23	AY 1996-97	The Deputy Commissioner has redirected case to Assessing Officers for Reassessment.	NIL
2.	Income Tax Act, 1961	Demand raised u/s 143(3) of Income Tax Act, 1961	0.72	AY 2010-11	CIT(A) Order giving effect is pending	NIL



**Saraswati Commercials (India) Limited- Transferee Company**

Sr. No.	Name of the statue	Nature of the due	Amount (Rs in Lakhs)	Period to which the amount relates	Forum where the dispute is pending	Amount paid under protest/ refund adjusted (Rs. in Lakhs)
1.	Income Tax Act, 1961	Demand raised u/s 143(3) of Income Tax Act, 1961	9.05	AY 2016-17	Rectification of order is pending.	44.50

- 8 In our Opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to financial institutions. Further, the Company has not taken any loan from banks or Governments or has not issued any debentures.
- 9 Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provision of clause (ix) of paragraph 3 of the Order is not applicable to the Company and hence not commented upon.
- 10 Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11 As per information and explanations given by the management, Company has complied the provisions of section 197 of Companies Act, 2013.
- 12 In our opinion, the Company is not a Nidhi Company. Therefore, the provision of clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- 13 In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable Indian accounting standards.
- 14 Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provision of clause (xiv) of paragraph 3 of the Order is not applicable to the Company and hence not commented upon.
- 15 Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors

or persons connected with him. Accordingly, the provision of clause (xv) of paragraph 3 of the Order is not applicable to the Company and hence not commented upon.

- 16 The company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and has obtained registration vide. Registration no. – 13.01860 dated 27<sup>th</sup> April, 2007.

**For Ajay Shobha & Co.**

**Firm Registration No: 317031E**

**Chartered Accountants**

**Ajay Gupta**

**Partner**

**Membership No. 053071**

**Place: Mumbai**

**Dated: 22<sup>nd</sup> July, 2020**

**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS STANDALONE FINANCIAL STATEMENTS OF SARASWATI COMMERCIAL (INDIA) LIMITED**

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 **Saraswati Commercial (India) Limited** ("the Company") as of 31<sup>st</sup> March, 2020 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

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

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

#### **Opinion**

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

**For Ajay Shobha & Co.**

**Firm Registration No: 317031E**

**Chartered Accountants**

**Ajay Gupta**

**Partner**

**Membership No. 053071**

**Place: Mumbai**

**Dated: 22<sup>nd</sup> July, 2020**

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars		Note No.	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>A</b>	<b>ASSETS</b>				
<b>1</b>	<b>Financial Assets</b>				
	(a) Cash and cash equivalents	3	748.32	13.22	27.31
	(b) Bank Balance other than (a) above	4	3.76	3.76	3.76
	(c) Receivables	5			
	(i) Trade Receivables		11.68	0.12	0.17
	(d) Loans	6	10.44	414.42	2,658.29
	(e) Investments	7	13,493.05	23,481.00	23,922.96
	(f) Stock in Trade (Securities held for Trading)	8	1,388.18	774.42	650.12
	(g) Other Financial assets	9	0.25	0.03	81.28
	<b>Total Financial Assets</b>		<b>15,655.68</b>	<b>24,686.97</b>	<b>27,343.89</b>
<b>2</b>	<b>Non -Financial Assets</b>				
	(a) Current tax assets (Net)	10	287.24	251.59	199.06
	(b) Deferred tax Assets (Net)	17	533.40	-	-
	(c) Property, Plant and Equipment	11	4.07	5.46	7.58
	(d) Other non-financial assets	12	104.59	106.42	101.85
	<b>Total Non- Financial Assets</b>		<b>929.30</b>	<b>363.47</b>	<b>308.49</b>
	<b>TOTAL ASSETS</b>		<b>16,584.98</b>	<b>25,050.44</b>	<b>27,652.38</b>
<b>B</b>	<b>LIABILITIES AND EQUITY</b>				
<b>I</b>	<b>LIABILITIES</b>				
<b>1</b>	<b>Financial Liabilities</b>				
	(a) Payables	13			
	(i) Trade Payables				
	total outstanding dues of micro enterprises and small enterprises		0.61	0.54	0.16
	total outstanding dues of creditors other than micro enterprises and small enterprises		1.04	1.83	6.30
	(b) Borrowings (Other than Debt Securities)	14	1,004.03	49.57	3,184.79
	(c) Other financial liabilities	15	2.07	27.04	16.47
	<b>Total Financial Liabilities</b>		<b>1,007.75</b>	<b>78.98</b>	<b>3,207.72</b>
<b>2</b>	<b>Non-Financial Liabilities</b>				
	(a) Provisions	16	15.32	13.82	14.42
	(b) Deferred tax liabilities (Net)	17	-	679.49	541.16
	(c) Other non-financial liabilities	18	3.24	2.78	2.99
	<b>Total Non-Financial Liabilities</b>		<b>18.56</b>	<b>696.09</b>	<b>558.57</b>
<b>II</b>	<b>EQUITY</b>				
	(a) Equity Share capital	19	100.09	100.09	100.09
	(b) Other Equity	20	15,458.58	24,175.27	23,786.00
	<b>Total Equity</b>		<b>15,558.67</b>	<b>24,275.37</b>	<b>23,886.09</b>
	<b>TOTAL LIABILITIES AND EQUITY</b>		<b>16,584.98</b>	<b>25,050.44</b>	<b>27,652.38</b>
Significant Accounting Policies		1-2			
The accompanying notes are an integral part of the Standalone Financial Statements		3-48			

As per our Report of even date

For M/s Ajay Shobha & Co.  
Chartered Accountants  
Firm Reg. No: 317031E

Ajay Gupta  
Partner  
Membership No. 053071

Place : Mumbai  
Date : 22nd July, 2020

For and on behalf of the Board of Directors

Ritesh Zaveri  
Director  
DIN:00054741

Sandeep Kejariwal  
Director  
DIN:00053755

Rajiv Pathak  
Chief Executive Officer

Vaishali Rajesh Dhuri  
Chief Financial Officer

Avani Sanghavi  
Company Secretary  
Mem. No : A29108

Place : Mumbai  
Date : 22nd July, 2020

## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars		Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>I</b>	<b>Revenue from operations</b>			
	(a) Interest Income	21	7.78	195.55
	(b) Dividend Income	22	105.26	557.98
	(c) Other operating income	23	11.65	17.62
	<b>Total Revenue from operations</b>		<b>124.69</b>	<b>771.15</b>
<b>II</b>	Other Income	24	11.78	7.21
<b>III</b>	<b>Total Income (I + II)</b>		<b>136.47</b>	<b>778.36</b>
<b>IV</b>	<b>Expenses</b>			
	(a) Finance Costs	25	28.65	15.15
	(b) Net loss on fair value changes (Net)	26	1,258.57	520.65
	(c) Impairment on financial instruments		-	1.18
	(d) Employee Benefits Expenses	27	115.14	138.26
	(e) Depreciation and amortization expenses	11	1.26	2.12
	(f) Others expenses	28	37.64	26.33
	<b>Total Expenses</b>		<b>1,441.26</b>	<b>703.69</b>
<b>V</b>	<b>Profit/ (Loss) before tax (III - IV)</b>		<b>(1,304.79)</b>	<b>74.67</b>
<b>VI</b>	<b>Tax Expense</b>	29		
	(a) Current Tax		-	-
	(b) Deferred Tax	17	(343.20)	62.09
	(c) Tax adjustment of earlier years (net)		(0.71)	(24.00)
	<b>Total tax expense</b>		<b>(343.91)</b>	<b>38.09</b>
<b>VII</b>	<b>Profit/ (Loss) after tax ( V - VI)</b>		<b>(960.87)</b>	<b>36.58</b>
<b>VIII</b>	<b>Other Comprehensive Income</b>			
	<b>(i) Items that will not be reclassified to profit or loss in subsequent periods</b>			
	(a) Fair value gain on financial instruments (net)			
	Realised gain on equity shares		487.62	709.49
	Unrealised loss on equity shares		(9,113.12)	(236.24)
	(b) Tax impact on above	17	869.69	(120.56)
	<b>(ii) Items that will be reclassified to profit or loss in subsequent periods</b>			
	<b>Other Comprehensive Income/ (loss) (net of tax)</b>		<b>(7,755.82)</b>	<b>352.69</b>
	<b>Total comprehensive income/ (loss) for the year ( VII + VIII)</b>		<b>(8,716.69)</b>	<b>389.27</b>
<b>IX</b>	<b>Earning per share (Nominal value per equity share Rs 10/-)</b>	31 (a)		
	Basic earning per share		(96.00)	3.65
	Diluted earning per share		(96.00)	3.65
<b>Significant Accounting Policies</b>		1-2		
<b>The accompanying notes are an integral part of the Standalone Financial Statements</b>		3-48		

As per our Report of even date

For M/s Ajay Shobha & Co.  
Chartered AccountantsAjay Gupta  
Partner  
Membership No. 053071  
Place : Mumbai  
Date : 22nd July, 2020

For and on behalf of the Board of Directors

Ritesh Zaveri  
Director  
DIN:00054741Sandeep Kejriwal  
Director  
DIN:00053755Rajiv Pathak  
Chief Executive OfficerVaishali Rajesh Dhuri  
Chief Financial OfficerAvani Sanghavi  
Company Secretary  
Mem. No : A29108  
Place : Mumbai  
Date : 22nd July, 2020

## STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	For the year ended		For the year ended	
	31st March, 2020	31st March, 2020	31st March, 2019	31st March, 2019
<b>A. Cash flow from operating activities</b>				
<b>Net Profit before tax</b>		<b>(1,304.79)</b>		<b>74.67</b>
<i>Adjustments for:</i>				
Depreciation	1.26		2.12	
Provision for Leave Salary	1.49		(0.60)	
Impairment allowances on Standard Assets	(1.60)		(9.31)	
Realised gain on financial instruments valued through profit and loss (FVTPL)	(71.13)		(83.84)	
Unrealised gain on financial instruments valued through profit and loss (FVTPL)	(31.79)		-	
Finance cost	28.65		15.15	
Dividend income	(105.26)		(557.98)	
Gain on derecognition of property, plant and equipment	(0.12)		-	
Decrease in value of venture fund	-		1.18	
Interest on income tax refund	(11.66)		(7.21)	
Provisional expenses on Urban Investment	3.47		-	
Income on financial guarantees	-		(7.08)	
<b>Operating profit / (loss) before working capital changes</b>		<b>(186.70)</b>		<b>(647.57)</b>
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in assets:</i>				
Stock in Trade (Securities held for Trading)	(613.76)		(124.31)	
Receivables	(11.56)		0.05	
Loans	405.58		2,253.18	
Other Financial Assets	(0.22)		81.25	
Other Non Financial Assets	1.83		(4.57)	
<i>Adjustments for increase / (decrease) in liabilities:</i>				
Payables	(0.72)		(4.07)	
Borrowings (Interest accrued on borrowings)	2.46		(2.22)	
Other financial liabilities	(24.97)		10.57	
Other non financial liabilities	0.46	(240.90)	(0.21)	2,209.68
<b>Cash generated from operations</b>		<b>(1,732.38)</b>		<b>1,636.79</b>
Net income tax paid		(23.28)		(65.65)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>(1,755.66)</b>		<b>1,571.14</b>
<b>B. Cash flow from investing activities</b>				
Sale proceeds from Derecognition of Property, Plant and Equipment	0.25		-	
Purchase of investments in subsidiary	-		(0.16)	
Purchase of investments in other than group companies (Refer note 2)	(17,156.61)		(14,611.03)	
Sale of investments (net of Tax) (Refer note 2)	18,619.91		15,615.94	
Dividend received from others	103.86		557.98	
called up money on 10% Redeemable preference share of subsidiary	-		(0.06)	
Redemption of 10% Redeemable preference share of subsidiary	-		0.25	
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>1,567.41</b>		<b>1,562.91</b>
<b>C. Cash flow from financing activities</b>				
Borrowings (Other than Debt Securities)				
Proceeds	2,781.50		2,522.79	
Repayment	(1,829.50)		(5,655.79)	
Finance cost	(28.65)		(15.15)	
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>923.35</b>		<b>(3,148.15)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>735.10</b>		<b>(14.10)</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>735.10</b>		<b>(14.10)</b>
<b>Cash and cash equivalents at the end of the year *</b>				
<b>* Comprises:</b>				
(a) Cash on hand		0.78		0.73
(b) Balances with banks				
(i) In current accounts		747.54		12.49
<b>Total</b>		<b>748.32</b>		<b>13.22</b>
<b>Significant Accounting Policies</b>	<b>1-2</b>			
The accompanying notes are an integral part of the Standalone Financial Statements	<b>3-48</b>			

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2020 (Continued..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note :

## 1. Changes in liability arising from financing activities:

Particulars	1st April, 2018	Cash Flow	Accrued interest movement	31st March, 2019
Borrowings (Other than debt securities) (Refer note no.14)	3,184.79	(3,133.00)	(2.22)	49.57

Particulars	1st April, 2019	Cash Flow	Accrued interest movement	31st March, 2020
Borrowings (Other than debt securities) (Refer note no.14)	49.57	952.00	2.46	1,004.03

2. Purchase and sale of investments has been classified into operating and investing activity based on the intention of the Management at the time of purchase of securities, if any.

3. The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows.'

As per our Report of even date

For M/s Ajay Shobha & Co.  
Chartered Accountants  
Firm Reg. No: 317031E

For and on behalf of the Board of Directors

Ajay Gupta  
Partner  
Membership No. 053071  
Place : Mumbai  
Date : 22nd July, 2020

Ritesh Zaveri  
Director  
DIN:00054741

Sandeep Kejariwal  
Director  
DIN:00053755

Rajiv Pathak  
Chief Executive Officer

Vaishali Rajesh Dhuri  
Chief Financial Officer

Avani Sanghavi  
Company Secretary  
Mem. No : A29108  
Place : Mumbai  
Date : 22nd July, 2020



## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

## A Equity share capital

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	Balance as at 1st April, 2018	Changes in equity share capital during the year	Balance as at 31st March, 2019	Changes in equity share capital during the year	Balance as at 31st March, 2020
Equity share capital	19	100.09	-	100.09	-	100.09
		100.09	-	100.09	-	100.09

## B Other Equity

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	Reserves and Surplus					Other comprehensive income on equity securities	Total
		Statutory reserve	Capital reserve	General reserve	Capital Redemption Reserve	Retained earnings		
<b>Balance as at 1st April, 2018</b>	20	1,042.65	303.42	1,890.26	2.97	9,580.58	10,966.13	23,786.00
Profit after tax		-	-	-	-	36.58	-	36.58
Other comprehensive income (net of tax)		-	-	-	-	-	352.69	352.69
Transfer to reserve fund in terms of section 45-IC of the Reserve Bank of India Act, 1934.		133.33	-	-	-	(133.33)	-	-
Net Realised gain on equity shares transferred from other comprehensive income to retain earnings		-	-	-	-	665.17	(665.17)	-
<b>Balance as at 31st March, 2019</b>		1,175.98	303.42	1,890.26	2.97	10,149.01	10,653.65	24,175.27
<b>Balance as at 1st April, 2019</b>	20	1,175.98	303.42	1,890.26	2.97	10,149.01	10,653.65	24,175.27
Profit after tax (net of tax)		-	-	-	-	(960.87)	-	(960.87)
Other comprehensive income (net of tax)		-	-	-	-	-	(7,755.82)	(7,755.82)
Transfer to reserve fund in terms of section 45-IC of the Reserve Bank of India Act, 1934		-	-	-	-	-	-	-
Net Realised gain on equity shares transferred from other comprehensive income to retain earnings		-	-	-	-	513.49	(513.49)	-
<b>Balance as at 31st March, 2020</b>		1,175.98	303.42	1,890.26	2.97	9,701.63	2,384.34	15,458.58
<b>Significant Accounting Policies</b>	1 - 2							
The accompanying notes are an integral part of the Standalone Financial Statements	3-48							

As per our Report of even date

For and on behalf of the Board of Directors

For M/s Ajay Shobha & Co.  
Chartered Accountants  
Firm Reg. No: 317031E

Ritesh Zaveri  
Director  
DIN:00054741

Sandeep Kejariwal  
Director  
DIN:00053755

Ajay Gupta  
Partner  
Membership No. 053071

Rajiv Pathak  
Chief Executive Officer

Vaishali Rajesh Dhuri  
Chief Financial Officer

Place : Mumbai  
Date : 22nd July, 2020

Avani Sanghavi  
Company Secretary  
Mem. No : A29108  
Place : Mumbai  
Date : 22nd July, 2020

NOTES FROMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

## 1. CORPORATE INFORMATION:

Saraswati Commercial (India) Limited referred to as (“The Company”) is a non-banking financial company (NBFC) registered with the Reserve Bank of India under the category of Investment Company and has its registered office in Mumbai, Maharashtra, India.

The Company is engaged in the business of investment and trading in shares and securities and lending activities. The shares of company are listed on the BSE (The Bombay Stock Exchange). The Company follows the Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016.

The Standalone Financial Statements for the year ended 31st March, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 22<sup>nd</sup> July, 2020.

## 2. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

### SIGNIFICANT ACCOUNTING POLICIES:

#### 2.1 STATEMENT OF COMPLIANCE

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2020, the Statement of Profit and Loss for the year ended 31 March 2020, the Statement of Cash Flows for the year ended 31 March 2020 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as ‘Standalone Financial Statements’ or ‘financial statements’).

#### 2.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (‘the Act’) read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, other relevant provisions of the Act on an accrual basis. The financial statements have been prepared on a going concern basis.

The financial statements for the year ended 31<sup>st</sup> March, 2020 are the first financial statements of the Company prepared under Ind AS. The Company followed the provisions of Ind-AS 101 in preparing its opening Ind AS Balance Sheet as of the date of transition i.e 1<sup>st</sup> April, 2018. Some of the Company’s Ind-AS accounting policies used in the opening Balance Sheet differed from its policies applied under Indian GAAP as at 31<sup>st</sup> March, 2018 and accordingly the

NOTES FROMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

adjustments were made to restate the opening balances as per Ind-AS. The resulting adjustment arose from events and transactions before the date of transition to Ind-AS were recognized directly through retained earnings as at 1<sup>st</sup> April, 2018 as required by Ind-AS 101. Refer note 36 of balance sheet for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities that are measured at fair value.

The financial statements are presented in INR, which is also the Company's functional currency and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

### 2.2.1 Presentation of financial statements

The Company presents its Balance Sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date and more than 12 months after the reporting date is presented in Note 32.6 of the financial statement.

The Company generally reports financial assets and financial liabilities on a gross basis in the Financial statement. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

#### Critical accounting estimates and judgments

The preparation of the Company's financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgments are used in various line items in the financial statements for e.g.:

- Business model assessment (Refer Note No 2.5)
- Fair value of financial instruments (Refer Note No 2.5)
- Effective Interest Rate (EIR)
- Impairment on financial assets (Refer Note No 2.5)
- Provisions and other contingent liabilities (Refer Note No 2.13)
- Provision for tax expenses (Refer Note No 2.11)

NOTES FROMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

### 2.3 PROPERTY, PLANT & EQUIPMENT (PPE) :

#### Transition to Ind AS

Under the previous Indian GAAP, property plant and equipment were carried in the balance sheet at cost less accumulated depreciation / amortization and impairment losses, if any. The Company has elected to regard those values of property, plant and equipment as **deemed cost** at the date of transition to Ind AS i.e. April 1, 2018.

#### Recognition and initial measurement

Property, plant and equipment are stated at cost less accumulated depreciation/amortization and impairment losses, if any.

Cost comprises the purchase price and any attributable / allocable cost of bringing the asset to its working condition for its intended use. The cost also includes direct cost and other related incidental expenses. Revenue earned, if any, during trial run of assets is adjusted against cost of the assets. Cost also includes the cost of replacing part of the plant and equipment.

Borrowing costs relating to acquisition / construction / development of tangible assets, if any, which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

#### Subsequent measurement (depreciation and useful lives)

When significant components of property and equipment are required to be replaced at intervals, recognition is made for such replacement of components as individual assets with specific useful life and depreciation, if these components are initially recognized as separate asset. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Depreciation / amortization is recognized on a written-down basis as under:

Assets	Useful life
1. Land	60 years
2. Computers	3 years
3. Vehicles	10 years
4. Telephone	5 years

Assets costing less than Rs. 5,000/- are fully depreciated in the year of purchase.

Depreciation method, useful life and residual value are reviewed periodically.

The carrying amount of PPE is reviewed periodically for impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of assets exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

NOTES FROMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

#### **De-recognition**

PPE are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit and loss in the period of de-recognition.

## **2.4 INVESTMENTS IN ASSOCIATE & SUBSIDIARIES :**

### **Associate:**

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control over those policies.

### **Subsidiaries:**

A subsidiary is an entity over which the Company has a control. Control is achieved when only if the Company:

- Has power over investee
- Is exposed or has right to variable return from its involvement with the investee, and
- Has ability to use its power over investee to affect its return.

Investments in subsidiaries and associates is recognized at cost and are not adjusted to fair value at the end of each reporting period as allowed by Ind AS 27 'Separate financial statement'. Cost of investment represents amount paid for acquisition of the said investment. The same has been classified under Level 3 Investments.

## **2.5 FINANCIAL INSTRUMENTS:**

### **Recognition of Financial Instruments**

Financial instruments comprise of financial assets and financial liabilities. Financial assets and liabilities are recognised when the company becomes the party to the contractual provisions of the instruments.

Financial assets primarily comprise of Trade receivables, loan receivables, investments in securities etc.

Financial liabilities primarily comprise of borrowings, trade payables and other financial liabilities etc.

### **Initial Measurement of Financial Instruments**

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at

NOTES FROMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

Fair value through profit & loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

- a. if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition (i.e. day 1 profit or loss);
- b. in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to the Statement of profit and loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

#### **Subsequent Measurement of Financial Assets**

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Company recognizes all the financial assets, other than measured at fair value or amortised cost, which are realized within 12 months, from reporting date, are recorded at cost & not at fair value or amortised cost but are tested for impairment.

#### **Business model assessment**

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is assessed on an instrument by instrument basis.

- **Classification of Financial Assets**

For the purpose of subsequent measurement, financial assets are classified into four categories:

- Debt instruments at amortised cost
- Debt instruments at FVOCI
- Debt and equity instruments at FVTPL
- Equity instruments designated at FVOCI

- **Debt instruments at amortised cost :**

The Company measures its financial assets at amortised cost if both the following conditions are met:

NOTES FROMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

- The asset is held within a business model of collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Sole Payments of Principal and Interest (SPPI) on the principal amount outstanding.

To make the SPPI assessment, the Company applies judgment and considers relevant factors such as the nature of portfolio and the period for which the interest rate is set.

The business model of the Company for assets subsequently measured at amortised cost category is to hold and collect contractual cash flows. However, considering the economic viability of carrying the delinquent portfolios in the books of the Company, it may sell these portfolios to the other entities.

After initial measurement, such financial assets are subsequently measured at amortised cost on effective interest rate (EIR).

➤ **Debt instruments at FVOCI:**

The Company subsequently classifies its financial assets as FVOCI, only if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVOCI category are measured at each reporting date at fair value with such changes being recognised in other comprehensive income (OCI). The interest income on these assets is recognised in profit or loss.

On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to profit or loss.

➤ **Debt / equity instruments at FVTPL**

The Company classifies financial assets which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the financial statement at fair value. Interest and dividend incomes are recorded in interest income and dividend income, respectively according to the terms of the contract, or when the right to receive the same has been established. Gain and losses on changes in fair value of debt and equity instruments are recognised on net basis through profit or loss.

The Company's investments into mutual funds, bonds, shares held for trading have been classified under this category.

NOTES FROMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

➤ **Equity instruments designated at FVOCI:**

All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value. The Company has strategic investments in equity for which it has elected to present subsequent changes in the fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable.

All fair value changes of the equity instruments, excluding dividends, are recognised in OCI and not available for reclassification to profit or loss, even on sale of investments.

**De-recognition of Financial Assets**

A financial asset is de-recognised only when:

- The Company has transferred the right to receive cash flows from the financial assets; or
- The right to receive cash flows from the asset have expired; or
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes contractual obligations to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

**Write-off**

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a de-recognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

**Reclassifications**

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets. Such reclassification needs to be approved by the Board of Directors of the Company.



NOTES FROMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

#### Impairment of Financial Assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not FVTPL. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk or the assets have become credit impaired from initial recognition in which case, those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

#### Measurement of expected credit loss

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows which the Company expects to receive).

#### Asset Classification and Provisioning

Loan asset classification and requisite provision made under RBI prudential norms are given below:

Particulars	Criteria	Provision
Standard asset	The asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business.	0.40% of the outstanding loan portfolio of standard assets
Sub-standard assets	An asset for which, interest/principal payment has remained overdue for more than 3 months and less than 12 months.	10% of the outstanding loan portfolio of sub-standard assets
Loss assets	An asset for which, interest/principal payment has remained overdue for a period of 12 months or more	100% of the outstanding loan portfolio of loss assets.

The Company continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL (12m ECL) or life time ECL (LTECL), the Company assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. The Company applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired:

- (a) Historical trend of collection from counterparty;
- (b) Company's contractual rights with respect to recovery of dues from counterparty;
- (c) Credit rating of counterparty and any relevant information available in public domain;

NOTES FROMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

After applying above criteria, Management has decided to make minimum ECL provision as the provisioning rates (as given in above table) as per RBI prudential norms unless higher provisioning is required as per above criteria.

#### **Financial liabilities**

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company or a contract that will or may be settled in the its's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the its own equity instruments.

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

#### **Subsequent measurement**

Financial liabilities are subsequently carried at amortized cost using the EIR method. For trade and other payables maturing within operating cycle, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Method (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized.

Company recognizes all the financial liabilities, other than measured at fair value or amortised cost, which are settled within 12 months, from reporting date, are recorded at cost & not at fair value or amortised cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transaction cost. The EIR amortization is included as finance costs in the statement of Profit and Loss.

#### **De-recognition**

A financial liability (or a part of a financial liability) is de-recognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the De-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

#### **Fair value measurement**

The Company measures financial instruments at fair value on initial recognition and uses valuation techniques that are appropriate in the circumstances and for which sufficient data

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are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

**Level 1** - Level 1 hierarchy includes financial instruments measured using quoted prices in an active market. This included listed equity instruments, traded debentures and mutual funds that have quoted price. The fair value of all equity instruments (including debentures) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV as published on Association of Mutual Funds of India (AMFI).

**Level 2** - Level 2 hierarchy includes financial instruments that are not traded in an active market (for example, traded bonds/debentures, over the counter derivatives). The fair value in this hierarchy is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3** - If one or more of the significant Inputs is not based on observable market data, the instrument is included in level 3. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Financial instruments such as unlisted equity shares, loans are included in this hierarchy.

For unlisted group companies and other unlisted companies, for which latest consolidated audited balance sheet are available are classified under level 3. Accordingly, their fair value can be derived from the latest audited balance sheet by applying below formula:

“(Share capital + other equity - prepaid expenses) / no of equity shares = value per share.”

Any reciprocal interest held by the group company reduced from above formula & calculate the value per share

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

#### **Derivative financial instruments**

The Company uses derivative financial instruments for trading purpose. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss under the head “Net loss on fair value changes.”

#### **Offsetting of financial instruments**

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

### **2.6 FINANCIAL GUARANTEE OBLIGATION**

Financial Guarantees are initially measured at their fair values and, are subsequently measured at the higher of the amount of loss allowance determined or the amount initially recognized reduced by the cumulative amount of income recognized.

### **2.7 REVENUE RECOGNITION**

#### **A. Interest Income**

For all financial instruments measured at amortised cost, interest income is recognised using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets.

#### **B. Dividend Income**

Dividend income is recognized when the Company’s right to receive payment is established.

#### **C. Net gain on fair value changes**

Financial assets are subsequently measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI), as applicable. The Company recognizes gains/losses on fair value change of financial assets measured as FVTPL and realised gains/losses on derecognition of financial asset measured at FVTPL and FVOCI.

#### **D. Other revenue from operations**

##### **a. Fees**

A fee on financial guarantee is recognized based on term of engagement, if any.

#### **E. Other Income**

Other incomes are accounted on accrual basis.

### **2.8 EXPENDITURES**

#### **A. Finance costs**

Borrowing costs on financial liabilities are recognised using the EIR.

#### **B. Others**

Other expenses are accounted on accrual basis.

NOTES FROMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

## 2.9 FOREIGN CURRENCY TRANSACTIONS

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement Profit and Loss in the period in which they arise.

## 2.10 CASH AND CASH EQUIVALENTS

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

## 2.11 BORROWING COSTS

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets as defined in Ind AS 23 are capitalized as a part of costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

Interest expenses are calculated using the EIR and all other Borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

## 2.12 INCOME TAXES

### A) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are in force at the reporting date.

Current income tax relating to items recognised outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income or in equity). Current income tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets current tax assets and current tax liabilities where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realize the assets and settle the liability simultaneously.

### B) Deferred tax

Deferred income tax is recognised using the balance sheet approach.

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

NOTES FROMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

b) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred taxes are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax relating to items recognized outside the statement of profit and loss is recognised outside the statement of profit and loss. Such deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The Company reviews the same at each balance sheet date and recognise MAT entitlement to the extent it will be utilised. The said asset is created by way of credit to the statement of profit and loss / Other Comprehensive income and included in deferred tax assets.

**Presentation of current and deferred tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Deferred tax assets and

NOTES FROMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

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

### **2.13 IMPAIRMENT OF NON-FINANCIAL ASSETS**

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

### **2.14 PROVISIONS AND CONTINGENT LIABILITIES**

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

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

### **STATEMENT OF CASH FLOWS**

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealized foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
- iii. all other items for which the cash effects are investing or financing cash flows. Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

### **2.15 EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

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

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## **2.16 RETIREMENT BENEFITS**

### **Short-Term Employee Benefits**

Liabilities for salaries and bonus, including non-monetary benefits, if any and accumulating leave balance in respect of employees' services up to the end of the reporting period, are recognised as liabilities (and expenses) and are measured at the amounts expected to be paid when the liabilities are settled.

### **Defined Contribution Plan and Defined Benefit Plan**

Retirement benefits in the form of provident fund under the Employees Provident Fund (Misc. Provisions) Act, 1952 and gratuity under the Payment of Gratuity Act, 1972 are not applicable to the Company as the total numbers of employees are below the minimum required number of employees as specified in respective acts.

### **Other Long-Term Benefits**

The expected costs of other long-term employee benefits such as accumulated leaves are accrued over the period of employment and same has been provided based on accrual basis at year end.

## **2.17 SHARE CAPITAL**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options and buyback of ordinary shares are recognized as a deduction from equity, net of any tax effects.

## **2.18 SEGMENT REPORTING**

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the company falls within one business segment viz. "Investment, trading in shares and securities & Lending Activities".

## **2.19 STANDARDS ISSUED BUT NOT EFFECTIVE**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 3: Cash and cash equivalents

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>Cash and cash equivalents comprises of</b>			
(a) Cash on hand	0.78	0.73	0.61
(b) Balances with banks			
(i) In current accounts	747.54	12.49	26.70
<b>Total</b>	<b>748.32</b>	<b>13.22</b>	<b>27.31</b>

## Note 4: Bank Balance other than Cash and cash equivalents

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>Balances with banks</b>			
In deposit accounts	3.76	3.76	3.76
<b>Total</b>	<b>3.76</b>	<b>3.76</b>	<b>3.76</b>

## Note 5: Receivables

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>(a) Trade Receivable</b>			
Considered good – unsecured			
Others	11.68	0.12	0.17
<b>(b) Other trade receivables</b>			
Considered good – unsecured	-	-	-
	11.68	0.12	0.17
Less: Impairment loss allowance	-	-	-
<b>Total</b>	<b>11.68</b>	<b>0.12</b>	<b>0.17</b>
<b>Receivable from Related Party</b>	<b>11.68</b>	<b>-</b>	<b>-</b>

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from the firms or private companies respectively in which any director is a partner, a director or a member.

## Note 6: Loans

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>At amortised cost</b>			
<b>Unsecured:</b>			
(a) Loans repayable on Demand- To related party	-	-	1,756.00
(b) Loans to Corporate	-	400.00	900.00
(c) Others			
Loans to employees	10.44	16.02	13.20
	10.44	416.02	2,669.20
Less: Loss allowance (provision) on standard assets	-	1.60	10.91
<b>Total</b>	<b>10.44</b>	<b>414.42</b>	<b>2,658.29</b>

1. The loans are advanced in India and to other than public sectors.

2. All above loans are classified under Stage 1 loan i.e. Performing Standard Assets as per Ind AS 109 as given in RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019- 20, dated 13th March, 2020. The performing standard assets also includes Interest Accrued on above loans shown under Note 9 " other financial assets".

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 7: Investments

Particulars	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	No of Shares/ Units	Amount	No of Shares/ Units	Amount	No of Shares/ Units	Amount
<b>(A) At fair value through other comprehensive income</b>						
<b>(i) Investment in Other equity instruments</b>						
<b>Quoted equity shares</b>						
Adani Enterprises Limited	-	-	-	-	4,00,000	625.60
Aditya Birla Capital Limited	-	-	3,31,500	322.22	31,500	45.97
Bajaj Finance Limited	3,050	67.58	1,000	30.25	-	-
Balkrishna Industries Limited	-	-	4,718	46.97	4,718	50.42
Bandhan Bank Limited	50,240	102.36	-	-	-	-
Bharti Airtel Limited	33,100	145.94	-	-	-	-
Bharat Gears Limited	300	0.08	300	0.51	300	0.50
CCL Products (India) Limited	1	-	1	-	1	-
City Union Bank Limited	5,500	7.10	2,80,574	574.76	2,55,068	439.86
CSL Finance Limited	26,585	44.88	26,585	81.58	-	-
Cholomandalam Investment and Finance Company Limited	-	-	5,000	72.62	-	-
DCB Bank Limited	-	-	1	-	1	-
Dalmia Bharat Limited	14,500	71.14	-	-	-	-
Ess Dee Aluminium Limited	1	-	1	-	1	-
Future Enterprises Limited	1	-	1	-	5,85,001	209.44
Future Retail Limited	1,85,000	144.85	1,85,000	839.62	-	-
Grasim Industries Limited	-	-	65,750	564.10	65,750	690.97
Gruh Finance Limited	-	-	3,05,000	841.19	-	-
Gujarat Fluorochemicals Limited	46,244	132.26	65,000	718.09	-	-
Gujarat Narmada Valley Fert. & Chem. Limited	-	-	37	0.11	37	0.13
HDFC Bank Limited	8,650	74.55	4,250	98.55	1,000	18.86
Housing Development Finance Corporation Limited	9,000	146.97	9,000	177.14	9,000	164.31
Hindustan Zinc Limited	-	-	-	-	1,50,000	450.83
ICICI Bank Limited	6	0.02	6	0.02	6	0.02
Indian Terrain Fashions Limited	-	-	-	-	9,500	16.60
Insecticides (India) Limited	-	-	11,200	74.11	45,200	310.70
Larsen And Toubro Limited	1	0.01	1,251	17.33	5,001	65.56
L.G. Balakrishnan & Brothers Limited	-	-	800	3.07	400	4.24
LGB Forge Limited	-	-	2,000	0.06	2,000	0.07
Lupin Limited	8,000	47.17	-	-	-	-
Maruti Limited	-	-	750	50.04	-	-
MRF Limited	100	58.16	465	269.64	465	337.19
Muthoot Capital Services Limited	17,331	43.51	17,331	156.73	17,331	129.45
OCL Limited	-	-	10,000	98.95	25,000	324.50
Ramky Infrastructure Limited	3,33,333	70.67	-	-	-	-
Raymond Limited	-	-	-	-	7,500	67.33
Reliance Industries Limited	2	0.02	2	0.03	2	0.02
Royal Orchid Hotels Limited	1,23,250	50.59	1,18,250	136.34	1,17,000	185.56
Sadbhav Engineering Limited	3,00,000	81.30	-	-	-	-
Sadbhav Infrastructure Project Limited	21,10,000	286.96	4,35,295	378.92	4,32,795	573.67
Sbi Life Insurance Company Limited	1,00,200	642.28	1,40,800	821.43	300	2.03
Shree Ganesh Forgings Limited	1	-	1	-	1	-
Sicagen India Limited	-	-	1	-	1	-
Sical Logistics Limited	1	-	1	-	1	-
Siemens Limited	-	-	10	0.11	10	0.11
Soril Holdings And Ventures Limited	-	-	-	-	10,000	20.15
Tata Motors Limited	1	-	1	-	1	-
United Spirits Limited	-	-	5	0.03	1	0.03
UPL Limited	-	-	2	0.02	2	0.01
VRL Logistics Limited	-	-	10	0.03	10	0.04
Welspun Corporation Limited	-	-	-	-	1,29,000	174.02
Welspun Enterprises Limited	6,00,000	238.50	6,00,000	638.70	6,00,000	848.10
		<b>2,456.89</b>		<b>7,013.28</b>		<b>5,756.30</b>
<b>Unquoted Equity shares</b>						
Antique Finance Private Limited	19,31,000	659.64	19,31,000	668.88	19,31,000	670.87
Teracom Limited	81,500	8.88	81,500	8.88	81,500	8.88
		<b>668.52</b>		<b>677.76</b>		<b>679.75</b>
<b>Less : Allowance for impairment loss</b>		<b>8.88</b>		<b>8.88</b>		<b>8.88</b>
<b>Total (i)</b>		<b>3,116.54</b>		<b>7,682.16</b>		<b>6,427.17</b>
<b>(ii) Investment in Share Warrants</b>						
<b>Unquoted</b>						
Ramky Infrastructure Limited	-	-	10,00,000	320.50	10,00,000	979.00
<b>Total (ii)</b>		<b>-</b>		<b>320.50</b>		<b>979.00</b>

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 7: Investments

Particulars	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	No of Shares/ Units	Amount	No of Shares/ Units	Amount	No of Shares/ Units	Amount
<b>(iii) Investment in equity instrument of Group Companies</b>						
<b>Quoted Equity Shares</b>						
Geecee Ventures Limited	24,43,043	1,078.60	25,37,967	3,087.44	25,37,967	3,122.97
Winro Commercial (India) Limited	1,00,150	248.34	1,00,150	248.34	1,00,150	236.55
		<b>1,326.95</b>		<b>3,335.78</b>		<b>3,359.52</b>
<b>Unquoted Equity shares</b>						
Four Dimensions Commodities Private Limited	13,000	4.19	13,000	4.08	13,000	4.10
Four Dimensions Securities (I) Limited	18,89,193	7,741.72	18,89,193	10,060.14	18,89,193	9,382.87
Geecee Business Private Limited	3,108	39.62	3,108	41.65	3,108	41.54
Urudavan Investment and Trading Private Limited	30,25,000	21.48	-	-	-	-
Singularity Holdings Limited	13,50,166	1,149.40	13,50,166	1,964.90	2,10,500	343.39
		<b>8,956.41</b>		<b>12,070.77</b>		<b>9,771.90</b>
<b>Total (iii)</b>		<b>10,283.35</b>		<b>15,406.55</b>		<b>13,131.42</b>
<b>Total - (A) = ( i + ii + iii )</b>		<b>13,399.89</b>		<b>23,409.21</b>		<b>20,537.59</b>
<b>(B) Capital Contribution (Financial Guarantee)</b>						
Urudavan Investment and Trading Private Limited		7.08		7.08		-
<b>Total - (B)</b>		<b>7.08</b>		<b>7.08</b>		<b>-</b>
<b>(C) At fair value through Profit or Loss</b>						
<b>(i) Investment in Preference instruments</b>						
<b>Quoted preference Shares</b>						
Vedanta Limited- 7.5% Preference Shares		-	-	-	11,76,000	117.01
<b>Total (i)</b>		<b>-</b>	<b>-</b>	<b>-</b>		<b>117.01</b>
<b>(ii) Investment in Venture Capital Funds</b>						
<b>Unquoted fund</b>						
Urban Infrastructure Opportunities Fund	540	65.68	540	44.31	540	149.61
Kshitij Venture Capital Fund	10,000	1.18	10,000	1.18	10,000	21.55
		<b>66.86</b>		<b>45.49</b>		<b>171.16</b>
<b>Less : Allowance for impairment loss</b>		<b>-</b>	<b>-</b>	<b>1.18</b>	<b>-</b>	<b>-</b>
<b>Total (ii)</b>		<b>-</b>	<b>-</b>	<b>44.31</b>	<b>-</b>	<b>171.16</b>
<b>(iii) Investment in Mutual Funds (Unquoted)</b>						
Birla Sun Life Cash Plus	-	-	-	-	7,99,965	2,234.42
Kotak Floater Short term Growth	-	-	-	-	29,536	842.35
<b>Total (iii)</b>		<b>-</b>	<b>-</b>	<b>-</b>		<b>3,076.77</b>
<b>Total - (C) = ( i + ii + iii )</b>		<b>-</b>	<b>-</b>	<b>44.31</b>	<b>-</b>	<b>3,364.95</b>
<b>(D) At Cost</b>						
<b>(a) Investment in equity instruments (Unquoted)</b>						
<b>(i) of Subsidiaries</b>						
Arkaya Commercial Private Limited	17,820	1.78	17,820	1.78	16,200	1.62
Sareshwar Trading & Finance Private Limited	93,700	18.37	93,700	18.37	93,700	18.37
<b>Total (i)</b>		<b>20.15</b>	<b>-</b>	<b>20.15</b>		<b>19.99</b>
<b>(ii) of Associates Company</b>						
Arcies Laboratories Limited	2,500	0.25	2,500	0.25	2,500	0.25
<b>Total (ii)</b>		<b>0.25</b>		<b>0.25</b>		<b>0.25</b>
<b>Total - (a) = ( i + ii )</b>		<b>20.40</b>		<b>20.40</b>		<b>20.24</b>
<b>(b) Investment in Preference Shares</b>						
<b>Unquoted preference Shares in subsidiary company (Non Cumulative redeemable Partly paid up)</b>						
10% Arkaya Commercial Private Limited	-	-	-	-	250.00	0.19
<b>Total - (b) = (i)</b>		<b>-</b>		<b>-</b>		<b>0.19</b>
<b>Total - (D) = ( a + b )</b>		<b>20.40</b>		<b>20.40</b>		<b>20.43</b>
<b>Total (A + B + C + D)</b>		<b>13,493.05</b>		<b>23,481.00</b>		<b>23,922.96</b>
<b>Out of above</b>						
In India		13,493.05		23,481.00		23,922.96
Outside India		-		-		-
<b>Total</b>		<b>13,493.05</b>		<b>23,481.00</b>		<b>23,922.96</b>

- Note :
- Investment in associates are measured at cost as per Ind AS 27.
  - Investments are having quantities but no value, as the fair value of these investments are less than Rs. 0.005 lakhs
  - Out of the above investments, company has pledged certain investments (Refer Note No. 30(5))

Name of Scripts	Quantity		
	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Balkrishna Industries Limited	-	4,718	-
City Union Bank Limited	5,500	2,80,574	-
Grasim Industries Limited	-	65,750	-
Gujarat Fluorochemicals Limited	-	65,000	-
Housing Development Finance Corporation Limited	9,000	9,000	-

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 8: Stock in trade (Securities held for trading)

Particulars	No. of Shares	As at 31st March, 2020	No. of Shares	As at 31st March, 2019	No. of Shares	As at 1st April, 2018
<b>(A) At fair value through Profit or Loss</b>						
<b>(i) Investment in equity instruments</b>						
<b>Quoted</b>						
CG Power & Industrial Solutions Limited	-	-	3,00,000	128.10	-	-
Dabur Limited	13,000	58.51	-	-	-	-
Idea Limited	-	-	1	-	-	-
IDFC Limited	7,50,000	111.38	7,50,000	349.12	7,50,000	365.63
Kridhan Infra Limited	1	-	1	-	1	-
Laurus Labs Limited	1,25,000	406.00	-	-	-	-
State Bank of India Limited	1	-	1	-	1	-
SVP Global Ventures Limited	1	-	-	-	-	-
Welspun India Limited	36,00,000	777.60	4,88,000	291.09	4,88,000	283.28
Welspun Crop Limited	53,979	33.49	-	-	-	-
Yes Bank Limited	-	-	500	1.38	-	-
		<b>1,386.98</b>		<b>769.69</b>		<b>648.91</b>
<b>Unquoted</b>						
Consolidated Fibers & Chemicals Limited	50	0.01	50	0.01	50	0.01
Auroplast India Limited	2,500	0.25	2,500	0.25	2,500	0.25
Allied Resins Chemicals Limited	5,000	0.05	5,000	0.05	5,000	0.05
East Aggle Plastic Limited	660	0.01	660	0.01	660	0.01
Meeraj Multiweb Industries Limited	24,000	1.15	24,000	4.67	24,000	1.15
		<b>1.47</b>		<b>4.99</b>		<b>1.47</b>
<b>Less: Allowance for impairment loss</b>		0.26		0.26		0.26
<b>Total</b>		<b>1,388.18</b>		<b>774.42</b>		<b>650.12</b>
<b>Out of above</b>						
In India		1,388.18		774.42		650.12
Outside India		-		-		-
<b>Total</b>		<b>1,388.18</b>		<b>774.42</b>		<b>650.12</b>

## Note :

- Investments are having quantities but no value, as the fair value of these investments are less than Rs. 0.005 lakhs
- Out of the above investments, company has pledged certain shares (Refer Note No. 30(5))

Name of Scripts	Quantity		
	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
IDFC Limited	7,50,000	7,50,000	-

## Note 9: Other Financial assets

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
(a) Interest accrued on Loans			
from related parties	0.22	-	51.80
from others	-	-	20.45
(b) Security Deposits	0.01	0.01	0.01
(c) Receivables			
Dividend Receivables	-	-	9.00
Other Receivables*	0.02	0.02	0.02
<b>Total</b>	<b>0.25</b>	<b>0.03</b>	<b>81.28</b>

\*Other receivable represents expenses recoverable.

## Note 10: Current tax assets (Net)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Advance Tax (Net of Provision)	287.24	251.59	199.06
<b>Total</b>	<b>287.24</b>	<b>251.59</b>	<b>199.06</b>

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## Note 11 : Property, Plant and Equipment

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Gross Block				Accumulated Depreciation				Net Block
	Balance as at 1st April, 2019	Addition	(Disposals)	Balance as at 31st March, 2020	Balance as at 1st April, 2019	Depreciation charge for the year	Deduction	Balance as at 31st March, 2020	Balance as at 31st March, 2020
Land	0.59	-	-	0.59	-	-	-	-	0.59
Motor Cycle	1.08	-	0.17	0.91	0.26	0.16	0.04	0.38	0.52
Motor Vehicle	4.98	-	-	4.98	1.27	0.88	-	2.15	2.83
Telephone	0.00	-	-	0.00	-	-	-	-	0.00
Computer	0.93	-	-	0.93	0.587	0.22	-	0.80	0.13
<b>Total</b>	<b>7.58</b>	<b>-</b>	<b>0.17</b>	<b>7.40</b>	<b>2.12</b>	<b>1.26</b>	<b>0.04</b>	<b>3.34</b>	<b>4.07</b>

Particulars	Gross Block				Accumulated Depreciation				Net Block
	Balance as at 1st April, 2018	Addition	(Disposals)	Balance as at 31st March, 2019	Balance as at 1st April, 2018	Depreciation charge for the year	Deduction	Balance as at 31st March, 2019	Balance as at 31st March, 2019
Land	0.59	-	-	0.59	-	-	-	-	0.59
Motor Cycle	1.08	-	-	1.08	-	0.26	-	0.26	0.82
Motor Vehicle	4.98	-	-	4.98	-	1.27	-	1.27	3.71
Telephone	0.00	-	-	0.00	-	-	-	-	0.00
Computer	0.93	-	-	0.93	-	0.59	-	0.59	0.34
<b>Total</b>	<b>7.58</b>	<b>-</b>	<b>-</b>	<b>7.58</b>	<b>-</b>	<b>2.12</b>	<b>-</b>	<b>2.12</b>	<b>5.46</b>

The Company has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer below for the gross block value and the accumulated depreciation on 1st April, 2018 under the previous GAAP.

Particulars	1st April, 2018		
	Gross block	Accumulated depreciation	Net block
Land	0.59	-	0.59
Motor Cycle	2.78	1.70	1.08
Motor Vehicle	94.07	89.09	4.98
Telephone	0.29	0.29	0.00
Computer	1.10	0.17	0.93
<b>Total</b>	<b>98.82</b>	<b>91.24</b>	<b>7.58</b>

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 12: Other non-financial assets

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
(a) Security Deposits against appeals	101.05	101.05	101.05
(b) Prepaid Expenses	1.37	1.12	0.80
(c) Others*	2.17	4.25	-
<b>Total</b>	<b>104.59</b>	<b>106.42</b>	<b>101.85</b>
<b>Payable to Related Party</b>	<b>0.50</b>	<b>-</b>	<b>-</b>

\*Other includes amount advanced for expenses.

## Note 13: Payable

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>(i) Trade Payables</b>			
Total outstanding dues of micro enterprises and small enterprises	0.61	0.54	0.16
Total outstanding dues of creditors other than micro enterprises and small enterprises	1.04	1.83	6.30
<b>Total</b>	<b>1.65</b>	<b>2.37</b>	<b>6.46</b>
<b>Payable to Related Party</b>	<b>0.05</b>	<b>1.01</b>	<b>4.55</b>

Based on and to the extent of information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year-end are furnished below:

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.61*	0.54	0.16
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-	-
(iv) The amount of interest due and payable for the year.	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-	-

\* Principal unpaid amount includes Provision for expenses of Rs 0.41 for which the supplier is yet to raise invoice on the company. The company had paid balance amount of Rs 0.20 within the time frame given under Micro, Small and Medium enterprises Development Act, 2006.

## Note 14: Borrowings (other than debt securities)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>At amortised cost</b>			
<b>Unsecured and considered good</b>			
Loans repayable on Demand			
from related parties	-	48.00	3,181.00
from others	1,000.00	-	-
Add : Interest Accrued			
from related parties	0.10	1.57	3.79
from others	3.93	-	-
	<b>1,004.03</b>	<b>49.57</b>	<b>3,184.79</b>
Less: Impairment loss allowance			
		-	-
<b>Total</b>	<b>1,004.03</b>	<b>49.57</b>	<b>3,184.79</b>

Borrowings are made within India

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 15: Other Financial Liabilities

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Employee benefits payable	2.07	27.04	16.47
<b>Total</b>	<b>2.07</b>	<b>27.04</b>	<b>16.47</b>
Payable to Related Parties	0.77	17.16	11.00

## Note 16: Provisions

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Provision for employee benefits			
Provision for Leave salary	15.32	13.82	14.42
<b>Total</b>	<b>15.32</b>	<b>13.82</b>	<b>14.42</b>

## Note 17: Deferred tax Liabilities / (Assets) (Net)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>Deferred tax relates to the following</b>			
<b>(A) Deferred tax assets</b>			
Unused benefit of business losses	(593.67)	(251.18)	(247.05)
Unused benefit of speculation losses	(10.64)	(11.09)	(0.45)
Impairment loss allowance on financial assets	-	(0.45)	(3.04)
Financial instruments measured at fair value through profit & loss			
Stock in Trade (Securities held for Trading)	(0.35)	-	(0.35)
Preference shares	-	-	(0.13)
Provision for Leave Salary	(4.26)	(3.85)	(4.01)
Unused benefit of Long term losses	(36.69)	(3.85)	(11.63)
Amalgamation Expenses (Section 35DD of the Income Tax Act, 1961)	(2.90)	(4.48)	(6.06)
Mark to Market Loss	-	-	(2.39)
On account of timing difference in Property, plant and equipment	(3.72)	(4.31)	(4.82)
MAT Credit Entitlement	(136.64)	(137.68)	(200.29)
	<b>(788.86)</b>	<b>(416.88)</b>	<b>(480.22)</b>
<b>(B) Deferred tax liabilities</b>			
Financial instruments measured at fair value through profit & loss			
Stock in Trade (Securities held for Trading)	-	0.63	-
Mutual Funds	-	-	1.88
Venture Capital Funds	3.54	-	-
Financial instruments measured at fair value through OCI - Equity Shares	251.92	1,095.74	1,019.50
	<b>255.46</b>	<b>1,096.37</b>	<b>1,021.38</b>
<b>Total Deferred tax liabilities/ (Assets) ( A + B )</b>	<b>(533.40)</b>	<b>679.49</b>	<b>541.16</b>

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Movement of Deferred tax liabilities:

For the year ended 31st March 2020

Deferred Tax (Assets) / liabilities	Opening Balance as at 1st April, 2019	Recognised in statement of Profit & loss [(credit) / debit]	Recognised in statement of Other Comprehensive Income	Closing Balance as at 31st March, 2020
<b>Deferred tax liabilities in relation to:</b>				
Financial instruments measured at fair value through OCI - Equity Shares	1,095.74		(843.81)	251.92
Financial instruments measured at fair value through profit & loss				
Mutual Funds	-	-	-	-
Venture Capital Funds	-	3.54	-	3.54
Stock in Trade (Securities held for Trading)	0.63	(0.98)	-	(0.35)
<b>Deferred tax assets in relation to:</b>				
Unused benefit of business losses	(251.18)	(342.49)	-	(593.67)
Unused benefit of speculation losses	(11.09)	0.45	-	(10.64)
Impairment loss allowance on financial assets	(0.45)	0.45	-	-
Financial instruments measured at fair value through profit & loss				
Preference shares	-	-	-	-
Provision on leave salary	(3.85)	(0.41)	-	(4.26)
Unused benefit of long term losses	(3.85)	(6.96)	(25.87)	(36.69)
Amalgamation Expenses (Section 35DD of the Income Tax Act, 1961)	(4.48)	1.58	-	(2.90)
Depreciation on property, plant and equipment	(4.31)	0.58	-	(3.72)
MAT Credit Entitlement	(137.68)	1.05	-	(136.64)
	<b>679.49</b>	<b>(343.19)</b>	<b>(869.69)</b>	<b>(533.39)</b>

For the year ended 31st March 2019

Deferred Tax (Assets) / liabilities	Opening Balance as at 1st April, 2018	Recognised in statement of Profit & loss [(credit) / debit]	Recognised in statement of Other Comprehensive Income	Closing Balance as at 31st March, 2019
<b>Deferred tax liabilities in relation to:</b>				
Financial instruments measured at fair value through OCI - Equity Shares	1,019.50	-	76.24	1,095.74
Financial instruments measured at fair value through profit & loss				
Mutual Funds	1.88	(1.88)	-	-
Stock in Trade (Securities held for Trading)	(0.35)	0.98	-	0.63
<b>Deferred tax assets in relation to:</b>				
Unused benefit of business losses	(247.05)	(4.12)	-	(251.18)
Unused benefit of speculation losses	(0.45)	(10.64)	-	(11.09)
Impairment loss allowance on financial assets	(3.04)	2.59	-	(0.45)
Financial instruments measured at fair value through profit & loss				
Preference shares	(0.13)	0.13	-	-
Provision on leave salary	(4.01)	0.17	-	(3.85)
Unused benefit of long term losses	(11.63)	7.78	-	(3.85)
Amalgamation Expenses (Section 35DD of the Income Tax Act, 1961)	(6.06)	1.58	-	(4.48)
Mark to Market Loss	(2.39)	2.39	-	-
Depreciation on property, plant and equipment	(4.82)	0.51	-	(4.31)
MAT Credit Entitlement	(200.29)	62.60	-	(137.68)
	<b>541.16</b>	<b>62.09</b>	<b>76.24</b>	<b>679.49</b>

## Note 18: Other non-financial liabilities

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Statutory dues	3.24	2.78	2.99
<b>Total</b>	<b>3.24</b>	<b>2.78</b>	<b>2.99</b>



## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 19: Equity Share Capital

Particulars	As at 31st March,2020		As at 31st March,2019		As at 1st April,2018	
	Number	Rs	Number	Rs	Number	Rs
<b>Authorised</b> Equity Shares of Rs. 10 each	82,50,000	825.00	82,50,000	825.00	82,50,000	825.00
<b>Issued, Subscribed &amp; Paid up</b> Equity Shares of Rs. 10 each <i>(of the above 7,90,593 Shares were allotted pursuant to the Scheme of Amalgamation, without payment being received in cash.)</i>	10,00,928	100.09	10,00,928	100.09	10,00,928	100.09
<b>Total</b>	10,00,928	100.09	10,00,928	100.09	10,00,928	100.09

## (a) Rights of Equity Shareholders

The Company has only one class of Equity Shares having par value of Rs.10. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount.

## (b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31st March,2020		As at 31st March,2019		As at 1st April,2018	
	Number	Rs	Number	Rs	Number	Rs
Shares outstanding at the beginning of the year	10,00,928	100.09	10,00,928	100.09	6,40,000	64.00
Add : Shares Issued during the year	-	-	-	-	3,90,593	39.06
Less : Shares bought back during the year	-	-	-	-	(29,665)	(2.97)
Shares outstanding at the end of the year	10,00,928	100.09	10,00,928	100.09	10,00,928	100.09

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

Name of Shareholder	As at 31st March,2020		As at 31st March,2019		As at 1st April,2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Winro Commercial (India) Limited	1,77,584	17.74%	1,77,584	17.74%	1,04,970	16.40%
Four Dimensions Securities (India) Limited	2,05,787	20.56%	2,05,787	20.56%	33,900	5.30%
Ageless Capital and Finance Private Limited	63,930	6.39%	-	-	-	-
Ashwin Kumar Kothari	61,081	6.10%	61,081	6.10%	64,500	10.08%
Ashwin Kumar Kothari (HUF)	59,343	5.93%	59,343	5.93%	63,000	9.84%
Ashwin Kumar Kothari (smaller) (HUF)	59,366	5.93%	59,366	5.93%	63,000	9.84%
Pannalal C Kothari (HUF)	50,979	5.09%	50,979	5.09%	53,050	8.29%

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 20: Other Equity

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>(a) Capital Redemption Reserve</b>			
Opening balance	2.97	2.97	2.97
<b>Closing balance</b>	<b>2.97</b>	<b>2.97</b>	<b>2.97</b>
<b>(b) Statutory Reserves</b>			
Reserve fund in terms of section 45-IC of the Reserve Bank of India Act, 1934			
Opening balance	1,175.98	1,042.65	1,042.65
Add: Transfer from Retaining Earning	-	133.33	-
<b>Closing balance</b>	<b>1,175.98</b>	<b>1,175.98</b>	<b>1,042.65</b>
<b>(c) General reserve</b>			
Opening balance	1,890.26	1,890.26	1,890.26
<b>Closing balance</b>	<b>1,890.26</b>	<b>1,890.26</b>	<b>1,890.26</b>
<b>(d) Retained Earning</b>			
Opening balance	10,149.01	9,580.58	9,577.29
Add: Profit for the year	(960.87)	36.58	-
Add: Transferred net realised gain on equity shares from Other comprehensive income	513.49	665.17	-
Add : Ind AS opening adjustments			
Fair value gain on financial instruments (net of tax)	-	-	3.53
Others	-	-	(0.24)
Less: Transfer to Statutory Reserves	-	(133.33)	-
<b>Closing balance</b>	<b>9,701.62</b>	<b>10,149.01</b>	<b>9,580.58</b>
<b>(e) Capital Reserve</b>			
Opening balance	303.42	303.42	303.42
<b>Closing balance</b>	<b>303.42</b>	<b>303.42</b>	<b>303.42</b>
<b>(f) Other comprehensive income</b>			
Opening balance	10,653.65	10,966.13	-
Add: Profit for the year	(7,755.82)	352.69	10,966.13
Less: Transferred net Realised gain on equity shares to Retain earnings	(513.49)	(665.17)	-
<b>Closing balance</b>	<b>2,384.34</b>	<b>10,653.65</b>	<b>10,966.13</b>
<b>Total</b>	<b>15,458.58</b>	<b>24,175.27</b>	<b>23,786.00</b>

## Nature and Purpose of Reserves

**1) Capital Redemption Reserve**

It represents the reserves which is created on buy back of equity shares made out of free reserve. The redemption value equivalent to the nominal value of shares so purchased is transferred to this reserved out of profit of the company. This reserve can be utilised for issuing fully paid-up bonus shares.

**2) Statutory Reserves under Sec 45 IC of The RBI Act, 1932**

Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

**3) General Reserves**

Amounts set aside from retained profits as a reserve to be utilised for permissible general purpose as per applicable Law.

**4) Retained Earnings**

Retained earnings represents profits that the company earned till date, less any transfers to General Reserve, Statutory Reserves, Dividends and other distributions paid to the shareholders.

**5) Capital Reserve**

Capital reserves represents reserves created pursuant to the business combination.

**6) Other Comprehensive income**

The Company has elected to recognise changes in the fair value of certain investments in equity shares in other comprehensive income. These changes are accumulated in the FVOCI equity investments reserve. The Company transfers amounts from this reserve to retained earnings when the relevant equity shares are derecognised.

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 21: Interest Income

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>On financial assets measured at amortized cost</b>		
a) Interest income on loan		
Related parties	0.68	92.80
Others	4.14	102.75
b) Interest on deposits with banks	2.96	-
<b>Total</b>	<b>7.78</b>	<b>195.55</b>

## Note 22: Dividend Income

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Dividend Income on investment</b>		
from Group Companies	-	-
from Other Companies	105.26	557.98
<b>Total</b>	<b>105.26</b>	<b>557.98</b>

## Note 23: Other Operating Income

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Other operating income comprises of</b>		
(i) Income from lending of shares- Security Lending and Borrowing Scheme (SLBM)	5.10	1.23
(ii) Reversal on impairment allowances on Standard Assets	1.60	9.31
(iii) Fees charged on financial Guarantee given to group company	4.95	7.08
<b>Total</b>	<b>11.65</b>	<b>17.62</b>
<b>Related parties</b>	<b>4.95</b>	<b>7.08</b>

## Note 24: Other income

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Other income comprises of</b>		
(i) Net gain on derecognition of property, plant and equipment	0.12	-
(ii) Interest income on income tax refund	11.66	7.21
<b>Total</b>	<b>11.78</b>	<b>7.21</b>

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 25: Finance costs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>On Financial liabilities measured at amortized cost</b>		
Interest on borrowings		
from related parties	3.39	7.09
from other parties	25.26	8.06
<b>Others</b>		
Interest on late payment of TDS*	-	-
<b>Total</b>	<b>28.65</b>	<b>15.15</b>

\*For FY 2019-20, Interest on late payment of TDS is Rs. Nil. For FY 2018-19, Interest on late payment of TDS is Rs. 65.

## Note 26: Net Loss on fair value changes

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Net gain/(loss) on financial instruments measured at fair value through profit or loss</b>		
<b>(A) On trading portfolio :</b>		
Stock in trade		
Trading gain/ (loss) on financial instruments (refer note (a) below)	(1,315.67)	(552.97)
<b>(B) Others</b>		
Realised gain on financial instruments at FVTPL	71.13	83.84
Unrealised (loss) on financial instruments at FVTPL	31.79	-
Loss from futures & options segment	(60.31)	(13.29)
Loss from speculation in equity shares - cash segment	14.49	(38.23)
<b>Total</b>	<b>(1,258.57)</b>	<b>(520.65)</b>

Note	Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>(a)</b>	<b>On trading portfolio</b>		
	Sale of shares and mutual funds	490.77	851.26
	Less: Purchases of shares & mutual funds	2,420.20	1,528.53
	Less: Changes in inventories ( refer note (i) below)	(613.76)	(124.30)
	<b>Total</b>	<b>(1,315.67)</b>	<b>(552.97)</b>
<b>(i)</b>	<b>Changes in Stock-in-trade</b>		
	at the end of the year		
	Stock-in-trade	1,388.18	774.42
		<b>1,388.18</b>	<b>774.42</b>
	at the beginning of the year		
	Stock-in-trade	774.42	650.12
		<b>774.42</b>	<b>650.12</b>
	<b>Net increase/ (decrease)</b>	<b>(613.76)</b>	<b>(124.30)</b>

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 27: Employee benefits expenses

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries, wages and bonus to employees	112.35	135.86
Staff welfare expenses	2.79	2.40
<b>Total</b>	<b>115.14</b>	<b>138.26</b>
<b>Payable to Related Parties</b>	<b>53.31</b>	<b>59.46</b>

## Note 28: Other expenses

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rates and taxes, excluding taxes on income	3.95	2.98
Legal and professional fees	6.64	9.48
Insurance	0.33	0.38
Payments to auditors (refer note (i) below)	0.70	0.60
Security Transaction Charges	3.60	1.09
Miscellaneous expenses	22.43	11.80
<b>Total</b>	<b>37.64</b>	<b>26.33</b>
<b>Payable to Related Parties</b>	<b>0.69</b>	<b>0.51</b>

## Note (i)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(i) Payments to the auditors comprises of:		
As auditors - Statutory audit	0.55	0.55
for other services	0.15	0.05
<b>Total</b>	<b>0.70</b>	<b>0.60</b>

## Note 29: Tax expenses

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>i) Amounts recognised in the Statement of Profit and Loss</b>		
In respect of the current year	-	
in respect of deferred tax	(343.20)	62.09
In respect of earlier years	(0.71)	(24.00)
<b>(A)</b>	<b>(343.91)</b>	<b>38.09</b>
<b>ii) Tax on amounts recognised in Other Comprehensive Income</b>		
Income tax relating to items that will not be reclassified to profit or loss	(869.69)	(120.56)
<b>(B)</b>	<b>(869.69)</b>	<b>(120.56)</b>
<b>Income tax expenses for the year (A) + (B)</b>	<b>(1,213.60)</b>	<b>(82.47)</b>

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Income tax expense for the year reconciled to the accounting profit:</b>		
Profit before tax	(1,304.79)	74.67
Realised gain on equity instruments recognised through Other Comprehensive Income	487.62	709.49
<b>Total</b>	<b>(817.17)</b>	<b>784.16</b>
Income tax rate	27.82%	27.82%
Income tax expense	(227.34)	218.15
<b>Tax Effect of :</b>		
<b>(i) amounts which are not deductible (taxable) in calculating taxable income:</b>		
Disallowance under section 14A	15.94	12.16
Disallowances of losses under section 94(7)	-	142.05
Disallowances of STT on investments	1.35	2.26
Others	0.97	0.30
<b>(ii) amounts which are deductible (non taxable) in calculating taxable income:</b>		
Dividend Income	(29.28)	(155.23)
Financial Guarantee	-	(1.97)
Long term capital gain	(94.07)	(46.91)
<b>(iii) Adjustment in respect of earlier years (net)</b>	<b>(0.71)</b>	<b>(24.00)</b>
<b>(iv) Loss/ (Income) taxable at differential rate (net)</b>	<b>(5.31)</b>	<b>(59.08)</b>
<b>(v) Utilisation of prior year's brought forward depreciation</b>	<b>-</b>	<b>(1.21)</b>
<b>(vi) Increase of prior year's brought forward tax losses (net)</b>	<b>(6.51)</b>	<b>(4.12)</b>
	(344.96)	82.40
Deferred tax on unrealised gain / (loss) on investments through OCI	(868.64)	(164.88)
<b>Income tax expenses for the year</b>	<b>(1,213.60)</b>	<b>(82.47)</b>

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**Note 30 : Contingent Liabilities and Commitments :**

1. Demand of **Rs.80.23 Lakhs** for AY 1996-97 is pending under Madhya Pradesh Sales Tax Act against which appeals had been filed with Deputy Commissioner of Commercial Tax. The Deputy Commissioner of Commercial tax has redirected case to Assessing Officer for reassessment. The reassessment proceedings has not yet initiated.

2. During F.Y. 2004-05, Company has kept **Rs.100.70 Lacs** in Escrow account with Calyon Bank, Nariman Point Branch for any demands of stamp duty, penalties and liabilities that may arise on the scheme of arrangement as approved by the High Court of Judicature at Mumbai in terms of which company has transferred its Aluminium Chloride undertaking and wind mill undertaking to Nagda Orgo Chem Private Limited under Section 391 to Section 394 of the companies Act, 1956. On 1st October,2012.The High court of Indore (Single Judge ) has given decision in favour of the Company. Revenue had filed an writ appeal against the said order with the Hon'ble The High court of M.P., Indore.( Double Judge), wherein order dated 26th September,2014 states that the appeal be listed for final hearing in due course.

3. NEPC India Limited had instituted a suit against the company in the court of II FAST TRACK JUDGE Madras for deferment of payment to the NEPC India Limited the sum of **Rs. 20.47 Lakhs** together with interest at 24% p.a on **Rs. 10.53 Lakhs** Vide order dated 13th February,2012, court has given decision in favour of NEPC India limited. In the result the suit is decreed in favour of NEPC India Limited for **Rs.10.53 Lakhs** with interest at the rate of 12% p.a. from august 1998 till realisation with costs. Company has filed an appeal with the High court of Madras against the said order.

4. As per Income tax department, following tax demands are outstanding against the company and it has not been accounted in the financial statements:

Demand under Section and Status of Appeal	Assessment year	Short Provision	Amount paid under protest/ Refund adjusted
<b>Aroni Commercials Limited- Transferor Company*</b>			
<b>Section 143(3)</b> - Letter of rectification is pending	2000-01	0.43	0.43
<b>Section 250-</b> Order giving effect to ITAT order pending	2006-07	4.13	4.13
<b>Section 143(3)</b> - Letter for rectification against order u/s 154 wrt 143(3) dated 29/02/2012 has been filed	2009-10	1.57	1.57
<b>Section 143(3)</b> - CIT (Appeal's) order giving effect is pending	2010-11	0.72	-

\*Pursuant to scheme of Amalgamation between Aroni Commercials Limited and Saraswati Commercial (India) Limited, along with order passed by Hon'ble National Company Law Tribunal, Mumbai bench on 16th March, 2017, the above mentioned companies became the subsidiaries as on the effective date 31st March, 2017.

<b>Saraswati Commercial (India) Limited</b>			
	Assessment year	Short Provision	Amount paid under protest/ Refund adjusted
<b>Section 143(1)</b> - Rectification of order u/s 154 is pending	2010-11	3.86	3.86
<b>Section 143(3)</b> - Letter for rectification against order u/s 143(3) dated 24/12/2018 has been filed. Rectification of order is pending	2016-17	4.38	44.5
<b>Section 143(1)</b> - Rectification of order u/s 154 is pending	2017-18	0.01	0.01

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**5. Guarantee:** During the year company has pledged some of its Investments on behalf of its Group Company M/s Urdhavan Investment & Trading Private Limited ("Urudavan"). Urudavan has availed Short term Loans against said pledged Investments. The Contingent Liability as on 31st March, 2020 is **Rs. 142.90 Lakhs** and as on 31st March, 2019 is **Rs 1021 Lakhs**.

**6. Capital Commitment:** Partly paid up shares warrant of Ramky Infrastructure Limited as on 31st March, 2020 is **Nil** and as on 31st March 2019 is **Rs 757.50 Lakhs**

**Note 31 (a) : Earning Per share**

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Net profit/ (Loss) attributable to Equity shareholders (Rs in Lakh)	(960.87)	36.58
Weighted average of Equity shares used as denominator for calculating Basic Earning per Share (EPS) and Diluted Earning per Share (DPS)	10,00,928	10,00,928
Earning Per Share (EPS / DPS) (Rs.)	(96.00)	3.65
Face value per share (Rs.)	10.00	10.00



## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 31 (b) : Maturity Analysis of Certain Assets and Liabilities

(Information on maturity pattern is based on the reasonable assumptions made by the management.)

Particulars	For the year ended 31st March, 2020		
	Within 12 Months	After 12 months	Total
<b>ASSETS</b>			
<b>Financial Assets</b>			
(a) Cash and cash equivalents	748.32	-	748.32
(b) Bank Balance other than (a) above	3.76	-	3.76
(c) Receivables			
(i) Trade Receivables	11.68		11.68
(d) Loans	5.05	5.39	10.44
(e) Investments	546.57	12,946.48	13,493.05
(f) Stock in Trade (Securities held for Trading)	1,388.18	-	1,388.18
(g) Other Financial assets	0.25	-	0.25
<b>Non -Financial Assets</b>			
(a) Current tax assets (Net)	-	287.24	287.24
(b) Deferred tax Assets (Net)	-	533.40	533.40
(c) Property, Plant and Equipment		4.07	4.07
(d) Other non-financial assets	3.52	101.07	104.59
<b>TOTAL ASSETS</b>	<b>2,707.33</b>	<b>13,877.65</b>	<b>16,584.98</b>
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
(a) Payables			
(i) Trade Payables			
total outstanding dues of micro enterprises and small enterprises	0.61	-	0.61
total outstanding dues of creditors other than micro enterprises and small enterprises	1.04	-	1.04
(b) Borrowings (Other than Debt Securities)	1,004.03	-	1,004.03
(c) Other financial liabilities	2.07	-	2.07
<b>Non-Financial Liabilities</b>			
(a) Provisions	-	15.32	15.32
(b) Other non-financial liabilities	3.24	-	3.24
<b>TOTAL LIABILITIES</b>	<b>1,010.99</b>	<b>15.32</b>	<b>1,026.31</b>

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	For the year ended 31st March, 2019		
	Within 12 Months	After 12 months	Total
<b>ASSETS</b>			
<b>Financial Assets</b>			
(a) Cash and cash equivalents	13.22	-	13.22
(b) Bank Balance other than (a) above	3.76	-	3.76
(c) Receivables			
(i) Trade Receivables	0.12	-	0.12
(d) Loans	403.50	10.92	414.42
(e) Investments	298.36	23,182.64	23,481.00
(f) Stock in Trade (Securities held for Trading)	774.42	-	774.42
(g) Other Financial assets	0.02	0.01	0.03
<b>Non -Financial Assets</b>			
(a) Current tax assets (Net)	-	251.59	251.59
(b) Property, Plant and Equipment	-	5.46	5.46
(c) Other non-financial assets	5.30	101.12	106.42
<b>TOTAL ASSETS</b>	<b>1,498.70</b>	<b>23,551.74</b>	<b>25,050.44</b>
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
(a) Payables			
(i) Trade Payables			
total outstanding dues of micro enterprises and small enterprises	0.54	-	0.54
total outstanding dues of creditors other than micro enterprises and small enterprises	1.83	-	1.83
(b) Borrowings (Other than Debt Securities)	49.57	-	49.57
(c) Other financial liabilities	27.04	-	27.04
<b>Non-Financial Liabilities</b>			
(a) Provisions	-	13.82	13.82
(b) Deferred tax liabilities (Net)	-	679.49	679.49
(c) Other non-financial liabilities	2.78	-	2.78
<b>TOTAL LIABILITIES</b>	<b>81.76</b>	<b>693.31</b>	<b>775.07</b>

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	For the year ended 1st April, 2018		
	Within 12 Months	After 12 months	Total
<b>ASSETS</b>			
<b>Financial Assets</b>			
(a) Cash and cash equivalents	27.31	-	27.31
(b) Bank Balance other than (a) above	3.76	-	3.76
(c) Receivables			
(i) Trade Receivables	0.17		0.17
(d) Loans	2,649.55	8.74	2,658.29
(e) Investments	3,190.16	20,732.80	23,922.96
(f) Stock in Trade (Securities held for Trading)	650.12	-	650.12
(g) Other Financial assets	81.27	0.01	81.28
<b>Non -Financial Assets</b>			
(a) Current tax assets (Net)	-	199.06	199.06
(b) Property, Plant and Equipment	-	7.58	7.58
(c) Other non-financial assets	0.74	101.11	101.85
<b>TOTAL ASSETS</b>	<b>6,603.08</b>	<b>21,049.30</b>	<b>27,652.38</b>
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
(a) Payables			
(i) Trade Payables			
total outstanding dues of micro enterprises and small enterprises	0.16	-	0.16
total outstanding dues of creditors other than micro enterprises and small enterprises	6.30	-	6.30
(b) Borrowings (Other than Debt Securities)	3,184.79	-	3,184.79
(c) Other financial liabilities		16.47	16.47
<b>Non-Financial Liabilities</b>			
(a) Provisions	-	14.42	14.42
(b) Deferred tax liabilities (Net)	-	541.16	541.16
(c) Other non-financial liabilities	2.99	-	2.99
<b>TOTAL LIABILITIES</b>	<b>3,194.23</b>	<b>572.05</b>	<b>3,766.28</b>

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**Note 32 : Financial Instruments****A Financial Risk Management (Ind AS 107)**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Interest rate risk
- Currency risk

**Risk management framework**

Risk management forms an integral part of the business. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors are responsible for developing and monitoring the Company's risk management policies. The Company's Risk Management committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

**1 Credit Risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. Credit risk arises primarily from financial assets such as trade receivables, investments, other balances with banks, loans another receivables.

The Company has adopted a Policy of dealing with counter parties that have sufficiently high credit rating. The Company's exposure and credit ratings of its counter parties are continuously monitored. Credit risk arising from trade receivables are reviewed periodically and based on past experience and history. Management is confident of recovering all the dues. Credit risk arises from balances with banks is limited and there is no collateral held against these became the counter parties are bank.

**Credit exposure**

Company's credit period generally ranges from 20 to 30 days

Particulars	31st March, 2020	31st March, 2019	1st April, 2018
Trade receivables	11.68	0.12	0.17
Other receivable	-	-	-

**Investment in debt instruments**

Credit risk on investment in various instruments is limited as company generally invest debt instruments like mutual fund, preference shares, debentures with high credit ratings assigned by international and domestic credit rating agencies.

**Loan:**

The Company considers default in all cases when the borrower becomes 90 days past due on its contractual payments. All the loans are classified under Stage 1 loan i.e. Performing Standard Assets as per RBI per RBI prudential norm.

**Expected Credit Loss (ECL) on Financial Assets**

The Company continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL (12m ECL) or life time ECL (LTECL), the Company assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. The Company applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired :

- (a) Historical trend of collection from counterparty.
- (b) Company's contractual rights with respect to recovery of dues from counterparty.
- (c) Credit rating of counterparty and any relevant information available in public domain.

ECL is a probability weighted estimate of credit losses. It is measured as the present value of cash shortfalls(i.e. the difference between the cash flows due to the Company in accordance with contract and the cash flows that the Company expects to receive). The Company has following types of financial assets that are subject to the expected credit loss:

- (a) Cash and cash equivalent
- (b) Loans
- (c) Other receivables

After applying above criteria, Management has decided to make minimum ECL provision as the provisioning rates as per RBI prudential norms unless higher provisioning is required as per above criteria.

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**2 Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's principal sources of liquidity are cash and cash equivalents, investment in liquid mutual and the cash flow that is generated from operations. In case of any shortfall, company has availed revolving loan facilities from its Group Companies.

As at 31st March, 2020, the Company had a cash and cash equivalents of Rs. 748.32. As at 31st March, 2019, the Company had a cash and cash equivalents of Rs. 13.22 and As at 1st April, 2018, the Company had a cash and cash equivalents of Rs. 27.31.

**Exposure to liquidity risk**

The details regarding the contractual maturities of significant financial liabilities as at 31st March, 2020 are as follows :

Particulars	On demand	Less than 1 year	1-5 years	More than 5	Total
(a) Payables					
(i) Trade Payables	-	1.65	-	-	1.65
(b) Borrowings (Other than Debt Securities)	1,004.03	-	-	-	1,004.03
(c) Other financial liabilities	-	2.07	-	-	2.07
<b>Total</b>	<b>1,004.03</b>	<b>3.73</b>	<b>-</b>	<b>-</b>	<b>1,007.75</b>

The details regarding the contractual maturities of significant financial liabilities as at 31st March, 2019 are as follows :

Particulars	On demand	Less than 1 year	1-5 years	More than 5	Total
(a) Payables					
(i) Trade Payables	-	2.37	-	-	2.37
(b) Borrowings (Other than Debt Securities)	49.57	-	-	-	49.57
(c) Other financial liabilities	-	27.04	-	-	27.04
<b>Total</b>	<b>49.57</b>	<b>29.42</b>	<b>-</b>	<b>-</b>	<b>78.98</b>

The details regarding the contractual maturities of significant financial liabilities as at 1st April, 2018 are as follows :

Particulars	On demand	Less than 1 year	1-5 years	More than 5	Total
(a) Payables					
(i) Trade Payables	-	6.46	-	-	6.46
(b) Borrowings (Other than Debt Securities)	3,184.79	-	-	-	3,184.79
(c) Other financial liabilities	-	16.47	-	-	16.47
<b>Total</b>	<b>3,184.79</b>	<b>22.93</b>	<b>-</b>	<b>-</b>	<b>3,207.72</b>

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**3 Market risk**

Market risk is the risk that changes in market prices – such as interest rates and commodity prices– will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including payables and debt. Company's market risk is primary related to its investments in securities. Thus, Company's exposure to market risk is a function of investing activities and revenue generating and operating activities. The objective of market risk management is to mitigate market risk by diversification.

The Company has classified the equity securities, which are not held for trading purpose, in Balance sheet as fair value through OCI & which are held for trading purpose are classified in the Balance Sheet as fair value through profit & loss. Equity price risk is related to the change in market reference price of the instruments in quoted securities. The Fair value of equity instruments which are not held for trading purpose are as at 31st March, 2020, 31st March, 2019 and 1st April, 2018 was Rs.3,783.84, Rs. 10,349.06 and Rs.9,115.82 respectively. The fair value of equity instruments which are held for trading are as 31st March, 2020, 31st March, 2019 and 1st April, 2018 was Rs. 1,386.98 , Rs. 769.69 and Rs. 648.91 respectively.

The majority of the Company's equity investments are listed on the BSE Ltd and the National Stock Exchange (NSE) in India. To manage its price risk arising from investment in equity securities, the Company diversifies its portfolio.

Apart from above the Company's exposure to other listed securities (other than equity) are classified in the Balance Sheet as fair value through profit & loss. The fair value of such instruments are as 31st March, 2020, 31st March, 2019 and 1st April, 2018 was Rs. Nil , Rs. Nil and Rs. 117.01 respectively.

**4 Interest rate risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Company's all investments in debt securities are for short term. It is maturity pattern is between 1 year to 3 years. Further few of the debt investments have exit option prior to maturity being listed on stock exchange. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The Company do not have any long term external borrowing as on 31st March, 2020 , 31st March, 2019 and as on 1st April,2018. However the company do have short term borrowings of Rs. 1,000 , Rs. 48 as on 31st March, 2019 and Rs. 3,181 as on 1st April, 2018.

**5 Currency risk**

The Company's primary business activities are within India and does not have any exposure in foreign currency.

**B Financial Instruments measurements and disclosures (Ind AS 113)****a Accounting Classification**

Particulars	31st March, 2020			31st March, 2019			1st April, 2018		
	Fair value through profit or loss (FVTPL)	Fair value through other comprehensive income (FVOCI)	Cost / Amortised Cost	Fair value through profit or loss (FVTPL)	Fair value through other comprehensive income (FVOCI)	Cost / Amortised Cost	Fair value through profit or loss (FVTPL)	Fair value through other comprehensive income (FVOCI)	Cost / Amortised Cost
<b>Financial Assets</b>									
(a) Cash and cash equivalents	-	-	748.32	-	-	13.22	-	-	27.31
(b) Bank Balance other than (a) above	-	-	3.76	-	-	3.76	-	-	3.76
(c) Receivables	-	-	11.68	-	-	0.12	-	-	0.17
(d) Loans	-	-	10.44	-	-	414.42	-	-	2,658.29
(e) Investments	65.68	13,399.89	27.48	44.31	23,409.21	27.48	3,364.95	20,537.59	20.43
(f) Stock in Trade (Securities held for Trading)	1,388.18	-	-	774.42	-	-	650.12	-	-
(g) Other Financial assets	-	-	0.25	-	-	0.03	-	-	81.28
<b>Total Financial Assets</b>	<b>1,453.86</b>	<b>13,399.89</b>	<b>801.93</b>	<b>818.73</b>	<b>23,409.21</b>	<b>459.03</b>	<b>4,015.06</b>	<b>20,537.59</b>	<b>2,791.24</b>
<b>Financial Liability</b>									
(a) Payables	-	-	1.65	-	-	2.37	-	-	6.46
(b) Borrowings (Other than Debt Securities)	-	-	1,004.03	-	-	49.57	-	-	3,184.79
(c) Other financial liabilities	-	-	2.07	-	-	27.04	-	-	16.47
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>1,007.75</b>	<b>-</b>	<b>-</b>	<b>78.98</b>	<b>-</b>	<b>-</b>	<b>3,207.72</b>

NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**b Fair value hierarchy**

The following table presents the fair value hierarchy of assets and liabilities measured at fair value basis,

Particulars	31st March, 2020			31st March, 2019			1st April, 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>									
(a) Investments	3,849.52	-	20.40	10,713.87		20.40	13,288.61		191.59
(b) Stock in Trade (Securities held for Trading)	1,386.98	-	1.21	769.69	4.73	-	648.91	1.21	-
<b>Total Financial Assets</b>	<b>5,236.49</b>	<b>-</b>	<b>21.61</b>	<b>11,483.56</b>	<b>4.73</b>	<b>20.40</b>	<b>13,937.52</b>	<b>1.21</b>	<b>191.59</b>

**Fair value hierarchy:**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

**(a) Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices in an active market. This included listed equity instruments, traded debentures and mutual funds that have quoted price. The fair value of all equity instruments (including debentures) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV as published on Association of Mutual Funds of India (AMFI).

**(b) Level 2:** Level 2 hierarchy includes financial instruments that are not traded in an active market (for example, traded bonds/debentures, over the counter derivatives). The fair value in this hierarchy is determined using valuation techniques and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**(c) Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Financial instruments such as unlisted equity shares, loans are included in this hierarchy.

**c Inter level transfers:**

There are no inter level transfers made during the year.

**d Valuation technique used to determine fair value**

- Closing NAV Statement from Mutual fund is used to determine fair value of unquoted Mutual Fund, if any.
  - Fair values of quoted investments held for trading and other than held for trading purpose under FVTPL are valued using the closing price of NSE / BSE as at the reporting period, if any.
  - Fair values of quoted investments routed through FVTOCI are valued using the closing price of NSE / BSE as at the reporting period, if any.
  - For unlisted group companies investments, for which latest consolidated audited balance sheet are available (not later than 1 year) are classified under level 3. Accordingly, their fair value can be derived from the latest Consolidated audited balance sheet by applying below formula: "Share capital + other equity - prepaid expenses) / no of equity shares = value per share."
- Any reciprocal interest held by the group company reduced from "no of equity shares" in above formula & calculate the value per share accordingly.

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## e Fair value of financial instruments not measured at fair value

Particulars	31st March, 2020			31st March, 2019			1st April, 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets:</b>									
(a) Cash and cash equivalents	748.32	-	-	13.22	-	-	27.31	-	-
(b) Bank Balance other than (a) above	3.76	-	-	3.76	-	-	3.76	-	-
(c) Receivables	-	-	11.68	-	-	0.12	-	-	0.17
(d) Loans	-	-	10.44	-	-	414.42	-	-	2,658.29
(e) Investments	-	-	9,623.13	-	-	12,746.73	-	-	10,442.77
(f) Other Financial assets	-	-	0.25	-	-	0.03	-	-	81.28
	<b>752.08</b>	<b>-</b>	<b>9,645.50</b>	<b>16.98</b>	<b>-</b>	<b>13,161.30</b>	<b>31.07</b>	<b>-</b>	<b>13,182.51</b>
<b>Financial Liabilities:</b>									
(a) Payables	-	-	1.65	-	-	2.37	-	-	6.46
(b) Borrowings (Other than Debt Securities)	-	-	1,004.03	-	-	49.57	-	-	3,184.79
(c) Other financial liabilities	-	-	2.07	-	-	27.04	-	-	16.47
	<b>-</b>	<b>-</b>	<b>1,007.75</b>	<b>-</b>	<b>-</b>	<b>78.98</b>	<b>-</b>	<b>-</b>	<b>3,207.72</b>

Note: Level 3 includes investments in associates and subsidiary measured at cost as IND 27.

**Valuation Techniques:****Short-term Financial assets and liabilities**

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, trade receivables, balances other than cash and cash equivalents and trade payables without a specific maturity. Such amounts have been classified as Level 1 / Level 2 / Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

**Note 33: Capital Management**

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves attributable to the equity shareholders of the Company. The primary objective of the company, when managing capital, is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure, so as to maximize shareholders' value. As at 31st March, 2020, the Company has only one class of equity shares and has debt of Rs 1,000. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or reinvestments into business based on its long term financial plans.

The Company monitors capital structure on the basis of total debt to equity and maturity profile of overall debt portfolio of the Company.

The Company is subject to the capital adequacy requirements of the Reserve Bank of India (RBI). Under RBI's capital adequacy guidelines, the Company is required to maintain a capital adequacy ratio consisting of Tier I and Tier II Capital. The minimum capital ratio as prescribed by RBI guidelines and applicable to the Company, consisting of Tier I and Tier II capital, shall not be less than 15 percent of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet. The Tier I capital, at any point of time, shall not be less than 10%.

The Company has complied with all regulatory requirements related capital and capital adequacy ratios as prescribed by RBI.

**Regulatory capital**

Particulars	31st March, 2020	31st March, 2019	1st April, 2018
Tier - I Capital	4,742.65	8,061.08	7,604.70
Tier - II Capital	-	1.60	10.91
<b>Total Capital</b>	<b>4,742.65</b>	<b>8,062.68</b>	<b>7,615.61</b>
<b>Aggregate of Risk Weighted Assets</b>	<b>5,567.91</b>	<b>9,435.00</b>	<b>11,785.93</b>
Tier - I Capital	85.18%	85.44%	64.52%
Tier - II Capital	-	0.02%	0.09%
<b>Total Capital ratio</b>	<b>85.18%</b>	<b>85.46%</b>	<b>64.62%</b>



NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**Note 33: Capital Management...Continued..**

"Tier I Capital" means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund.

"Owned Fund" means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any

"Tier II Capital" includes the following:

- (a) preference shares other than those which are compulsorily convertible into equity;
- (b) revaluation reserves at discounted rate of fifty five percent;
- (c) General provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets.
- (d) hybrid debt capital instruments; and
- (e) subordinated debt to the extent the aggregate does not exceed Tier I capital.

**Aggregate Risk Weighted Assets**

Under RBI Guidelines, degrees of credit risk expressed as percentage weightages have been assigned to each of the on-balance sheet assets and off-balance sheet assets. Hence, the value of each of the on-balance sheet assets and off-balance sheet assets requires to be multiplied by the relevant risk weights to arrive at risk adjusted value of assets. The aggregate shall be taken into account for reckoning the minimum capital ratio."

**Note 34: Segment Reporting**

The Company is engaged in the business of investment and trading in shares and securities & Lending Activities. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable operating or geographical segments applicable to the Company.

**Note 35 a: Distribution made and proposed**

The Company has not distributed or not proposed any dividend during the year.

**Note 35 b: Transferred financial assets that are derecognised in the entity but where the Company has continuing involvement.**

The company has not transferred any assets that are derecognised in their entirety where the company continues to have continuing involvement.

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**Note 36 : Disclosures as required by Ind AS 101 "First Time Adoption of Ind AS"****Transition to Ind AS**

The financial statements for the year ended 31st March, 2020 are the first financial statements of the Company prepared under Ind AS.

The accounting policies set out in Note No. 2 have been applied in preparing the Standalone Ind AS financial statements for the year ended 31st March, 2020. The comparative information presented in these Standalone Ind AS financial statements for the year ended 31st March, 2019 and the information presented in the preparation of an opening Ind AS balance sheet at 1st April, 2018 were restated as per Indian Accounting standard.

In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act ("previous GAAP"). The exemptions and exceptions applied by the Company in accordance with Ind AS 101 'First-time Adoption of Indian Accounting Standards' along with the reconciliations of equity, total comprehensive income and statement of cash flows in accordance with Previous GAAP to Ind AS are explained below:

**A. Ind AS mandatory exceptions:**

**a. Estimates:** On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence that those estimates were in error. However, estimates, if any, that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

**b. Classification and Measurement of Financial Assets:** Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly the Company has classified the financial assets as per Ind AS 109 on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

**B. Ind AS Optional exemptions:**

**a. Property, plant and equipment and Investment Property:** Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for investment properties covered by Ind AS 40 "Investment Property".

Accordingly, the Company has elected to measure all of its property, plant and equipment and investment properties at their previous GAAP carrying value.

**b. Investment in Subsidiaries and Associates:** Ind AS 101 gives an option to recognize the investment in associate at cost. Consequently, the Company has availed such option to value its investments in Subsidiaries and Associates at cost.

**1. Reconciliation statement of Balance sheet as previously reported under IGAAP to IND AS:**

Particulars	Note No	Balance sheet as at 31st March, 2019			Balance sheet as at 1st April, 2018		
		IGAAP	Effect of transition to IND AS	IND AS	IGAAP	Effect of transition to IND AS	IND AS
<b>Financial Assets</b>							
(a) Cash and cash equivalents		13.22	-	13.22	27.31	-	27.31
(b) Bank Balance other than (a) above		3.76	-	3.76	3.76	-	3.76
(c) Receivables							
Trade Receivables	6	-	0.12	0.12	-	0.17	0.17
(d) Loans	6	416.02	(1.60)	414.42	2,669.20	(10.91)	2,658.29
(e) Investments	1 & 5	11,724.54	11,756.46	23,481.00	11,931.14	11,991.82	23,922.96
(f) Stock in Trade (Securities held for Trading)	1	730.90	43.52	774.42	651.63	(1.51)	650.12
(g) Other Financial assets	6	0.02	0.01	0.03	81.27	0.01	81.28
<b>Non -Financial Assets</b>							
(a) Current tax assets (Net)		251.59	-	251.59	199.06	-	199.06
(b) Property, Plant and Equipment		5.46	-	5.46	7.58	-	7.58
(c) Deferred tax assets (Net)	2 & 6	428.43	(428.43)	-	479.72	(479.72)	-
(d) Other non-financial assets	6	106.43	(0.01)	106.42	101.86	(0.01)	101.85
<b>Total Assets</b>		<b>13,680.37</b>	<b>11,370.06</b>	<b>25,050.44</b>	<b>16,152.53</b>	<b>11,499.86</b>	<b>27,652.38</b>
<b>Financial Liabilities</b>							
(a) Payables	6	2.27	0.11	2.37	6.28	0.18	6.46
(b) Borrowings (Other than Debt Securities)		49.57	-	49.57	3,184.78	-	3,184.79
(c) Other financial liabilities		27.04	-	27.04	16.47	-	16.47
<b>Non-Financial Liabilities</b>							
(a) Provisions	6	15.42	(1.60)	13.82	25.34	(10.91)	14.42
(b) Deferred tax liabilities (Net)	2 & 6	-	679.49	679.49	-	541.16	541.16
(c) Other non-financial liabilities		2.78	-	2.78	2.99	-	2.99
<b>EQUITY</b>							
(a) Equity Share capital		100.09	-	100.09	100.09	-	100.09
(b) Other Equity	1, 2 & 4	13,483.20	10,692.06	24,175.27	12,816.58	10,969.42	23,786.00
<b>Total Liabilities and Equity</b>		<b>13,680.37</b>	<b>11,370.06</b>	<b>25,050.43</b>	<b>16,152.53</b>	<b>11,499.85</b>	<b>27,652.38</b>

NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## 2. Reconciliation statement of Profit and Loss as previously reported under I-GAAP to IND AS:

Particulars	Note No	Profit and loss for the year ended 31st March, 2019		
		IGAAP	Effect of transition to IND AS	IND AS
<b>Revenue from operations</b>				
(a) Interest Income		195.55	-	195.55
(b) Dividend Income		557.98	-	557.98
(c) Other operating income		10.54	7.09	17.62
<b>Other Income</b>		7.21	-	7.21
<b>Total income</b>		<b>771.27</b>	<b>7.09</b>	<b>778.36</b>
<b>Expenses</b>				
(a) Finance Costs		15.15	-	15.15
(b) Net loss on fair value changes (Net)	1 & 4	(149.99)	670.64	520.65
(c) Impairment on financial instruments	5	-	1.18	1.18
(d) Employee Benefits Expenses		138.26	-	138.26
(e) Depreciation and amortization expenses		2.12	-	2.12
(f) Others expenses	5	27.51	(1.18)	26.33
<b>Total expenses</b>		<b>33.04</b>	<b>670.64</b>	<b>703.69</b>
<b>Profit before tax</b>		<b>738.23</b>	<b>(663.55)</b>	<b>74.67</b>
<b>Tax expenses</b>				
Current Tax		44.32	(44.32)	-
Deferred Tax	2	51.29	10.81	62.09
Tax adjustment of earlier years (net)		(24.00)	-	(24.00)
<b>Profit after tax</b>		<b>666.63</b>	<b>(630.05)</b>	<b>36.58</b>
<b>Other comprehensive income</b>	4	-	352.69	<b>352.69</b>
<b>Total comprehensive income</b>		<b>666.63</b>	<b>(277.36)</b>	<b>389.27</b>

## 3. Reconciliation statement of cash flow for the year ended 31st March, 2019:

There are no material changes in cash flow for the year ended 31st March, 2019 as reported erstwhile Indian GAAP and Ind AS

## 4. Reconciliation of standalone equity for the year ended 31st March, 2019 as reported erstwhile Indian GAAP and Ind AS is summarized as below:

Particulars	Note No.	31st March, 2019	1st April, 2018
<b>Total Equity as reported under Indian GAAP</b>		<b>13,583.29</b>	<b>12,916.68</b>
<b>Add / (Less) :</b>			
Fair valuation of financial assets	1	11,800.22	11,990.31
Deferred Tax on above	2	(1,107.92)	(1,020.88)
Others		(0.24)	-
<b>Total Equity as reported under Ind AS</b>		<b>24,275.35</b>	<b>23,886.10</b>

## 5. Reconciliation of total comprehensive income for the year ended 31st March, 2019

Particulars	Note No.	31st March, 2019
<b>Standalone Net profit after tax as reported under Indian GAAP</b>		<b>666.63</b>
<b>Add / (Less) : Adjustments increasing/(decreasing) net profit after tax reported under Previous GAAP</b>		
Fair valuation of financial assets through profit and loss (net of tax)	1	28.04
Gain on derecognition of investments fair valued through other comprehensive income (net of tax)		(665.17)
Fees on financial guarantee	1, 2 & 4	7.08
Net profit after tax as per Ind AS	3	<b>36.58</b>
Other Comprehensive income (net of tax)		352.69
<b>Total Comprehensive income under Ind AS</b>		<b>389.27</b>

**Notes to reconciliation:****1. Fair valuation of Financial Instruments****a. Fair valuation of investments (Mutual funds) :**

Under the previous GAAP, long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. Fair value changes with respect to investments in Mutual fund designated as at fair value through Profit & loss (FVTPL) have been recognized in Equity (net of related deferred taxes) as at the date of transition and subsequently in the profit & loss for the year ended 31st March, 2019.

**b. Fair valuation of investments (Preference shares) :**

Under the previous GAAP, long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. Fair value changes with respect to investments in preference shares designated as at fair value through Profit & loss (FVTPL) have been recognized in Equity (net of related deferred taxes) as at the date of transition and subsequently in the profit & loss for the year ended 31st March, 2019.

**c. Fair valuation of investments (Listed Equity shares) :**

Under the previous GAAP, long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. Fair value changes with respect to investments in Listed Equity shares (not held for trade) designated as at fair value through Other comprehensive Income (FVTOCI) have been recognized in Equity (net of related deferred taxes) as at the date of transition and subsequently in the Other comprehensive Income for the year ended 31st March, 2019.

**d. Fair valuation of investments (Unlisted Equity shares) :**

Under the previous GAAP, long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. Fair value changes with respect to investments in Unlisted Equity shares (not held for trade) designated as at fair value through Other comprehensive Income (FVTOCI) have been recognized in Equity (net of related deferred taxes) as at the date of transition and subsequently in the Other comprehensive Income for the year ended 31st March, 2019. Their fair value can be derived from the latest audited balance sheet by applying below formula: "Net worth of company / no of equity shares = value per share."

**2. Deferred Tax**

Indian GAAP requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

Under the previous GAAP, MAT credit entitlement was presented as part of long-term loans and advances. Under Ind AS, MAT credit entitlement is required to be presented as part of Deferred tax assets. There is no impact on the total equity or profit as a result of this adjustment.

**3. Income on Financial Guarantees :**

Under the Previous GAAP, Financial Guarantees was treated as contingent liability. Under Ind AS, Financial Guarantees are required to be measured at fair value which is as per IND AS 109- Financial Instruments. Accordingly company has recovered Financial guarantee income from group company on account of shares pledge for availing short term borrowings to one of group company.

**4. Other Comprehensive Income :**

Under Ind AS, all items of income and expenses recognized in a period should be included in the Statement of Profit and Loss for the period, unless a standard requires or permits otherwise. Items of income and expenses that are not recognized in profit or loss but are shown in the Statement of Profit and Loss as 'other comprehensive income' includes fair value changes in equity shares which are not for trading purpose. The concept of other comprehensive income did not exist under previous GAAP.

**5. Impairment of financial assets**

Under previous GAAP, loan losses and provisions were computed basis RBI guidelines and Management estimations. Under Ind AS, the same is required to be computed as per the impairment principles laid out in Ind AS 109 – 'Financial Instruments' which prescribes the expected credit loss model (ECL model) for the same. Accordingly, the difference between loan losses and provisions as computed under previous GAAP and as computed under Ind AS, if any is adjusted in retained earnings (net of related deferred taxes) as at the date of transition and subsequently in the profit & loss for the year ended 31st March, 2019.

6. Erstwhile reported IGAAP figures have been regrouped wherever necessary to correspond with IND AS classification and disclosures.

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 37 : Disclosure of transactions with related parties as required by Ind AS 24

## Details of related parties:

Description of relationship	Names of related parties
<b>Subsidiaries</b>	Sareshwar Trading & Finance Private Limited Arkaya Commercials Private Limited
<b>Associates</b>	Arcies Laboratories Limited
<b>Other group companies</b>	Four Dimensions Commodities Private Limited Four Dimensions Securities (India) Limited Geecee Ventures Limited Singularity Holdings Limited (Formerly known as GeeCee Investments Limited) Geecee Business Private Limited Sam Jag-Deep Investment Private Limited Urudavan Investment and Trading Private Limited Winro Commercial (India) Limited Urudavan Investment and Trading Pvt Ltd. GTZ (Bombay) Private Limited
<b>Key Management Personnel (KMP) as on 31st March, 2020</b>	<ul style="list-style-type: none"> <li>• Mr Rajiv Pathak - Chief Executive Officer</li> <li>• Mrs Vaishali Rajesh Dhuri - Chief Financial Officer</li> <li>• Mrs Avani Sanghavi - Company Secretary</li> </ul>
<b>Director as on 31st March, 2020</b>	<ul style="list-style-type: none"> <li>• Mr V V Suresh Kumar - Non-executive Director</li> <li>• Mr Ritesh Zaveri - Non-executive Director</li> <li>• Mr. Sandeep Kejariwal - Non-executive Director (Appointed w.e.f. 13th August, 2019)</li> </ul>
<b>Independent Directors as on 31st March, 2020</b>	<ul style="list-style-type: none"> <li>• Mrs Babita Thakkar - Independent Director</li> <li>• Mr Ketan Desai - Independent Director</li> </ul>

## Details of related party transactions during the year ended 31st March, 2020 and balances outstanding as at 31st March, 2020:

Sr. No	Particulars	Subsidiaries	Associates	KMP	Other group companies	Total
a	Brokerage Paid	- (-)	- (-)	- (-)	8.88 (3.60)	<b>8.88</b> (3.60)
b	Employee benefit expenses	- (-)	- (-)	53.31 (59.46)	- (-)	<b>53.31</b> (59.46)
c	Director's Sitting fees	- (-)	- (-)	0.33 (0.25)	- (-)	<b>0.33</b> (0.25)
d	Interest Received	- (0.11)	- (2.05)	- (-)	0.68 (90.64)	<b>0.68</b> (92.80)
e	Interest Paid on borrowings	- (-)	- (-)	- (-)	3.39 (7.09)	<b>3.39</b> (7.09)
f	Re-imbursement of expenses	- (-)	- (-)	0.36 (0.26)	- (-)	<b>0.36</b> (0.26)
g	Income on Financial Guarantee	- (-)	- (-)	- (-)	4.95 (7.08)	<b>4.95</b> (7.08)
<b>Finance &amp; Investment</b>						
i	Loans Taken	- (-)	- (-)	- (-)	1,860.06 (2,522.79)	<b>1,860</b> (2,522.79)
j	Loans Repaid	- (-)	- (-)	- (-)	1,908.06 (5,655.79)	<b>1,908</b> (5,655.79)
k	Loans Advanced	- (1.50)	- (29.5)	- (-)	761.00 (4,003.95)	<b>761.00</b> (4,034.95)
l	Loans received back	- (1.50)	- (29.5)	- (-)	761.00 (5,759.95)	<b>761.00</b> (5,790.95)
m	Investments Purchase	- (0.16)	- (-)	- (-)	302.5 (1,458.77)	<b>302.5</b> (1,458.93)
n	Equity shares offered in Buy back	- (-)	- (-)	- (-)	128.15 (-)	<b>128.1</b> (-)
o	Investments Redeemed	- (0.25)	- (-)	- (-)	- (-)	<b>-</b> (0.25)

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Balances outstanding at the end of the year						
Sr. No	Particulars	Subsidiaries	Associates	KMP	Other group companies	Total
p	Trade Payables	- (-)	- (13.35)	0.04 (-)	0.01 (-)	<b>0.05</b> (13.35)
q	Other Financial Liability	- (-)	- (-)	+ (-)	0.77 (15.59)	<b>0.77</b> (-)
r	Borrowings (Other than Debt securities) - Interest Accrued on Borrowings	- (-)	- (-)	- (-)	0.10 (1.56)	<b>0.10</b> (1.56)
s	Borrowing (Other than Debt Securities)	- (-)	- (-)	- (-)	- (48.00)	- -
t	Other Financial Asset	- (-)	- (-)	- (-)	0.22 (-)	<b>0.22</b> -
u	Other Non Financial Asset	-	-	0.50	-	<b>0.50</b>
v	Trade Receivable	-	-	-	11.68	<b>11.68</b>
w	Investment	20.15 (20.15)	0.25 (0.25)	-	10,261.88 (15,406.55)	<b>10,282.28</b> (15,426.95)

## Disclosure in respect of Related Party Transactions during the year

	Particulars	Relation	2019-20	2018-19
			Rs	Rs
a	<b>Brokerage Paid</b> Four Dimensions Securities (India) Limited	Other group companies	8.88	3.60
b	<b>Employee benefit expenses</b> Mrs Vaishali Dhuri Mr Rajiv Pathak Mrs Avani Sanghavi	KMP KMP KMP	9.42 36.02 7.87	10.07 41.38 8.01
c	<b>Directors Sitting Fees</b> Mrs Babita Thakkar Mr Ketan Desai	KMP KMP	0.19 0.14	0.14 0.11
d	<b>Interest Received on Loans</b> Four Dimensions Securities (India) Limited Arkaya Commercial Private Limited Arcies Laboratories Limited Sam Jag-Deep Investment Private Limited GTZ (Bombay) Private Limited	Other group companies Subsidiaries Associates Other group companies Other group companies	0.68 - - - -	88.59 0.11 2.05 1.79 0.26
e	<b>Interest Paid on borrowings</b> Singularity Holdings Limited Winro Commercial (India) Limited	Other group companies Other group companies	1.62 1.77	1.74 5.35
f	<b>Re-imbursment of expenses</b> Mrs Vaishali Dhuri Mrs Avani Sanghavi	KMP KMP	0.21 0.15	0.17 0.09
g	<b>Income on Financial Guarantee</b> Urudavan Investment & Trading Private Limited	Other group companies	4.95	7.08
i	<b>Finance &amp; Investment</b> <b>Loans Taken</b> Singularity Holdings Limited Winro Commercial (India) Limited	Other group companies Other group companies	1,239.06 621.00	1,302.00 1,220.79
j	<b>Loans Repaid</b> Singularity Holdings Limited Winro Commercial (India) Limited	Other group companies Other group companies	1,287.06 621.00	1,254.00 4,401.79
k	<b>Loans Advanced</b> Singularity Holdings Limited Four Dimensions Securities (India) Limited Urudavan Investment & Trading Private Limited Sam Jag-Deep Investment Private Limited GTZ (Bombay) Private Limited Arkaya Commercial Private Limited Arcies Laboratories Limited	Other group companies Other group companies Other group companies Other group companies Other group companies Subsidiaries Associates	248.00 513.00 - - - - -	6.92 3,958.33 3.40 31.30 4.00 1.50 29.50

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Disclosure in respect of Related Party Transactions during the year

	Particulars	Relation	2019-20	2018-19
			Rs	Rs
l	<b>Loans received back</b>			
	Singularity Holdings Limited	Other group companies	248.00	6.92
	Four Dimensions Securities (India) Limited	Other group companies	513.00	5,714.33
	Urdhavan Investment & Trading Private Limited	Other group companies	-	3.40
	Sam Jag-Deep Investment Private Limited	Other group companies	-	31.30
	GTZ (Bombay) Private Limited	Other group companies	-	4.00
	Arkaya Commercial Private Limited	Subsidiaries	-	1.50
	Arcies Laboratories Limited	Associates	-	29.50
m	<b>Investments Purchase</b>			
	Singularity Holdings Limited	Other group companies	-	1,458.77
	Arkaya Commercial Private Limited	Subsidiaries	-	0.16
	Urdhavan Investment & Trading Private Limited	Other group companies	302.50	-
n	<b>Equity shares offered in Buy back</b>			
	Geecee Ventures Limited	Other group companies	128.15	-
o	<b>Investments Redeemed (Preference Shares)</b>			
	Arkaya Commercial Private Limited	Subsidiaries	-	0.25
p	<b>Balances outstanding at the end of the year</b>			
	<b>Trade Payables</b>			
	Four Dimensions Securities (India) Limited	Other group companies	0.01	1.01
	Mrs Vaishali Dhuri	KMP	0.03	-
	Mrs Avani Sanghavi	KMP	0.01	-
q	<b>Other Financial Liability</b>			
	Mrs Vaishali Dhuri	KMP	0.61	1.44
	Mr Rajiv Pathak	KMP	0.16	13.35
	Mrs Avani Sanghavi	KMP	-	0.80
r	<b>Borrowings (Other than Debt securities) - Interest Accrued on Borrowings</b>			
	Singularity Holdings Limited	Other group companies	0.10	1.56
s	<b>Borrowing (Other than Debt Securities)</b>			
	Singularity Holdings Limited	Other group companies	-	48.00
t	<b>Other Financial Asset</b>			
	Four Dimensions Securities (India) Limited	Other group companies	0.22	-
u	<b>Other Non Financial Asset</b>			
	Mrs Vaishali Dhuri	KMP	0.50	-
v	<b>Trade Receivable</b>			
	Four Dimensions Securities (India) Limited	Other group companies	11.68	-
w	<b>Investments</b>			
	Arkaya Commercial Private Limited	Subsidiaries	1.78	1.78
	Sareshwar Trading & Finance Private Limited	Subsidiaries	18.37	18.37
	Arcies Laboratories Limited	Associates	0.25	0.25
	Four Dimensions Commodities Private Limited	Other group companies	4.19	4.08
	Four Dimensions Securities (India) Limited	Other group companies	7,741.72	10,060.14
	Geecee Business Private Limited	Other group companies	39.62	41.65
	Singularity Holdings Limited	Other group companies	1,149.40	1,964.90
	Geecee Ventures Limited	Other group companies	1,078.60	3,087.44
Winro Commercial (India) Limited	Other group companies	248.34	248.34	

## Notes:

- 1 Name of the related party and nature of the related party relationship where control exists, if any, have been disclosed irrespective of whether or not there have been transactions between the related parties. In other cases, disclosure has been made only when there have been transactions with those parties.
- 2 Related parties have been identified by the Management and have been relied upon by the Auditors.
- 3 Related parties as defined under para 9 of Ind AS 24 'Related Party Disclosures' have been identified based on representations made by key managerial personnel and information available with the Company.
- 4 Figures in bracket relates to the previous year. Such figures have been regrouped/ reclassified to corresponds with the current year classification/ disclosures.

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 38: Disclosure as per Annexure 4 of Reserve Bank of India's Notification no. DNBR.19/ CGM (CDS)-2015 dated April 10, 2015 on Non-Banking Financial Companies-Corporate Governance (Reserve Bank Directions, 2015 read with the requirements as required by Annexure XII of Non Banking Financial Company – Systematically Important – Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016.

**38.1 Summary of Significant Accounting Policies**

The summary of Significant Accounting Policies is disclosed in Note No.1 & 2 to the Financial Statements.

**38.2 Capital to Risk Assets Ratio ("CRAR")**

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>CRAR (%)</b>	<b>85.18</b>	<b>85.46</b>
CRAR- Tier I Capital (%)	85.18	85.44
CRAR- Tier II Capital (%)	-	0.02
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount raised by issue of perpetual Debt Instruments	-	-

Capital to Risk Assets Ratio is taken from Final NBS 7 return submitted to RBI.

**38.3 Investments**

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>(I) Value of Investments</b>		
<b>(i) Gross value of investments</b>	<b>14,890.12</b>	<b>24,264.30</b>
(a) In India	14,890.12	24,264.30
(b) Outside India	-	-
<b>(ii) Provision for Diminution</b>	<b>8.88</b>	<b>8.88</b>
(a) In India	8.88	8.88
(b) Outside India	-	-
<b>(iii) Net Investment</b>	<b>14,881.24</b>	<b>24,255.42</b>
(a) In India	14,881.24	24,255.42
(b) Outside India	-	-
<b>(II) Movement of provision held towards diminution on investments</b>		
(i) Opening Balance	-	-
(ii) Add: Provision made during the year	-	-
(iii) Less: Write-off/ Write-back of excess provision during the year	-	-
<b>(iv) Closing Balance</b>	<b>-</b>	<b>-</b>

**38.4 Derivatives****Forward Rate Agreement / Interest Rate Swap:**

The Company has not entered into any Forward Rate Agreement / Interest Rate Swap transactions in any of the financial years as on the reporting date.

**Exchange Traded Interest Rate (IR) Derivatives :**

The Company has not entered into any Exchange Traded Interest Rate (IR) Derivatives transactions in any of the financial years as on the reporting date.

**Disclosures on Risk Exposure in Derivatives :**

The Company has not entered into any Currency Derivatives transactions during the current financial year and in the previous financial year. However, the company has entered into equity /index Futures and Options contracts in the financial years as on the reporting date. The Mark to Market Gains or losses have been recognized as per as per the Guidance Note on "accounting for Derivative Contracts (2015)" issued by The Institute of Chartered Accountants of India and shown under the head "Profit / (Loss) on futures & options segment" in note no. 26 to the financial statement.

**38.5 Securitization of the Assets**

**38.5.1** The Company has not done any Securitisation in any of the financial year as on the reporting date. Hence disclosures relating to Securitisation are not applicable.

**38.5.2** The Company has not entered in Assignment transaction in any of the financial year as on the reporting date.

**38.5.3** The Company has not purchased/ sold non-performing financial assets in any of the financial year as on the reporting date.

**38.6 Maturity pattern of Assets and Liabilities**

(Based on reasonable assumptions made by the Management)

**For 2019-20**

Particulars	Deposits	Advances/ Loan	Investments	Borrowings	Foreign Currency Assets	Foreign Currency Liabilities
1 day to 30/31 days	-	-	155.25	-	-	-
Over one month up to 2 months	-	-	488.35	0.10	-	-
Over 2 months up to 3 months	-	-	144.85	-	-	-
Over 6 months up to 1 year	-	-	1,023.01	1,003.93	-	-
Over 1 year up to 3 years	-	-	1,388.18	-	-	-
Over 3 years up to 5 years	-	-	-	-	-	-
Over 5 years	-	-	11,681.60	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>14,881.24</b>	<b>1,004.03</b>	<b>-</b>	<b>-</b>

**For 2018-19**

Particulars	Deposits	Advances/ Loan	Investments	Borrowings	Foreign Currency Assets	Foreign Currency Liabilities
1 day to 30/31 days	-	200.00	66.03	49.57	-	-
Over one month up to 2 months	-	200.00	232.33	-	-	-
Over 2 months up to 3 months	-	-	-	-	-	-
Over 6 months up to 1 year	-	-	774.42	-	-	-
Over 1 year up to 3 years	-	-	-	-	-	-
Over 3 years up to 5 years	-	-	-	-	-	-
Over 5 years	-	-	23,182.64	-	-	-
<b>Total</b>	<b>-</b>	<b>400.00</b>	<b>24,255.42</b>	<b>49.57</b>	<b>-</b>	<b>-</b>



## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 38.7 Exposure to Real Estate Sector

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>a) Direct Exposure</b>		
<b>i) Residential Mortgages -</b> Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented: 1. Individual housing loans up to Rs.15 lakh 2. Individual housing loans above Rs.15 lakh	-	-
<b>ii) Commercial Real Estate -</b> Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial buildings, multi- tenanted commercial premises, multi-family residential premises industrial or warehouse space, hotels, land acquisition, development and construction, etc). Exposure includes non-fund based (NFB) limits.	-	-
<b>iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -</b> 1. Residential 2. Commercial Real Estate	-	-

## 38.8 Exposure to Capital Market

Particulars	As at 31st March, 2020	As at 31st March, 2019
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;*	14,890.12	24,264.30
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporate against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) all exposures to Venture Capital Funds (both registered and unregistered)	-	-
<b>Total Exposure to Capital Market</b>	<b>14,890.12</b>	<b>24,264.30</b>

## 38.9 Details of financing of parent company products

The Company does not have parent Company. Hence this clause is not applicable.

## 38.10 Details of Single Borrower Limit (SGL)/ Group Borrower Limit GBL exceeded by the NBFC

The Company does not exceed Single Borrower Limit (SGL)/ Group Borrower Limit as prescribed RBI in prudential norms.

## 38.11 Unsecured Advances

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured advances	-	400.00
Advances against intangible securities	-	-
<b>Total Unsecured Advances</b>	<b>-</b>	<b>400.00</b>

## 38.12 Miscellaneous

## Registration obtained from other financial sector regulators

Not Applicable.

## Disclosure of Penalties imposed by RBI and other regulators

No penalties have been imposed by RBI and any other regulator.

## Related Party Transactions

Details of all material transactions with related parties: Refer note no. 37 of the financial statement

## Ratings assigned by credit rating agencies and migration of ratings during the year

Not Applicable.

## Remuneration of Directors

The Company has not paid any remuneration to any director of the Company except director's sitting fees of Rs 0.32 lakhs as on 31st March, 2020 and 0.25 lakhs as on 31st March, 2019 (Refer note no. 38)

## Management

Management Discussion and Analysis Report is been incorporated in the Directors Report.

## Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no prior period items. Accordingly there is no impact on profit / loss of the Company.

## Revenue Recognition

The company has not postponed recognition of revenue on account of any pending resolution of significant uncertainties.

## Indian Accounting Standard 110 -Consolidated Financial Statements (CFS)

The Company has presented the Consolidated Financial Statement as per the guidelines & clarification provided by ICAI.

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 38.13 Additional Disclosures

## 38.13.1 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at 31st March, 2020	As at 31st March, 2019
Provisions for diminution in value of investment	-	-
Provision towards NPA	-	-
Provision made towards Income tax*	(1,213.60)	82.47
Provision for employee benefits	1.70	-
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets	-	-

\*Provision made towards income tax includes income tax provision shown in Other Comprehensive Income and deferred tax.

## 38.13.2 Drawn down from Reserves

The Company has not made any draw down from reserves in any of the financial years as on the reporting date.

## 38.13.3 Concentration of Deposits, Advances, Exposures and NPAs

## 1. Concentration of Deposits (for deposit taking NBFCs)

As the Company is a non-deposit taking/holding NBFC, details as required under this clause is not applicable.

## 2. Concentration of Advances

Particulars	As at 31st March, 2020	As at 31st March, 2019
Total Advances to twenty largest borrowers	-	400.00
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	-	100.00

## 3. Concentration of Exposures

Particulars	As at 31st March, 2020	As at 31st March, 2019
Total Exposure to twenty largest borrowers / Customers*	14,257.59	23,444.62
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	95.88	95.10

## \*Note:

Total Exposure includes investment made in shares of another company (including Group companies) as well as loans given.

## 4. Concentration of NPAs

The Company does not have any Non-Performing Assets.

## 5. Sector-wise NPAs

The Company does not have any Non-Performing Assets.

## 32.13.4 Movement of NPAs

The Company does not have any Non-Performing Assets, details as required under this clause is not applicable.

## 38.13.5 Overseas Assets

The Company does not have any overseas Assets nor have made any Investments in any Overseas Joint venture or Overseas Subsidiary.

## 38.13.6 Off-balance Sheet SPVs sponsored

The Company does not have any off balance sheet SPVs sponsored.

## 38.13.7 Disclosure of Complaints

Particulars	As at 31st March, 2020	As at 31st March, 2019
(1) Number of Complaints pending at the beginning of the year	-	-
(2) Number of complaints received during the year	-	-
(3) Number of complaints redressed during the year	-	-
(4) Number of complaints pending at the end of the year	-	-

## 38.13.8 The following disclosure is required pursuant to RBI circular dated 13th March, 2020 - Circular No. RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20

## For the year ended 31st March, 2020

Asset Classification as per RBI Norms	Asset Classification as per IND AS 109	Gross Carrying as per IND AS	Loss Allowance (Provisions) as required under IND AS 109	Net Carrying Amount	Provision required as per IRACP norms	Difference between IND AS 109 provision and IRACP norms
<b>Performing Assets</b>						
Standard Asset	Stage 1	0.22	-	0.22	-	-

## i) Funding Concentration based on significant counterparty (Both Deposits and Borrowings)

Particulars	As at 31st March, 2020
Number of significant counter parties*	1
Amount (Rs. In Crore)	10.00
Percentage of funding concentration to total deposits	NA
Percentage of funding concentration to total liabilities	6.03%

\*Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non Banking Financial Companies and Core Investment Companies.

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## ii) Top 20 large deposits (amount in ₹ crore and % of total deposits)

Company is Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI) & therefore company has not accepted any public deposit.

## iii) Top 10 borrowings (amount in ₹ crore and % of total borrowings)

Particulars	As at 31st March, 2020
Amount (Rs. In Crore)	10.00
Percentage of amount of top 10 borrowings to total borrowings	100.00%

## iv) Funding Concentration based on significant instrument/product\*

Particulars	As at 31st March, 2020	Percentage of total liabilities
Borrowings (Revolving loan facility)	100.00	6.03%

\*Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4th November, 2019 on Liquidity Risk Management Framework for Non-Banking

## v) Stock Ratio

Particulars	As at 31st March, 2020
i) Other short term liabilities as a percentage of total public funds	1.10%
ii) Other short term liabilities as a percentage of total liabilities	1.07%
iii) Other short term liabilities as a percentage of total assets	0.07%

i) Other short term liabilities includes all liability except principal amount borrowings.

ii) Company has not issued any Commercial papers and Non-convertible debentures during FY 2019-20.

**Note : Borrowing for the purpose of above disclosure means only principal amount & does not include accrued interest.**

## vi) Institutional Set-up for Liquidity Risk Management

The Company's risk management function is carried out by the Risk Management Committee by evaluating financial risks and the appropriate governance framework for the Company. The Risk Management Committee provides assurance to the Board that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**Note 39 : Disclosure as per Regulation 34 (3) & 53(f) of Securities and Exchange Board Of India ( Listing Obligation and Disclosure Requirement) Regulation, 2015**

Loans and advances (including interest accrued and due) in the nature of loans to subsidiaries, associates, firms/companies in which directors are interested :

Particulars		Balance as at 31st March, 2020	Maximum balance outstanding during the year ended 31st March, 2020	Balance as at 31st March, 2019	Maximum balance outstanding during the year ended 31st March, 2019
<b>1</b>	<b>Subsidiaries</b>				
	Arkaya Commercial Private Limited	-	-	-	1.60
	Sareshwar Trading & Finance Private Limited	-	-	-	-
<b>2</b>	<b>Associate:</b>				
	Arcies Laboratories Limited	-	-	-	31.35
<b>3</b>	<b>Companies in which directors are interested</b>				
	Four Dimension Securities (India) Limited	0.22	254.00	-	3,557.00
	Singularity Holdings Limited	0.10	908.00	-	-

**Note 40: Details of Open interest in Equity Stock futures Contracts**

The company did not have any open position interest in Equity stock future contracts in any of the financial years as on the reporting date.

**Note 41: Income and Expenditure in Foreign Currency**

The company did not have any income and expenditure denoted in foreign currency in any of the financial years as on the reporting date.

**Note 42: Balance Confirmation:**

Trade Receivables, Trade Payables, Loans and Advances and Unsecured loan are subject to confirmation which have been relied upon by the Auditors.

**Note 43 (a):** Fixed deposits with bank of **Rs. 3.76 Lakhs** includes fixed deposit of **Rs. 3.09 Lakhs** in the name of District and Sessions Judge, Ujjain deposited as guarantee money. However, the entire amount of **Rs. 3.76 Lakhs** is subject to reconciliation and confirmation from the respective banks and authorities. The Fixed Deposit of **Rs. 3.09 Lakhs** was renewed in August 2003 having maturity in June 2006 with a maturity value **Rs. 4.85 Lakhs** Since the status of the case is pending & there is no communication of renewal of Fixed Deposit post June 2006. Considering this fact, the company has not accounted for any interest income on the said fixed deposit.

**Note 43 (b):** During F.Y. 2004-05, Company has kept **Rs. 100.70 Lakhs** in Escrow account in fixed deposit in the name of Arcil Catalyst Private Limited previously known as 'Atofina' with Calyon Bank, Nariman Point Branch for any demands of stamp duty, penalties and liabilities that may arise on the scheme of arrangement as approved by the High Court of Judicature at Mumbai in terms of which company has transferred its Aluminium Chloride undertaking and wind mill undertaking to Nagda Orgo Chem Private Limited. The present value of the fixed deposit as on 31st March 2020 is **Rs. 222.61 Lakhs**. Since the fixed deposit is in the name of Arcil Catalyst Private Limited no income on same is accounted for by the Company. Only in the event of a favourable outcome from the apex court in favour of the company, proceeds of fixed deposit will be received, the Company will account for interest income.

**Note 44: Disclosure under Indian Accounting Standard- IND AS 19 Employee Benefits**

Retirement benefits in the form of provident fund under the Employees Provident Fund (Misc. Provisions) Act, 1952 and gratuity under the Payment of Gratuity Act, 1972 are not applicable to the Company as the total number of employees are below the minimum required number of employees as specified in respective acts.

The expected costs of other long-term employee benefits such as accumulated leaves are accrued over the period of employment and same has been provided based on accrual basis at year end.

## NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

**Note 45: Corporate Social Responsibility:**

Section 135 of the Companies Act, 2013 i.e. Corporate Social Responsibility, read with Schedule VII thereto, is not applicable to the Company.

**Note 46: Covid-19 Impact**

The rapidly developing spread of Novel Coronavirus Disease (COVID-19) has caused serious disruption on the global economic and business environment. There is a huge uncertainty with regard to its impact which cannot be reasonably determined at this stage.

The Company is an Non-Banking Finance Company & is mainly engaged in Investment & Trading in Shares and Securities. Company's profitability is primarily dependent on performance of its Investments. The Company did not face any major operational issues but due to volatile equity market the Company has suffered mark to mark losses on its long term investments in the financial year 2019-2020, thereby reducing the value of Company's investments. As the situation continues to evolve with significant level of uncertainty, the Company is unable to reasonably estimate time line for recovery from negative impact of the COVID-19 outbreak on its investments. However, the Company expects recovery in value of its Investments with recovery of equity market in subsequent quarters.

The Company is monitoring the situation closely and to mitigate the aforementioned financial impact, it is conscientiously managing its investment portfolio with a proper risk management strategy and conserving liquidity by investing in low risk investments.

**Note 47:** There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the reporting date

**Note 48 :** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

## ANNEXURE (FORMING PART OF THE ACCOUNTS)

(All amounts in ₹ Lakhs, unless otherwise stated)

## Schedule to the Balance Sheet

{as required in terms of Paragraph 18 of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016.}

Particulars	31st March, 2020		31st March, 2019	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
<b>Liabilities Side:</b>				
<b>(1) Loans and advances availed by the NBFCs inclusive interest accrued thereon but not paid :</b>				
(a) Debentures: Secured	-	-	-	-
Unsecured	-	-	-	-
(Other than falling within meaning of public deposit*)				
(b) Deferred Credit	-	-	-	-
(c) Term Loans	-	-	-	-
(d) Inter-corporate Loans and Borrowings	1004.03	-	49.57	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits (As defined in chapter II, para 3 (xiii) of Master Direction-Non Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) directions, 2016	-	-	-	-
(g) Other Loans (specify nature)	-	-	-	-
<b>* Please see Note 1 below</b>				

Particulars	31st March, 2020		31st March, 2019	
	Amount Outstanding		Amount Outstanding	
<b>Assets Side:</b>				
<b>(2) Break-up of Loans and Advances (financial and non financial assets including bills receivables {other than those included in (4) below} :</b>				
(a) Secured				
i) Financial Assets		-		-
ii) Non -Financial Assets		-		-
(b) Unsecured				
i) Financial Assets				
Loan to related parties		-		-
Loan to corporates		-		400.00
Loan to employees		10.44		16.02

Particulars	31st March, 2020		31st March, 2019	
	Amount Outstanding		Amount Outstanding	
<b>Assets Side:</b>				
<b>(3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities:</b>				
(i) Lease assets including lease rentals under sundry debtors :				
(a) Financial Lease		-		-
(b) Operating Lease		-		-
(ii) Stock on hire including hire charges under sundry debtors :				
(a) Assets on hire		-		-
(b) Repossessed Assets		-		-
(iii) Other loans counting towards AFC activities				
(a) Loan where assets have been repossessed		-		-
(b) Loan other than (a) above		-		-

## ANNEXURE (FORMING PART OF THE ACCOUNTS) (contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	31st March, 2020	31st March, 2019
<b>(4) Break up of Investments:</b>		
<b>Current Investments</b>		
<b>1. Quoted</b>		
i) Shares: Equity	1,386.98	769.69
Preference	-	-
ii) Debentures and bonds	-	-
iii) Units of mutual fund	-	-
iv) Government Securities	-	-
v) Others	-	-
<b>2. Unquoted</b>		
i) Shares: Equity	1.21	4.73
Preference	-	-
ii) Debentures and bonds	-	-
iii) Units of mutual fund	-	-
iv) Government Securities	-	-
v) Others	-	-
<b>Non Current Investments</b>		
<b>1. Quoted</b>		
i) Shares: Equity	3,783.84	10,349.06
Preference	-	-
ii) Debentures and bonds	-	-
iii) Units of mutual fund	-	-
iv) Government Securities	-	-
v) Others	-	-
<b>2. Unquoted</b>		
i) Shares: Equity	9,636.45	12,760.05
Preference	-	-
ii) Debentures and bonds	-	-
iii) Units of mutual fund	-	-
iv) Government Securities	-	-
v) Others	72.76	371.89

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

Please see note 2 below:

Category	31st March, 2020			31st March, 2019		
	Secured	Unsecured	Total	Secured	Unsecured	Total
<b>1. Related parties</b>						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in same group	-	-	-	-	-	-
(c) Other Related parties	-	-	-	-	-	-
<b>2. Other than related parties</b>	-	10.44	10.44	-	416.02	416.02
<b>Total</b>	-	<b>10.44</b>	<b>10.44</b>	-	<b>416.02</b>	<b>416.02</b>

## (6) Investor group-wise classification of all investments in shares and securities (both quoted and unquoted) :

Category	31st March, 2020	31st March, 2020	31st March, 2019	31st March, 2019
	Market value (Net of Provisions)	Book Value (Net of Provisions)	Market Value (Net of Provisions)	Book Value (Net of Provisions)
<b>1. Related parties</b>				
(a) Subsidiaries	145.51	20.15	209.94	20.15
(b) Associates	-	0.25	-	0.25
(c) Companies in same group	10,290.43	10,290.43	15,413.63	15,413.63
(d) Other Related parties	-	-	-	-
<b>2. Other than related parties</b>	4,570.40	4,570.40	8,821.39	8,821.39
<b>Total</b>	<b>15,006.35</b>	<b>14,881.24</b>	<b>24,444.96</b>	<b>24,255.42</b>

Investment values are valued at market value in the financial statement

## ANNEXURE (FORMING PART OF THE ACCOUNTS) (contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

## (7) Other Information

Particulars	31st March, 2020	31st March, 2019
<b>Gross Non-Performing Assets</b>		
(a) Related parties	-	-
(b) Other than related parties	-	-
<b>Net Non-Performing Assets</b>		
(a) Related parties	-	-
(b) Other than related parties	-	-
<b>Assets acquired in satisfaction of debt</b>	-	-

**Notes:**

- As defined in paragraph 2 (1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 or Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 whichever is applicable.
- All accounting standards and guidance notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debts. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (4) above.
- Investments given under Note 7 of Standalone Financial Statements includes Long term investments & Current Investments.
- Current Investment in NBFC Report includes "Stock in trade (Securities held for trading) (Note-8)" of the Standalone Financial Statements.
- The amount mentioned in above RBI disclosure is as per Indian Accounting Standard.

As per our Report of even date

For M/s Ajay Shobha & Co.  
Chartered Accountants  
Firm Reg. No: 317031E

Ajay Gupta  
Partner  
Membership No. 053071

Place : Mumbai  
Date : 22nd July, 2020

For and on behalf of the Board of Directors

Ritesh Zaveri  
Director  
DIN:00054741

Sandeep Kejariwal  
Director  
DIN:00053755

Rajiv Pathak  
Chief Executive Officer

Vaishali Rajesh Dhuri  
Chief Financial Officer

Avani Sanghavi  
Company Secretary  
Mem. No : A29108

Place : Mumbai  
Date : 22nd July, 2020



## Form AOC-1

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

Part "A": Subsidiaries

Name of Subsidiary	Sareshwar Trading and Finance Private Limited	Arkaya Commercial Private Limited
1 Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2020	31.03.2020
2 Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NIL	NIL
3 Share capital	15.42	2.88
4 Reserves & surplus	172.19	48.17
5 Total assets	193.98	58.97
6 Total Liabilities	6.38	7.92
7 Investments	193.55	58.75
8 Turnover	-	-
9 Loss before taxation	(0.40)	(0.51)
10 Provision for taxation	0.04	-
11 Net loss after taxation	(0.43)	(0.51)
12 Other Comprehensive Income	(66.98)	(37.35)
13 Total Comprehensive Income	(67.41)	(37.86)
14 Proposed Dividend	-	-
15 % of shareholding	60.77%	61.83%

The following information shall be furnished:-

- 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

The company has no Joint Venture and therefore details under this heading relate only to Associate companies

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

Name of associates/Joint Ventures	Arcies Laboratories Limited
1 Latest audited Balance Sheet Date	31.03.2020
2 Shares of Associate/Joint Ventures held by the company on the year end	
(i) No. of Shares	2,500
(ii) Amount of Investment in Associates/Joint Venture - Rs. In Lakhs	0.25
(iii) Extend of Holding%	31.03
3 Description of how there is significant influence	Shareholding in Company
4 Reason why the associate/joint venture is not consolidated	NA
5 Net worth attributable to shareholding as per latest audited Balance Sheet( Rs in Lakhs)	(7.00)
6 Total Comprehensive Income for the year*	
(i) Considered in Consolidation -( Rs in Lakhs)	(0.83)
(ii) Not Considered in Consolidation -( Rs in Lakhs)	-

\*Includes Net loss after taxation and other comprehensive income.

The following information shall be furnished:-

- Names of associates or joint ventures which are yet to commence operations. NA
- Names of associates or joint ventures which have been liquidated or sold during the year: NA

For M/s Ajay Shobha & Co.  
Chartered Accountants  
Firm Reg. No: 317031E

Ajay Gupta  
Partner  
Membership No. 053071

Place : Mumbai  
Date : 22nd July, 2020

For and on behalf of the Board of Directors

Ritesh Zaveri  
Director  
DIN : 00054741

Rajiv Pathak  
Chief Executive Officer

Avani Sanghavi  
Company Secretary  
Place : Mumbai  
Date : 22nd July, 2020

Sandeep Kejariwal  
Director  
DIN : 00053755

Vaishali Rajesh Dhuri  
Chief Financial Officer

**CONSOLIDATED  
FINANCIAL  
STATEMENTS**

**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF SARASWATI COMMERCIAL (INDIA) LIMITED****Report on the Audit of the Consolidated Ind AS Financial Statements****Opinion**

We have audited the accompanying Consolidated Ind AS financial statements of Saraswati Commercial (India) Limited ("hereinafter referred to as Holding Company") and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group") and its Associate Company which comprises of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2020, the Consolidated Statement of Profit and Loss, (including other comprehensive income), the Consolidated Statement of Cash Flows and the consolidated statement of changes in Equity for the year then ended and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of its Associate referred to in the Other Matters paragraph below, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its Associate as at 31<sup>st</sup> March, 2020, their consolidated profit / loss, including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

**Basis for Opinion**

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

**Emphasis of Matters**

We further draw your attention to Note 40 of Consolidated Ind AS Financial Statements, as regards the Group assessment of the financial impact due to restrictions and conditions related to Covid-19 pandemic situation.

Our report is not modified in respect of this matter.

### 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 Ind AS 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.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key Audit Matters	How our audit addressed the key audit matter
<b>(a) Adoption of new accounting framework (Ind AS)</b>	
<p>Refer Note No 2.2 and 37 to the Consolidated Ind AS financial statements</p> <p>The Group and its Associate adopted the Ind AS, with the effect from 1<sup>st</sup> April, 2019, notified by the Ministry of Corporate Affairs with the transition date of 1<sup>st</sup> April, 2018.</p> <p>The following are the major impact areas for the Company upon transition:</p> <ul style="list-style-type: none"> <li>• Classification and measurement of financial assets</li> <li>• Additional disclosures as per the requirements of the new financial reporting framework.</li> </ul> <p>Transition to the new financial reporting framework is an intricate process involving multiple decision points for management i.e. Ind AS 101. First Time Adoption prescribes choices and exemptions for first time application of Ind AS principles at the transition date.</p> <p>We identified the transition date accounting as a key audit matter because of the significant degree of management judgment in the first-time application of Ind AS principles as at the transition date particularly in the areas noted above and the additional disclosures associated with transition to Ind AS.</p>	<p>We have assessed the design, implementation and operating effectiveness of key internal controls over management's evaluation of exceptions and exemptions availed in line with the principles under Ind AS 101.</p> <p>We evaluated management's exception and exemptions for compliance / acceptability under Ind AS 101. We understood the methodology implemented by management to give impact on the transition.</p> <p>We assessed areas of significant estimates and management judgement in line with principles under Ind AS.</p> <p>We compared the reasonableness of management assumptions in respect of recognition and measurement of financial instruments etc.</p> <p>We performed the audit procedures on transition adjustments and subsequent measurements and found management's assessment to be reasonable and the disclosures are appropriate</p>

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

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

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information 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.

**Management's Responsibility for the Consolidated Ind AS Financial Statements**

The Holding Company Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group and its Associate in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules 2015, as amended . The respective Board of Directors of the companies included in the Group and its associate are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The respective Board of Directors of the companies included in the Group and its associate are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company and its Subsidiaries 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 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

### Other Matters

The consolidated Ind AS financial statements includes the audited financial statements and other financial information, in respect of two subsidiaries, whose financial statement reflects below total assets, total revenues, total net loss after tax, Other comprehensive loss, Total comprehensive loss and net cash flow.

Particulars	For the year ended 31 <sup>st</sup> March, 2020 (Rs. in Lakhs)
Total Assets	252.96
Total Liabilities	Nil
Total Net loss after tax	(0.95)
Other comprehensive loss	(104.33)
Total Comprehensive loss	(105.28)
Net cash outflow	0.32

The accompanying consolidated Ind AS financial statements also includes below the Associate Company's share of total net loss after tax, Other comprehensive loss, Total comprehensive loss for the year ended 31<sup>st</sup> March, 2020;

Particulars	For the year ended 31 <sup>st</sup> March, 2020 (Rs. in Lakhs)
Total net loss after tax	Nil
Other comprehensive loss	Nil
Total Comprehensive loss	Nil

as considered in the Consolidated IND AS Financial statement whose financial statement have not been audited by us. These financial statements have been audited by other auditors whose report have been furnished to us by the management and our opinion on the consolidated Ind AS financial statement in so

far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of subsection 3 of section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associate is based solely on the reports on the other auditors.

Our opinion on the consolidated Ind AS financial statement, and our report on the Legal and Regulatory Requirement below is not modified in the respect of the above matters with respect to our reliance on the work done and the report of the other auditors.

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

As required by Section 143(3) the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of Subsidiaries and Associate as noted in the “ Other Matters” Paragraph we report that to the extent applicable, that :

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the report of other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (Including other comprehensive income), the consolidated statement of changes in equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standard specified under Section 133 of the Act, read with Companies (Indian Accounts Standard) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors of the Holding company , Subsidiaries and Associate incorporated in India and the reports of the statutory auditors of its Subsidiaries and Associate incorporated in India, none of the directors of the Group and its Associate company incorporated in India is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” which is based on the auditor’s reports of the Group and its associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of subsidiaries and associate company, for reasons stated therein.



- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
- i. In our opinion and to the best of our information and according to the explanations given to us, the Holding Company has not paid any remuneration to any director of the Holding Company. However sitting fees paid to Independent directors are within the limit prescribed under section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the Subsidiaries and Associate, as noted in "Other Matters" paragraph :
- i. The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group and its Associate- Refer Note No. 30 to the Consolidated Ind AS Financial Statements;
  - ii. The Group and its Associate did not have any Long Term Contracts including derivative contracts. For which there was any material foreseeable losses
  - iii. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Group and its Associate incorporated in India.

**For Ajay Shobha & Co.**  
**Chartered Accountants**  
**Firm Registration No. 317031E**

**Ajay Gupta**  
**Partner**  
**Membership No. 053071**  
**Place: Mumbai**  
**Dated: 22<sup>nd</sup> July, 2020**

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF SARASWATI COMMERCIAL (INDIA) LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31<sup>st</sup> March, 2020, We have audited the internal financial controls over financial reporting of Saraswati Commercial (India) Limited (hereinafter referred to as "the Holding Company") and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group") and its Associate Company which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the of the Holding Company, its subsidiaries and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Group and its associates 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") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group and its associates 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.

### **Opinion**

In our opinion, the Group and associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matters**

Our aforesaid report Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the Internal Financial controls over financial reporting in so far as it relates to subsidiaries and associate

company which is incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

Our opinion is not modified in respect of the above matters.

**For Ajay Shobha & Co.**

**Chartered Accountants**

**Firm Registration No. 317031E**

**Ajay Gupta**

**Partner**

**Membership No. 053071**

**Place: Mumbai**

**Dated: 22<sup>nd</sup> July, 2020**

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars		Note No.	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>A</b>	<b>ASSETS</b>				
<b>1</b>	<b>Financial Assets</b>				
	(a) Cash and cash equivalents	3	748.87	14.09	28.70
	(b) Bank Balance other than (a) above	4	3.76	3.76	3.76
	(c) Receivables	5			
	(i) Trade Receivables		11.68	0.12	0.17
	(d) Loans	6	10.44	414.42	2,658.29
	(e) Investments	7	13,724.95	23,829.33	24,293.15
	(f) Stock in Trade (Securities held for Trading)	8	1,388.18	774.42	650.12
	(g) Other Financial assets	9	0.25	0.03	81.28
	<b>Total Financial Assets</b>		<b>15,888.12</b>	<b>25,036.17</b>	<b>27,715.47</b>
<b>2</b>	<b>Non -Financial Assets</b>				
	(a) Current tax assets (Net)	10	287.26	251.64	199.06
	(b) Deferred tax Assets (Net)	17	521.93	-	-
	(c) Property, Plant and Equipment	11	4.07	5.46	7.58
	(d) Other non-financial assets	12	104.69	106.42	101.85
	<b>Total Non- Financial Assets</b>		<b>917.95</b>	<b>363.52</b>	<b>308.49</b>
	<b>TOTAL ASSETS</b>		<b>16,806.07</b>	<b>25,399.69</b>	<b>28,023.96</b>
<b>B</b>	<b>LIABILITIES AND EQUITY</b>				
<b>I</b>	<b>LIABILITIES</b>				
<b>1</b>	<b>Financial Liabilities</b>				
	(a) Payables	13			
	(i) Trade Payables				
	total outstanding dues of micro enterprises and small enterprises		0.72	0.61	0.21
	total outstanding dues of creditors other than micro enterprises and small enterprises		1.24	1.88	6.39
	(b) Borrowings (Other than Debt Securities)	14	1,006.53	51.57	3,186.13
	(c) Other financial liabilities	15	2.07	27.04	16.47
	<b>Total Financial Liabilities</b>		<b>1,010.56</b>	<b>81.10</b>	<b>3,209.20</b>
<b>2</b>	<b>Non-Financial Liabilities</b>				
	(a) Provisions	16	15.32	13.82	14.42
	(b) Deferred tax liabilities (Net)	17	-	703.07	569.88
	(c) Other non-financial liabilities	18	3.25	2.79	2.99
	<b>Total Non-Financial Liabilities</b>		<b>18.57</b>	<b>719.69</b>	<b>587.29</b>
<b>II</b>	<b>EQUITY</b>				
	(a) Equity Share capital	19	100.09	100.09	100.09
	(b) Other Equity	20	15,583.77	24,364.83	23,986.58
	<b>Equity Attributable to Owners of the Company</b>				
	Non-controlling interests		93.09	133.98	140.80
	<b>Total Equity</b>		<b>15,776.95</b>	<b>24,598.90</b>	<b>24,227.47</b>
	<b>TOTAL LIABILITIES AND EQUITY</b>		<b>16,806.07</b>	<b>25,399.69</b>	<b>28,023.96</b>
Significant Accounting Policies		1-2			
The accompanying notes are an integral part of the Standalone Financial Statements		3-48			

As per our Report of even date

For M/s Ajay Shobha & Co.  
Chartered Accountants  
Firm Reg. No: 317031E

Ajay Gupta  
Partner  
Membership No. 053071  
Place : Mumbai  
Date : 22nd July, 2020

For and on behalf of the Board of Directors

Ritesh Zaveri  
Director  
DIN:00054741

Rajiv Pathak  
Chief Executive Officer

Avani Sanghavi  
Company Secretary  
Mem. No : A29108  
Place : Mumbai  
Date : 22nd July, 2020

Sandeep Kejarawal  
Director  
DIN:00053755

Vaishali Rajesh Dhuri  
Chief Financial Officer

## CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars		Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
I	<b>Revenue from operations</b>			
	(a) Interest Income	21	7.78	195.44
	(b) Dividend Income	22	105.26	557.98
	(c) Other operating income	23	11.65	17.62
	<b>Total Revenue from operations</b>		<b>124.69</b>	<b>771.05</b>
II	Other Income	24	11.78	7.21
III	<b>Total Income (I + II)</b>		<b>136.47</b>	<b>778.26</b>
IV	<b>Expenses</b>			
	(a) Finance Costs	25	28.93	15.15
	(b) Net loss on fair value changes (Net)	26	1,258.57	518.71
	(c) Impairment on financial instruments		-	1.18
	(d) Employee Benefits Expenses	27	115.14	138.26
	(e) Depreciation and amortization expenses	11	1.26	2.12
	(f) Others expenses	28	38.27	26.63
	<b>Total Expenses</b>		<b>1,442.16</b>	<b>702.06</b>
V	<b>Profit/ (Loss) before tax (III - IV)</b>		<b>(1,305.69)</b>	<b>76.19</b>
VI	<b>Tax Expense</b>	29		
	(a) Current Tax		-	2.86
	(b) Deferred Tax	17	(343.20)	59.21
	(c) Tax adjustment of earlier years (net)		(0.68)	(24.00)
	<b>Total tax expense</b>		<b>(343.88)</b>	<b>38.07</b>
VII	<b>Profit/ (Loss) after tax ( V - VI)</b>		<b>(961.81)</b>	<b>38.12</b>
VIII	<b>Add: Share in profit/(loss) of associates</b>		-	-
IX	<b>Net profit/(loss) after taxes and share in profit/(loss) of associates (VII + VIII)</b>		<b>(961.81)</b>	<b>38.12</b>
X	<b>Other Comprehensive Income</b>			
	(i) Items that will not be reclassified to profit or loss in subsequent periods			
	(a) Fair value gain on financial instruments (net)			
	Realised gain on equity shares		487.61	709.49
	Unrealised loss		(9,229.56)	(257.98)
	(b) Tax impact on above	17	881.80	(118.30)
	(ii) Items that will be reclassified to profit or loss in subsequent periods		-	-
	<b>Other Comprehensive Income/ (loss) (net of tax)</b>		<b>(7,860.15)</b>	<b>333.21</b>
XI	<b>Total comprehensive income/ (loss) for the year (IX + X)</b>		<b>(8,821.96)</b>	<b>371.33</b>
XII	<b>Net profit for the period attributable to:</b>			
	Owners of the Company		(961.45)	37.52
	Non-controlling interest		(0.37)	0.61
XII	<b>Other Comprehensive Income attributable to:</b>			
	Owners of the Company		(7,819.61)	340.74
	Non-controlling interest		(40.53)	(7.52)
XIV	<b>Total comprehensive income for the year</b>			
	Owners of the Company		(8,781.06)	378.25
	Non-controlling interest		(40.90)	(6.92)
XV	<b>Earning per share</b>	31		
	<b>(Nominal value per equity share Rs 10/-)</b>			
	Basic earning per share		(96.09)	3.81
	Diluted earning per share		(96.09)	3.81
<b>Significant Accounting Policies</b>		1-2		
<b>The accompanying notes are an integral part of the Standalone Financial Statements</b>		3-48		

As per our Report of even date

For M/s Ajay Shobha & Co.  
Chartered Accountants  
Firm Reg. No: 317031E

Ajay Gupta  
Partner  
Membership No. 053071

Place : Mumbai  
Date : 22nd July, 2020

For and on behalf of the Board of Directors

Ritesh Zaveri  
Director  
DIN:00054741

Rajiv Pathak  
Chief Executive Officer

Avani Sanghavi  
Company Secretary  
Mem. No : A29108  
Place : Mumbai  
Date : 22nd July, 2020

Sandeep Kejarawal  
Director  
DIN:00053755

Vaishali Rajesh Dhuri  
Chief Financial Officer

## CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	For the year ended		For the year ended	
	31st March, 2020	31st March, 2020	31st March, 2019	31st March, 2019
<b>A. Cash flow from operating activities</b>				
Net Profit before tax		(1,305.69)		76.20
<i>Adjustments for:</i>				
Depreciation	1.26		2.12	
Provision for Leave Salary	1.49		(0.60)	
Impairment allowances on Standard Assets	(1.60)		(9.31)	
Realised gain on financial instruments valued through profit and loss (FVTPL)	(71.13)		(91.96)	
Unrealised gain on financial instruments valued through profit and loss (FVTPL)	(31.79)		6.19	
Finance cost	28.81		15.15	
Dividend income	(105.26)		(557.98)	
Gain on derecognition of property, plant and equipment	(0.12)		-	
Decrease in value of venture fund	-		1.18	
Interest on income tax refund	(11.66)		(7.20)	
Interest cost on income tax	0.12			
Provisional expenses on Urban Investment	3.47			
Income on financial guarantees	-		(7.08)	
<b>Operating profit / (loss) before working capital changes</b>		(186.41)		(649.49)
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in assets:</i>				
Stock in Trade (Securities held for Trading)	(613.76)		(124.31)	
Receivables	(11.56)		0.05	
Loans	405.58		2,253.18	
Other Financial Assets	(0.22)		81.25	
Other Non Financial Assets	1.74		(4.57)	
<i>Adjustments for increase / (decrease) in liabilities:</i>				
Payables	(0.53)		(4.10)	
Borrowings (Interest accrued on borrowings)	2.46		(2.24)	
Other financial liabilities	(24.97)		10.57	
Other non financial liabilities	0.45	(240.81)	(0.21)	2,209.63
<b>Cash generated from operations</b>		(1,732.91)		1,636.33
Net income tax paid		(23.41)		(68.56)
<b>Net cash flow from / (used in) operating activities (A)</b>		(1,756.32)		1,567.77
<b>B. Cash flow from investing activities</b>				
Sale proceeds from Derecognition of Property, Plant and Equipment	0.25		-	
Purchase of investments in subsidiary	-		(30.00)	
Purchase of investments in other than group companies (Refer note 2)	(17,156.61)		(14,611.03)	
Sale of investments (net of Tax) (Refer note 2)	18,619.91		15,648.04	
Dividend received from others	103.86		557.98	
Proceeds from issue of shares			0.10	
<b>Net cash flow from / (used in) investing activities (B)</b>		1,567.41		1,565.08
<b>C. Cash flow from financing activities</b>				
Borrowings (Other than Debt Securities)				
Proceeds	2,784.00		2,524.79	
Repayment	(1,831.50)		(5,657.10)	
Finance cost	(28.81)		(15.15)	
		923.69		(3,147.46)
<b>Net cash flow from / (used in) financing activities (C)</b>		923.69		(3,147.46)
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		734.78		(14.61)
Cash and cash equivalents at the beginning of the year		14.09		28.70
<b>Cash and cash equivalents at the end of the year</b>		748.87		14.09
<b>Cash and cash equivalents at the end of the year *</b>				
<b>* Comprises:</b>				
(a) Cash on hand		0.94		0.81
(b) Balances with banks				
(i) In current accounts		747.93		13.28
<b>Total</b>		748.87		14.09
<b>Significant Accounting Policies</b>	1-2			
The accompanying notes are an integral part of the Standalone Financial Statements	3-48			

## CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note :

## 1. Changes in liability arising from financing activities:

Particulars	1st April, 2018	Cash Flow	Accrued interest movement	31st March, 2019
Borrowings (Other than debt securities) (Refer note no.14)	3,186.13	(3,132.32)	(2.24)	51.57

Particulars	1st April, 2019	Cash Flow	Accrued interest movement	31st March, 2020
Borrowings (Other than debt securities) (Refer note no.14)	51.57	952.50	2.46	1,006.53

2. Purchase and sale of investments has been classified into operating and investing activity based on the intention of the Management at the time of purchase of securities, if any.

3. The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows.'

As per our Report of even date

For M/s Ajay Shobha & Co.  
Chartered Accountants  
Firm Reg. No: 317031E

For and on behalf of the Board of Directors

Ajay Gupta  
Partner  
Membership No. 053071

Ritesh Zaveri  
Director  
DIN:00054741

Sandeep Kejariwal  
Director  
DIN:00053755

Place : Mumbai  
Date : 22nd July, 2020

Rajiv Pathak  
Chief Executive Officer

Vaishali Rajesh Dhuri  
Chief Financial Officer

Avani Sanghavi  
Company Secretary  
Mem. No : A29108

Place : Mumbai  
Date : 22nd July, 2020



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

## A Equity share capital

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	Balance as at 1st April, 2018	Changes in equity share capital during the year	Balance as at 31st March, 2019	Changes in equity share capital during the year	Balance as at 31st March, 2020
Equity share capital	19	100.09	-	100.09	-	100.09
		100.09	-	100.09	-	100.09

## B Other Equity

Particulars	Note No.	Reserves and Surplus						Other comprehensive income on equity securities	Total
		Statutory reserve	Capital reserve	General reserve	Capital Redemption Reserve	Retained earnings	Bargain purchase gain on acquisition		
<b>Balance as at 1st April, 2018</b>	20	1,042.65	303.42	1,890.26	2.97	9,583.05	1.50	11,162.75	23,986.58
Profit after tax		-	-	-	-	38.12	-	-	38.12
Other comprehensive income (net of tax)		-	-	-	-	-	-	333.21	333.21
Transfer to reserve fund in terms of section 45-IC of the Reserve Bank of India Act, 1934.		133.33	-	-	-	(133.33)	-	-	-
Net Realised gain on equity shares transferred from other comprehensive income to retain earnings		-	-	-	-	665.16	-	(665.16)	-
Non controlling interest		-	-	-	-	(0.61)	-	7.52	6.91
<b>Balance as at 31st March, 2019</b>		1,175.98	303.42	1,890.26	2.97	10,152.39	1.50	10,838.31	24,364.82
<b>Balance as at 1st April, 2019</b>	20	1,175.98	303.42	1,890.26	2.97	10,152.39	1.50	10,838.32	24,364.82
Profit after tax (net of tax)		-	-	-	-	(961.81)	-	-	(961.81)
Other comprehensive income (net of tax)		-	-	-	-	-	-	(7,860.15)	(7,860.15)
Transfer to reserve fund in terms of section 45-IC of the Reserve Bank of India Act, 1934		-	-	-	-	-	-	-	-
Net Realised gain on equity shares transferred from other comprehensive income to retain earnings		-	-	-	-	513.49	-	(513.49)	-
Non controlling interest		-	-	-	-	0.37	-	40.54	40.90
<b>Balance as at 31st March, 2020</b>		1,175.98	303.42	1,890.26	2.97	9,704.42	1.50	2,505.21	15,583.76
<b>Significant Accounting Policies</b>	1 - 2								
The accompanying notes are an integral part of the Standalone Financial Statements	3-48								

As per our Report of even date

For and on behalf of the Board of Directors

For M/s Ajay Shobha & Co.  
Chartered Accountants  
Firm Reg. No: 317031E

Ajay Gupta  
Partner  
Membership No. 053071

Place : Mumbai  
Date : 22nd July, 2020

Ritesh Zaveri  
Director  
DIN:00054741

Rajiv Pathak  
Chief Executive Officer

Avani Sanghavi  
Company Secretary  
Mem. No : A29108  
Place : Mumbai  
Date : 22nd July, 2020

Sandeep Kejariwal  
Director  
DIN:00053755

Vaishali Rajesh Dhuri  
Chief Financial Officer

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

## 1. REPORTING ENTITY:

The consolidated financial statements relate to Saraswati Commercial (India) Limited (the Company), its Subsidiaries and its Associate (The Group). The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard 110 "Consolidated Financial Statements" (IND AS 110) and Indian Accounting Standard "Investments in Associates in Consolidated Financial Statements" (IND AS 23) specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Accounts) Rules, 2015.

### 1.1 The financial statements of the following subsidiaries have been consolidated as per Indian Accounting Standard 110 on "Consolidated Financial Statements" as specified under Section 133 of the Companies 2013 Act.

Name of Subsidiary Company	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
	Extent of holding (%)	Extent of holding (%)
Sareshwar Trading and Finance Private Limited	60.77%	60.77%
Arkaya Commercial Private Limited	61.83%	61.83%

All the subsidiaries mentioned above are incorporated in India.

### 1.2 The following associate, investment in which is accounted using equity method 'as per Indian Accounting Standard 28 on "Investments in Associates in 'Consolidated Financial Statements" as notified by the Companies (Indian Accounting 'Standards) Rules, 2015:

Name of Associate Company	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
	Extent of holding (%)	Extent of holding (%)
Arcies Laboratories Limited	31.03%	31.03%

### 1.3 Basis of consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when only if the Group:

- Has power over investee
- Is exposed or has right to variable return from its involvement with the investee, and
- Has ability to use its power over investee to affect its return.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated Financial Statements to ensure conformity with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on 31<sup>st</sup> March.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

#### 1.4 Procedure for Consolidation

- Combine like items of assets, liabilities, equity, income, expenses, other comprehensive income and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- Eliminate in full intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intra group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intra group losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Appropriate adjustments for deferred taxes are made for temporary differences that arise from the elimination of unrealised profits and losses from intra group transactions or undistributed earnings of Group's entity included in consolidated Profit & Loss, if any.

## 2 SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

### SIGNIFICANT ACCOUNTING POLICIES:

#### 2.1 STATEMENT OF COMPLIANCE

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013.

Accordingly, the Company has prepared these Consolidated Financial Statements which comprise the Balance Sheet as at 31 March, 2020, the Consolidated Statement of Profit and Loss for the year ended 31 March 2020, the Consolidated Statement of Cash Flows for the year ended 31 March 2020 and the Consolidated Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Consolidated Financial Statements').

#### 2.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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 Act') read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, other relevant provisions of the Act on an accrual basis. The financial statements have been prepared on a going concern basis.

The consolidated financial statements up to year ended 31<sup>st</sup> March 2019 were prepared in accordance with the Accounting Standards notified under the section 133 of the Companies

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014, as amended and the Companies (Accounting Standards) Amendment Rules, 2016, other relevant provisions of the Act (Indian GAAP or previous GAAP).

The consolidated financial statements for the year ended 31<sup>st</sup> March, 2020 are the first financial statements of the Company prepared under Ind AS. The Company followed the provisions of Ind-AS 101 in preparing its opening Ind AS Balance Sheet as of the date of transition i.e 1<sup>st</sup> April, 2018.

Some of the Company's Ind-AS accounting policies used in the opening Balance Sheet differed from its policies applied under Indian GAAP as at 31<sup>st</sup> March, 2018 and accordingly the adjustments were made to restate the opening balances as per Ind-AS. The resulting adjustment arose from events and transactions before the date of transition to Ind-AS were recognized directly through retained earnings as at 1<sup>st</sup> April, 2018 as required by Ind-AS 101. Refer note 36 of balance sheet for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows. Refer note 36 of consolidated balance sheet for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities that are measured at fair value.

The financial statements are presented in INR, which is also the Company's functional currency and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

### **2.2.1 Presentation of financial statements**

The Company presents its Balance Sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date and more than 12 months after the reporting date is presented in Note 32.6 of the financial statement.

The Company generally reports financial assets and financial liabilities on a gross basis in the financial statement. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

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

The preparation of the Company's financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgments are used in various line items in the financial statements for e.g.:

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

- Business model assessment (Refer Note No 2.5)
- Fair value of financial instruments (Refer Note No 2.5)
- Effective Interest Rate (EIR)
- Impairment on financial assets (Refer Note No 2.5)
- Provisions and other contingent liabilities (Refer Note No 2.13)
- Provision for tax expenses (Refer Note No 2.11)

### 2.3 PROPERTY, PLANT & EQUIPMENT (PPE):

#### Transition to Ind AS

Under the previous Indian GAAP, property plant and equipment were carried in the consolidated balance sheet at cost less accumulated depreciation / amortization and impairment losses, if any. The Company has elected to regard those values of property, plant and equipment as **deemed cost** at the date of transition to Ind AS i.e. April 1, 2018.

#### Recognition and initial measurement

Property, plant and equipment are stated at cost less accumulated depreciation/amortization and impairment losses, if any.

Cost comprises the purchase price and any attributable / allocable cost of bringing the asset to its working condition for its intended use. The cost also includes direct cost and other related incidental expenses. Revenue earned, if any, during trial run of assets is adjusted against cost of the assets. Cost also includes the cost of replacing part of the plant and equipment.

Borrowing costs relating to acquisition / construction / development of tangible assets, if any, which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

#### Subsequent measurement (depreciation and useful lives)

When significant components of property and equipment are required to be replaced at intervals, recognition is made for such replacement of components as individual assets with specific useful life and depreciation, if these components are initially recognized as separate asset. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Depreciation / amortization is recognized on a written-down basis as under:

Assets	Useful life
1. Land	60 years
2. Computers	3 years
3. Vehicles	10 years
4. Telephone	5 years

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

Assets costing less than Rs. 5,000/- are fully depreciated in the year of purchase.

Depreciation method, useful life and residual value are reviewed periodically.

The carrying amount of PPE is reviewed periodically for impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of assets exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

#### **De-recognition**

PPE are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit and loss in the period of de-recognition.

## **2.4 INVESTMENTS IN ASSOCIATES:**

### **Associates:**

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control over those policies.

Investments in Associates are accounted at cost as per Ind AS 27 and the same has been classified under Level 3 Investments.

## **2.5 FINANCIAL INSTRUMENTS:**

### **Recognition of Financial Instruments**

Financial instruments comprise of financial assets and financial liabilities. Financial assets and liabilities are recognised when the company becomes the party to the contractual provisions of the instruments.

Financial assets primarily comprise of Trade receivables, loan receivables, investments in securities etc.

Financial liabilities primarily comprise of borrowings, trade payables and other financial liabilities etc.

### **Initial Measurement of Financial Instruments**

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair value through profit & loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

- a. if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition (i.e. day 1 profit or loss);
- b. in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to the Statement of profit and loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

**Subsequent Measurement of Financial Assets**

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Company recognizes all the financial assets, other than measured at fair value or amortised cost, which are realized within 12 months, from reporting date, are recorded at cost & not at fair value or amortised cost but are tested for impairment.

**Business model assessment**

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is assessed on an instrument by instrument basis.

**• Classification of Financial Assets**

For the purpose of subsequent measurement, financial assets are classified into four categories:

- Debt instruments at amortised cost
- Debt instruments at FVOCI
- Debt and equity instruments at FVTPL
- Equity instruments designated at FVOCI

**➤ Debt instruments at amortised cost:**

The Company measures its financial assets at amortised cost if both the following conditions are met:

- The asset is held within a business model of collecting contractual cash flows; and

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

- Contractual terms of the asset give rise on specified dates to cash flows that are Sole Payments of Principal and Interest (SPPI) on the principal amount outstanding.

To make the SPPI assessment, the Company applies judgment and considers relevant factors such as the nature of portfolio and the period for which the interest rate is set.

The business model of the Company for assets subsequently measured at amortised cost category is to hold and collect contractual cash flows. However, considering the economic viability of carrying the delinquent portfolios in the books of the Company, it may sell these portfolios to the other entities.

After initial measurement, such financial assets are subsequently measured at amortised cost on effective interest rate (EIR)

➤ **Debt instruments at FVOCI:**

The Company subsequently classifies its financial assets as FVOCI, only if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVOCI category are measured at each reporting date at fair value with such changes being recognised in other comprehensive income (OCI). The interest income on these assets is recognised in profit or loss.

On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to profit or loss.

➤ **Debt / equity instruments at FVTPL**

The Company classifies financial assets which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the consolidated financial statement at fair value. Interest and dividend incomes are recorded in interest income and dividend income, respectively according to the terms of the contract, or when the right to receive the same has been established. Gain and losses on changes in fair value of debt and equity instruments are recognised on net basis through profit or loss.

The Company's investments into mutual funds, bonds, shares held for trading have been classified under this category.

➤ **Equity instruments designated at FVOCI:**

All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value. The Company has strategic investments in equity for which it has elected to present subsequent changes in the fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable.



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

All fair value changes of the equity instruments, excluding dividends, are recognised in OCI and not available for reclassification to profit or loss, even on sale of investments.

#### **De-recognition of Financial Assets**

A financial asset is de-recognised only when:

- The Company has transferred the right to receive cash flows from the financial assets; or
- The right to receive cash flows from the asset have expired; or
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes contractual obligations to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

#### **Write-off**

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a de-recognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

#### **Reclassifications**

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets. Such reclassification needs to be approved by the Board of Directors of the Company.

#### **Impairment of Financial Assets**

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not FVTPL. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk or the assets have become credit impaired from initial recognition in which case, those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

#### Measurement of expected credit loss

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows which the Company expects to receive).

#### Asset Classification and Provisioning

Loan asset classification and requisite provision made under RBI prudential norms are given below:

Particulars	Criteria	Provision
Standard asset	The asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business.	0.40% of the outstanding loan portfolio of standard assets
Sub-standard assets	An asset for which, interest/principal payment has remained overdue for more than 3 months and less than 12 months.	10% of the outstanding loan portfolio of sub-standard assets
Loss assets	An asset for which, interest/principal payment has remained overdue for a period of 12 months or more	100% of the outstanding loan portfolio of loss assets.

The Company continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL (12m ECL) or life time ECL (LTECL), the Company assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. The Company applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired:

- (a) Historical trend of collection from counterparty;
- (b) Company's contractual rights with respect to recovery of dues from counterparty;
- (c) Credit rating of counterparty and any relevant information available in public domain;

After applying above criteria, Management has decided to make minimum ECL provision as the provisioning rates (as given in above table) as per RBI prudential norms unless higher provisioning is required as per above criteria.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

**Financial liabilities**

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company or a contract that will or may be settled in the its own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the its own equity instruments.

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

**Subsequent measurement**

Financial liabilities are subsequently carried at amortized cost using the EIR method. For trade and other payables maturing within operating cycle, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Method (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized.

Company recognizes all the financial liabilities, other than measured at fair value or amortised cost, which are settled within 12 months, from reporting date, are recorded at cost & not at fair value or amortised cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transaction cost. The EIR amortization is included as finance costs in the statement of Profit and Loss.

**De-recognition**

A financial liability (or a part of a financial liability) is de-recognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the De-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

**Fair value measurement**

The Company measures financial instruments at fair value on initial recognition and 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.

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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

**Level 1** - Level 1 hierarchy includes financial instruments measured using quoted prices in an active market. This included listed equity instruments, traded debentures and mutual funds that have quoted price. The fair value of all equity instruments (including debentures) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV as published on Association of Mutual Funds of India (AMFI).

**Level 2** - Level 2 hierarchy includes financial instruments that are not traded in an active market (for example, traded bonds/debentures, over the counter derivatives). The fair value in this hierarchy is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3** – Level 3 If one or more of the significant Inputs is not based on observable market data, the instrument is included in level 3. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Financial instruments such as unlisted equity shares, loans are included in this hierarchy.

For unlisted group companies and other unlisted companies, for which latest consolidated audited balance sheet are available are classified under level 3. Accordingly, their fair value can be derived from the latest audited balance sheet by applying below formula:

“(Share capital + other equity - prepaid expenses) / no of equity shares = value per share.”

Any reciprocal interest held by the group company reduced from above formula & calculate the value per share

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

#### **Derivative financial instruments**

The Company uses derivative financial instruments for trading purpose. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss under the head “Net loss on fair value changes.”

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

### **Offsetting of financial instruments**

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

## **2.6 FINANCIAL GUARANTEE OBLIGATION**

Financial Guarantees are initially measured at their fair values and, are subsequently measured at the higher of the amount of loss allowance determined or the amount initially recognized reduced by the cumulative amount of income recognized.

## **2.7 REVENUE RECOGNITION**

### **A. Interest Income**

For all financial instruments measured at amortised cost, interest income is recognised using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets.

### **B. Dividend Income**

Dividend income is recognized when the Company's right to receive payment is established.

### **C. Net gain on fair value changes**

Financial assets are subsequently measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI), as applicable. The Company recognizes gains/losses on fair value change of financial assets measured as FVTPL and realised gains/losses on derecognition of financial asset measured at FVTPL and FVOCI.

### **D. Other revenue from operations**

#### **a. Fees**

A fee on financial guarantee is recognized based on term of engagement, if any.

### **E. Other Income**

Other incomes are accounted on accrual basis.

## **2.8 EXPENDITURES**

### **A. Finance costs**

Borrowing costs on financial liabilities are recognised using the EIR.

### **B. Others**

Other expenses are accounted on accrual basis.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

## 2.9 FOREIGN CURRENCY TRANSACTIONS

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement Profit and Loss in the period in which they arise.

## 2.10 CASH AND CASH EQUIVALENTS

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

## 2.11 BORROWING COSTS

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets as defined in Ind AS 23 are capitalized as a part of costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

Interest expenses are calculated using the EIR and all other Borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

## 2.12 INCOME TAXES

### A) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are in force at the reporting date.

Current income tax relating to items recognised outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income or in equity). Current income tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets current tax assets and current tax liabilities where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realize the assets and settle the liability simultaneously.

### B) Deferred tax

Deferred income tax is recognised using the balance sheet approach.

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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

b) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred taxes are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax relating to items recognized outside the statement of profit and loss is recognised outside the statement of profit and loss. Such deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The Company reviews the same at each balance sheet date and recognise MAT entitlement to the extent it will be utilised. The said asset is created by way of credit to the statement of profit and loss / Other Comprehensive income and included in deferred tax assets.

**Presentation of current and deferred tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority

### **2.13 IMPAIRMENT OF NON-FINANCIAL ASSETS**

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

### **2.14 PROVISIONS AND CONTINGENT LIABILITIES**

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

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

### **2.15 STATEMENT OF CASH FLOWS**

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealized foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
- iii. all other items for which the cash effects are investing or financing cash flows. Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

### **2.16 EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

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



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

## **2.17 RETIREMENT BENEFITS**

### **Short-Term Employee Benefits**

Liabilities for salaries and bonus, including non-monetary benefits, if any and accumulating leave balance in respect of employees' services up to the end of the reporting period, are recognised as liabilities (and expenses) and are measured at the amounts expected to be paid when the liabilities are settled.

### **Defined Contribution Plan and Defined Benefit Plan**

Retirement benefits in the form of provident fund under the Employees Provident Fund (Misc. Provisions) Act, 1952 and gratuity under the Payment of Gratuity Act, 1972 are not applicable to the Company as the total numbers of employees are below the minimum required number of employees as specified in respective acts.

### **Other Long-Term Benefits**

The expected costs of other long-term employee benefits such as accumulated leaves are accrued over the period of employment and same has been provided based on accrual basis at year end.

## **2.18 SHARE CAPITAL**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options and buyback of ordinary shares are recognized as a deduction from equity, net of any tax effects.

## **2.19 SEGMENT REPORTING**

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the company falls within one business segment viz. "Investment, trading in shares and securities & Lending Activities".

## **2.20 STANDARDS ISSUED BUT NOT EFFECTIVE**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 3: Cash and cash equivalents

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>Cash and cash equivalents comprises of</b>			
(a) Cash on hand	0.94	0.81	0.88
(b) Balances with banks			
(i) In current accounts	747.93	13.28	27.82
<b>Total</b>	<b>748.87</b>	<b>14.09</b>	<b>28.70</b>

## Note 4: Bank Balance other than Cash and cash equivalents

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>Balances with banks</b>			
In deposit accounts	3.76	3.76	3.76
<b>Total</b>	<b>3.76</b>	<b>3.76</b>	<b>3.76</b>

## Note 5: Receivables

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>(a) Trade Receivable</b>			
Considered good – unsecured			
Others	11.68	0.12	0.17
<b>(b) Other trade receivables</b>			
Considered good – unsecured	-	-	-
	11.68	0.12	0.17
<b>Less: Impairment loss allowance</b>	-	-	-
<b>Total</b>	<b>11.68</b>	<b>0.12</b>	<b>0.17</b>

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

## Note 6: Loans

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>At amortised cost</b>			
<b>Unsecured:</b>			
(a) Loans repayable on Demand to related party	-	-	1,756.00
(b) Loans to Corporate	-	400.00	900.00
(c) Others			
Loans to employees	10.44	16.02	13.20
	10.44	416.02	2,669.20
Less: Loss allowance (provision) on standard assets	-	1.60	10.91
<b>Total</b>	<b>10.44</b>	<b>414.42</b>	<b>2,658.29</b>

1. The loans are advanced in India and to other than public sectors.

2. All above loans are classified under Stage 1 loan i.e Performing Standard Assets as per Ind AS 109 as given in RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019- 20, dated 13th March, 2020. The performing standard assets also includes Interest Accrued on above loans shown under Note 9 " other financial assets".

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 7: Investments

Particulars	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	No of Shares/ Units	Amount	No of Shares/ Units	Amount	No of Shares/ Units	Amount
<b>(A) At fair value through other comprehensive income</b>						
<b>(i) Investment in Other equity instruments</b>						
<b>Quoted equity shares</b>						
Adani Enterprises Limited	-	-	-	-	4,00,000	625.60
Aditya Birla Capital Limited	-	-	3,31,500	322.22	31,500	45.97
Bajaj Finance Limited	3,050	67.58	1,000	30.25	-	-
Balkrishna Industries Limited	-	-	4,718	46.97	4,718	50.42
Bandhan Bank Limited	50,240	102.36	-	-	-	-
Bharti Airtel Limited	33,100	145.94	-	-	-	-
Bharat Gears Limited	300	0.08	300	0.51	300	0.50
CCL Products (India) Limited	1	-	1	-	1	-
City Union Bank Limited	5,500	7.10	2,80,574	574.76	2,55,068	439.86
CSL Finance Limited	26,585	44.88	26,585	81.58	-	-
Cholomandalam Investment and Finance Company Limited	-	-	5,000	72.62	-	-
DCB Bank Limited	-	-	1	-	1	-
Dalmia Bharat Limited	14,500	71.14	-	-	-	-
Ess Dee Aluminium Limited	1	-	1	-	1	-
Future Enterprises Limited	1	-	1	-	5,85,001	209.44
Future Retail Limited	1,85,000	144.85	1,85,000	839.62	-	-
Grasim Industries Limited	-	-	65,750	564.10	65,750	690.97
Gruh Finance Limited	-	-	3,05,000	841.19	-	-
Gujarat Fluorochemicals Limited	46,244	132.26	65,000	718.09	-	-
Gujarat Narmada Valley Fert. & Chem. Limited	-	-	37	0.11	37	0.13
HDFC Bank Limited	8,650	74.55	4,250	98.55	1,000	18.86
Housing Development Finance Corporation Limited	9,000	146.97	9,000	177.14	9,000	164.31
Hindustan Zinc Limited	-	-	-	-	1,50,000	450.83
ICICI Bank Limited	6	0.02	6	0.02	6	0.02
Indian Terrain Fashions Limited	-	-	-	-	9,500	16.60
Insecticides (India) Limited	-	-	11,200	74.11	45,200	310.70
Larsen And Toubro Limited	1	0.01	1,251	17.33	5,001	65.56
L.G. Balakrishnan & Brothers Limited	-	-	800	3.07	400	4.24
LGB Forge Limited	-	-	2,000	0.06	2,000	0.07
Lupin Limited	8,000	47.17	-	-	-	-
Maruti Limited	-	-	750	50.04	-	-
MRF Limited	100	58.16	465	269.64	465	337.19
Muthoot Capital Services Limited	17,331	43.51	17,331	156.73	17,331	129.45
OCL Limited	-	-	10,000	98.95	25,000	324.50
Ramky Infrastructure Limited	3,33,333	70.67	-	-	-	-
Raymond Limited	-	-	-	-	7,500	67.33
Reliance Industries Limited	2	0.02	2	0.03	2	0.02
Royal Orchid Hotels Limited	1,23,250	50.59	1,18,250	136.34	1,17,000	185.56
Sadbhav Engineering Limited	3,00,000	81.30	-	-	-	-
Sadbhav Infrastructure Project Limited	21,10,000	286.96	4,35,295	378.92	4,32,795	573.67
Sbi Life Insurance Company Limited	1,00,200	642.28	1,40,800	821.43	300	2.03
Shree Ganesh Forgings Limited	1	-	1	-	1	-
Sicagen India Limited	-	-	1	-	1	-
Sical Logistics Limited	1	-	1	-	1	-
Siemens Limited	-	-	10	0.11	10	0.11
Soril Holdings And Ventures Limited	-	-	-	-	10,000	20.15
Tata Motors Limited	1	-	1	-	1	-
United Spirits Limited	-	-	5	0.03	1	0.03
UPL Limited	-	-	2	0.02	2	0.01
VRIL Logistics Limited	-	-	10	0.03	10	0.04
Welspun Corp Limited	-	-	-	-	1,29,000	174.02
Welspun Enterprises Limited	6,00,000	238.50	6,00,000	638.70	6,00,000	848.10
		<b>2,456.89</b>		<b>7,013.28</b>		<b>5,756.29</b>
<b>Unquoted Equity shares</b>						
Antique Finance Private Limited	19,31,000	659.64	19,31,000	668.88	19,31,000	670.87
Teracom Limited	81,500	8.88	81,500	8.88	81,500	8.88
		<b>668.52</b>		<b>677.76</b>		<b>679.75</b>
<b>Less : Allowance for impairment loss</b>						
		<b>8.88</b>		<b>8.88</b>		<b>8.88</b>
<b>Total (i)</b>		<b>3,116.54</b>		<b>7,682.16</b>		<b>6,427.17</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 7: Investments

Particulars	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	No of Shares/ Units	Amount	No of Shares/ Units	Amount	No of Shares/ Units	Amount
<b>(ii) Investment in Share Warrants</b>						
<b>Unquoted</b>						
Ramky Infrastructure Limited	-	-	10,00,000	320.50	10,00,000	979.00
<b>Total (ii)</b>		-		<b>320.50</b>		<b>979.00</b>
<b>(iii) Investment in equity instrument of Group Companies</b>						
<b>Quoted Equity Shares</b>						
Geecee Ventures Limited	24,43,043	1,078.60	25,37,967	3,087.44	25,37,967	3,122.97
Winro Commercial (India) Limited	1,36,150	336.54	1,36,150	336.54	1,36,150	320.57
		<b>1,415.14</b>		<b>3,423.98</b>		<b>3,443.54</b>
<b>Unquoted Equity shares</b>						
Four Dimensions Commodities Private Limited	13,000	4.19	13,000	4.08	13,000	4.10
Four Dimensions Securities (I) Limited	18,89,193	7,741.73	18,89,193	10,060.14	18,89,193	9,382.87
Geecee Business Private Limited	3,108	39.62	3,108	41.65	3,108	41.54
Urudavan Investment and Trading Private Limited	30,25,000	21.48	-	-	-	-
Singularity Holdings Limited	15,42,604	1,313.50	15,42,604	2,245.43	3,79,500	619.85
		<b>9,120.52</b>		<b>12,351.31</b>		<b>10,048.35</b>
<b>Total (iii)</b>		<b>10,535.66</b>		<b>15,775.28</b>		<b>13,491.89</b>
<b>Total - (A) = ( i + ii + iii )</b>		<b>13,652.19</b>		<b>23,777.95</b>		<b>20,898.06</b>
<b>(B) Capital Contribution (Financial Guarantee)</b>						
Urudavan Investment and Trading Private Limited		7.08		7.08		-
<b>Total - (B)</b>		<b>7.08</b>		<b>7.08</b>		<b>-</b>
<b>(C) At fair value through Profit or Loss</b>						
<b>(i) Investment in Preference instruments</b>						
<b>Quoted preference Shares</b>						
Vedanta Limited- 7.5% Preference Shares	-	-	-	-	11,76,000.00	117.01
<b>Total (i)</b>		-		-		<b>117.01</b>
<b>(ii) Investment in Venture Capital Funds</b>						
<b>Unquoted fund</b>						
Urban Infrastructure Opportunities Fund	540	65.68	540	44.31	540	149.61
Kshitij Venture Capital Fund	10,000	1.18	10,000	1.18	10,000	21.55
		<b>66.86</b>		<b>45.49</b>		<b>171.16</b>
<b>Less : Allowance for impairment loss</b>		-		-		-
<b>Total (ii)</b>		<b>65.68</b>		<b>44.31</b>		<b>171.16</b>
<b>(iii) Investment in Mutual Funds (Unquoted)</b>						
<b>Unquoted fund</b>						
Birla Sun Life Cash Plus	-	-	-	-	7,99,965	2,234.42
HDFC Liquid Fund- Growth	-	-	-	-	-	30.14
Kotak Floater Short term Growth	-	-	-	-	29,536	842.35
<b>Total (iii)</b>		-		-		<b>3,106.91</b>
<b>Total - (C) = ( i + ii + iii )</b>		<b>65.68</b>		<b>44.31</b>		<b>3,395.09</b>
<b>(D) At cost</b>						
<b>(i) Investment in equity instruments of Associates</b>						
Arcies Laboratories Limited	2,500	-	2,500	-	2,500	-
<b>Total (A + B + C + D)</b>		<b>13,724.95</b>		<b>23,829.33</b>		<b>24,293.15</b>
<b>Out of above</b>						
In India		13,724.95		23,829.33		24,293.15
Outside India		-		-		-
<b>Total</b>		<b>13,724.95</b>		<b>23,829.33</b>		<b>24,293.15</b>

## Note :

- Investment in subsidiaries & associates are measured at cost.
- Investments are having quantities but no value, as the fair value of these investments are less than Rs 0.005
- Out of the above investments, company has pledged certain investments. (Refer Note No. 30 (5) of the Consolidated Financial statements)

Name of Scripts	Quantity		
	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Balkrishna Industries Limited	-	4,718	-
City Union Bank Limited	5,500	2,80,574	-
Grasim Industries Limited	-	65,750	-
Gujarat Fluorochemicals Limited	-	65,000	-
Housing Development Finance Corporation Limited	9,000	9,000	-

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 8: Stock in trade (Securities held for trading)

Particulars	No. of Shares	As at 31st March, 2020	No. of Shares	As at 31st March, 2019	No. of Shares	As at 1st April, 2018
<b>(A) At fair value through Profit or Loss</b>						
<b>(i) Investment in equity instruments</b>						
<b>Quoted</b>						
CG Power & Industrial Solutions Limited	-	-	3,00,000	128.10	-	-
Dabur Limited	13,000	58.51	-	-	-	-
Idea Limited	-	-	1	-	-	-
IDFC Limited	7,50,000	111.38	7,50,000	349.12	7,50,000	365.63
Kridhan Infra Limited	1	-	1	-	1	-
Laurus Labs Limited	1,25,000	406.00	-	-	-	-
State Bank of India Limited	1	-	1	-	1	-
SVP Global Ventures Limited	1	-	-	-	-	-
Welspun India Limited	36,00,000	777.60	4,88,000	291.09	4,88,000	283.28
Welspun Crop Limited	53,979	33.49	-	-	-	-
Yes Bank Limited	-	-	500	1.38	-	-
		<b>1,386.98</b>		<b>769.69</b>		<b>648.91</b>
<b>Unquoted</b>						
Consolidated Fibres & Chemicals Limited	50	0.01	50	0.01	50	0.01
Auroplast India Limited	2,500	0.25	2,500	0.25	2,500	0.25
Allied Resins Chemicals Limited	5,000	0.05	5,000	0.05	5,000	0.05
East Aggle Plastic Limited	660	0.01	660	0.01	660	0.01
Meeraj Multiweb Industries Limited	24,000	1.15	24,000	4.67	24,000	1.15
		<b>1.47</b>		<b>4.99</b>		<b>1.47</b>
<b>Less: Allowance for impairment loss</b>		0.26		0.26		0.26
<b>Total</b>		<b>1,388.18</b>		<b>774.42</b>		<b>650.12</b>
<b>Out of above</b>						
In India		1,388.18		774.42		650.12
Outside India		-		-		-
<b>Total</b>		<b>1,388.18</b>		<b>774.42</b>		<b>650.12</b>

## Note :

- Investments are having quantities but no value, as the fair value of these investments are less than Rs. 0.005.
- Out of the above investments, company has pledged certain investments. (Refer Note No. 30 (5) of the Consolidated Financial statements)

Name of Scripts	Quantity		
	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
IDFC Limited	7,50,000	7,50,000	-

## Note 9: Other Financial assets

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
(a) Interest accrued on Loans			
from related parties	0.22	-	51.80
from others	-	-	20.45
(b) Security Deposits	0.01	0.01	0.01
(c) Receivables			
Dividend Receivables	-	-	9.00
Other Receivables*	0.02	0.02	0.02
<b>Total</b>	<b>0.25</b>	<b>0.03</b>	<b>81.28</b>

\*Other receivable represents expenses recoverable.

## Note 10: Current tax assets (Net)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Advance Tax (Net of Provision)	287.26	251.64	199.06
<b>Total</b>	<b>287.26</b>	<b>251.64</b>	<b>199.06</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## Note 11 : Property, Plant and Equipment

(All amounts in ₹ Lakhs, unless otherwise stated)

## Current Year

Particulars	Gross Block				Accumulated Depreciation				Net Block
	Balance as at 1st April, 2019	Addition	(Disposals)	Balance as at 31st March, 2020	Balance as at 1st April, 2019	Depreciation charge for the year	Deduction	Balance as at 31st March, 2020	Balance as at 31st March, 2020
Land	0.59	-	-	0.59	-	-	-	-	0.59
Motor Cycle	1.08	-	0.17	0.91	0.26	0.16	0.04	0.38	0.52
Motor Vehicle	4.98	-	-	4.98	1.27	0.88	-	2.15	2.83
Telephone	0.00	-	-	0.00	-	-	-	-	0.00
Computer	0.93	-	-	0.93	0.587	0.22	-	0.80	0.13
<b>Total</b>	<b>7.58</b>	<b>-</b>	<b>0.17</b>	<b>7.40</b>	<b>2.12</b>	<b>1.26</b>	<b>0.04</b>	<b>3.34</b>	<b>4.07</b>

## Previous year

Particulars	Gross Block				Accumulated Depreciation				Net Block
	Balance as at 1st April, 2018	Addition	(Disposals)	Balance as at 31st March, 2019	Balance as at 1st April, 2018	Depreciation charge for the year	Deduction	Balance as at 31st March, 2019	Balance as at 31st March, 2019
Land	0.59	-	-	0.59	-	-	-	-	0.59
Motor Cycle	1.08	-	-	1.08	-	0.26	-	0.26	0.82
Motor Vehicle	4.98	-	-	4.98	-	1.27	-	1.27	3.71
Telephone	0.00	-	-	0.00	-	-	-	-	0.00
Computer	0.93	-	-	0.93	-	0.59	-	0.59	0.34
<b>Total</b>	<b>7.58</b>	<b>-</b>	<b>-</b>	<b>7.58</b>	<b>-</b>	<b>2.12</b>	<b>-</b>	<b>2.12</b>	<b>5.46</b>

The Company has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer below for the gross block value and the accumulated depreciation on 1st April, 2018 under the previous GAAP.

Particulars	1st April, 2018		
	Gross block	Accumulated depreciation	Net block
Land	0.59	-	0.59
Motor Cycle	2.78	1.70	1.08
Motor Vehicle	94.07	89.09	4.98
Telephone	0.29	0.29	0.00
Computer	1.10	0.17	0.93
<b>Total</b>	<b>98.82</b>	<b>91.24</b>	<b>7.58</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 12: Other non-financial assets

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
(a) Security Deposits against appeals	101.05	101.05	101.05
(b) Prepaid Expenses	1.47	1.12	0.80
(c) Others*	2.17	4.25	-
<b>Total</b>	<b>104.69</b>	<b>106.42</b>	<b>101.85</b>
<b>Payable to Related parties</b>	<b>0.50</b>	<b>-</b>	<b>-</b>

\*Other includes amount advanced for expenses.

## Note 13: Payable

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>(i) Trade Payables</b>			
Total outstanding dues of micro enterprises and small enterprises	0.72	0.61	0.21
Total outstanding dues of creditors other than micro enterprises and small	1.24	1.88	6.39
<b>Total</b>	<b>1.96</b>	<b>2.49</b>	<b>6.60</b>
<b>Payable to Related parties</b>	<b>0.05</b>	<b>0.25</b>	<b>4.55</b>

Based on and to the extent of information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year-end are furnished below:

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	0.72*	0.61	0.21
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-	-
(iv) The amount of interest due and payable for the year.	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-	-

\*Principal unpaid amount includes Provision for Expenses Rs. 0.52 for which supplier is yet to raise invoice on the company. The company had paid balance amount of Rs. 0.20 within the time frame given under the Micro, Small and Medium Enterprises Development Act, 2006

## Note 14: Borrowings (other than debt securities)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>At amortised cost</b>			
<b>Unsecured and considered good</b>			
Loans repayable on Demand			
from related parties	2.50	50.00	3,182.32
from others	1,000.00	-	-
Add : Interest Accrued			
from related parties	0.10	1.57	3.81
from others	3.93	-	-
	<b>1,006.53</b>	<b>51.57</b>	<b>3,186.13</b>
Less: Impairment loss allowance			
<b>Total</b>	<b>1,006.53</b>	<b>51.57</b>	<b>3,186.13</b>

All Borrowings are made within India

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 15: Other Financial Liabilities

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Employee benefits payable	2.07	27.04	16.47
<b>Total</b>	<b>2.07</b>	<b>27.04</b>	<b>16.47</b>
<b>Payable to Related parties</b>	<b>0.77</b>	<b>17.16</b>	<b>11.00</b>

## Note 16: Provisions

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>Provision for employee benefits</b>			
Provision for Leave salary	15.32	13.82	14.42
<b>Total</b>	<b>15.32</b>	<b>13.82</b>	<b>14.42</b>

## Note 17: Deferred tax Liabilities (Net)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>Deferred tax relates to the following</b>			
<b>(A) Deferred tax assets</b>			
Unused benefit of business losses	(593.67)	(251.18)	(247.05)
Unused benefit of speculation losses	(10.64)	(11.09)	(0.45)
Impairment loss allowance on financial assets	-	(0.45)	(3.04)
Financial instruments measured at fair value through profit & loss			
Stock in Trade (Securities held for Trading)			
Preference shares	-	-	(0.13)
Provision for Leave Salary	(4.26)	(3.85)	(4.01)
Unused benefit of Long term losses	(36.69)	(3.85)	(11.63)
Amalgamation Expenses (Section 35DD of the Income Tax Act, 1961)	(2.90)	(4.48)	(6.06)
Mark to Market Loss		-	(2.39)
On account of timing difference in Property, plant and equipment	(3.72)	(4.31)	(4.82)
MAT Credit Entitlement	(138.87)	(139.91)	(200.29)
	<b>(790.75)</b>	<b>(419.11)</b>	<b>(479.88)</b>
<b>(B) Deferred tax liabilities</b>			
Financial instruments measured at fair value through profit & loss			
Stock in Trade (Securities held for Trading)			
Mutual Funds	(0.34)	-	2.54
Venture Capital Funds	3.54	0.63	(0.35)
Financial instruments measured at fair value through OCI - Equity Shares	265.62	1,121.55	1,047.57
	<b>268.82</b>	<b>1,122.18</b>	<b>1,049.76</b>
<b>Total Deferred tax liabilities/ (Assets) ( A + B )</b>	<b>(521.93)</b>	<b>703.07</b>	<b>569.88</b>



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**Movement of Deferred tax liabilities:**  
For the year ended 31st March 2020

Deferred Tax (Assets) / liabilities	Opening Balance as at 1st April, 2019	Recognised in statement of Profit & loss [(credit) / debit]	Recognised in statement of Other Comprehensive Income	Closing Balance as at 31st March, 2020
<b>Deferred tax liabilities in relation to:</b>				
Financial instruments measured at fair value through OCI - Equity Shares	1,121.55	-	(855.93)	265.62
Financial instruments measured at fair value through profit & loss				
Venture Capital Funds	-	3.54	-	3.54
Stock in Trade (Securities held for Trading)	0.63	(0.97)	-	(0.34)
<b>Deferred tax assets in relation to:</b>				
Unused benefit of business losses	(251.18)	(342.49)	-	(593.67)
Unused benefit of speculation losses	(11.09)	0.45	-	(10.64)
Impairment loss allowance on financial assets	(0.45)	0.45	-	-
Financial instruments measured at fair value through profit & loss				
Preference shares				
Provision on leave salary	(3.85)	(0.41)	-	(4.26)
Unused benefit of long term losses	(3.85)	(32.84)	-	(36.69)
Amalgamation Expenses (Section 35DD of the Income Tax Act, 1961)	(4.48)	1.58	-	(2.90)
Depreciation on property, plant and equipment	(4.31)	0.59	-	(3.72)
MAT Credit Entitlement	(139.91)	1.04	-	(138.87)
	<b>703.07</b>	<b>(369.07)</b>	<b>(855.93)</b>	<b>(521.93)</b>

## For the year ended 31st March 2019

Deferred Tax (Assets) / liabilities	Opening Balance as at 1st April, 2018	Recognised in statement of Profit & loss [(credit) / debit]	Recognised in statement of Other Comprehensive Income	Closing Balance as at 31st March, 2019
<b>Deferred tax liabilities in relation to:</b>				
Financial instruments measured at fair value through OCI - Equity Shares	1,047.57	-	73.98	1,121.55
Financial instruments measured at fair value through profit & loss				
Mutual Funds	2.54	(2.54)	-	-
Stock in Trade (Securities held for Trading)	(0.35)	0.98	-	0.63
<b>Deferred tax assets in relation to:</b>				
Unused benefit of business losses	(247.05)	(4.12)	-	(251.18)
Unused benefit of speculation losses	(0.45)	(10.64)	-	(11.09)
Impairment loss allowance on financial assets	(3.04)	2.59	-	(0.45)
Financial instruments measured at fair value through profit & loss				
Preference shares	(0.13)	0.13	-	-
Provision on leave salary	(4.01)	0.17	-	(3.85)
Unused benefit of long term losses	(11.63)	7.78	-	(3.85)
Amalgamation Expenses (Section 35DD of the Income Tax Act, 1961)	(6.06)	1.58	-	(4.48)
Mark to Market Loss	(2.39)	2.39	-	-
Depreciation on property, plant and equipment	(4.82)	0.51	-	(4.31)
MAT Credit Entitlement	(200.29)	60.38	-	(139.91)
	<b>569.88</b>	<b>59.21</b>	<b>73.98</b>	<b>703.07</b>

## Note 18: Other non-financial liabilities

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Statutory dues	3.25	2.79	2.99
<b>Total</b>	<b>3.25</b>	<b>2.79</b>	<b>2.99</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 19: Equity Share Capital

Particulars	As at 31st March,2020		As at 31st March,2019		As at 1st April,2018	
	Number	Rs	Number	Rs	Number	Rs
<b>Authorised</b> Equity Shares of Rs. 10 each	82,50,000	825.00	82,50,000	825.00	82,50,000	825.00
<b>Issued, Subscribed &amp; Paid up</b> Equity Shares of Rs. 10 each <i>(of the above 7,90,593 Shares were allotted pursuant to the Scheme of Amalgamation, without payment being received in cash.)</i>	10,00,928	100.09	10,00,928	100.09	10,00,928	100.09
<b>Total</b>	10,00,928	100.09	10,00,928	100.09	10,00,928	100.09

## (a) Rights of Equity Shareholders

The Company has only one class of Equity Shares having par value of Rs.10. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount.

## (b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31st March,2020		As at 31st March,2019		As at 1st April,2018	
	Number	Rs	Number	Rs	Number	Rs
Shares outstanding at the beginning of the year	10,00,928	100.09	10,00,928	100.09	6,40,000	64.00
Add : Shares Issued during the year	-	-	-	-	3,90,593	39.06
Less : Shares bought back during the year	-	-	-	-	(29,665)	(2.97)
Shares outstanding at the end of the year	10,00,928	100.09	10,00,928	100.09	10,00,928	100.09

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

Name of Shareholder	As at 31st March,2020		As at 31st March,2019		As at 1st April,2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Winro Commercial (India) Limited	1,77,584	17.74%	1,77,584	17.74%	1,04,970	16.40%
Four Dimensions Securities (India) Limited	2,05,787	20.56%	2,05,787	20.56%	33,900	5.30%
Ageless Capital and Finance Private Limited	63,930	6.39%	-	-	-	-
Ashwin Kumar Kothari	61,081	6.10%	61,081	6.10%	64,500	10.08%
Ashwin Kumar Kothari (HUF)	59,343	5.93%	59,343	5.93%	63,000	9.84%
Ashwin Kumar Kothari (smaller) (HUF)	59,366	5.93%	59,366	5.93%	63,000	9.84%
Pannalal C Kothari (HUF)	50,979	5.09%	50,979	5.09%	53,050	8.29%

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 20: Other Equity

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>(a) Capital Redemption Reserve</b>			
Opening balance	2.97	2.97	2.97
<b>Closing balance</b>	<b>2.97</b>	<b>2.97</b>	<b>2.97</b>
<b>(b) Statutory Reserves</b>			
Reserve fund in terms of section 45-IC of the Reserve Bank of India Act, 1934			
Opening balance	1,175.98	1,042.65	1,042.65
Add: Transfer from Retaining Earning	-	133.33	-
<b>Closing balance</b>	<b>1,175.98</b>	<b>1,175.98</b>	<b>1,042.65</b>
<b>(c) General reserve</b>			
Opening balance	1,890.26	1,890.26	1,890.26
<b>Closing balance</b>	<b>1,890.26</b>	<b>1,890.26</b>	<b>1,890.26</b>
<b>(d) Retained Earning</b>			
Opening balance	10,152.40	9,583.05	9,573.00
Add: Profit for the year	(961.46)	37.51	-
Add: Transferred net realised gain on equity shares from Other comprehensive income	513.49	665.17	-
Add : Ind AS opening adjustments			
Fair value gain on financial instruments (net of tax)	-	-	10.29
Others	-	-	(0.24)
Less: Transfer to Statutory Reserves	-	(133.33)	-
<b>Closing balance</b>	<b>9,704.43</b>	<b>10,152.40</b>	<b>9,583.05</b>
<b>(e) Capital Reserve</b>			
Opening balance	303.42	303.42	303.42
<b>Closing balance</b>	<b>303.42</b>	<b>303.42</b>	<b>303.42</b>
<b>(f) Other comprehensive income</b>			
Opening balance	10,838.32	11,162.75	-
Add: Profit for the year	(7,819.61)	340.74	11,162.75
Less: Transferred net Realised gain on equity shares to Retain earnings	(513.49)	(665.17)	-
<b>Closing balance</b>	<b>2,505.22</b>	<b>10,838.32</b>	<b>11,162.75</b>
<b>(g) Bargain purchase gain on acquisition</b>			
Opening Balance	1.50	1.50	0.71
Add: Ind AS Adjustment	-	-	0.79
<b>Closing Balance</b>	<b>1.50</b>	<b>1.50</b>	<b>1.50</b>
<b>Total</b>	<b>15,583.77</b>	<b>24,364.83</b>	<b>23,986.58</b>

## Nature and Purpose of Reserves

## 1) Capital Redemption Reserve

It represents the reserves which is created on buy back of equity shares made out of free reserve. The redemption value equivalent to the nominal value of shares so purchased is transferred to this reserved out of profit of the company. This reserve can be utilised for issuing fully paid-up bonus shares.

## 2) Statutory Reserves under Sec 45 IC of The RBI Act, 1932

Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

## 3) General Reserves

Amounts set aside from retained profits as a reserve to be utilised for permissible general purpose as per applicable Law.

## 4) Retained Earnings

Retained earnings represents profits that the company earned till date, less any transfers to General Reserve, Statutory Reserves, Dividends and other distributions paid to the shareholders.

## 5) Capital Reserve

Capital reserves represents reserves created pursuant to the business combination.

## 6) Other Comprehensive income

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated in the FVOCI equity investments reserve. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

## 7) Capital Reserve ( Bargain Purchase Gain) (Ind AS 28)

Bargain purchase gain on acquisition represent assets acquired at less than the fair market value.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 21: Interest Income

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>On financial assets measured at amortized cost</b>		
a) Interest income on loan		
Related parties	0.68	92.68
Others	4.14	102.76
b) Interest on deposits with banks	2.96	-
<b>Total</b>	<b>7.78</b>	<b>195.44</b>

## Note 22: Dividend Income

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Dividend Income on investment</b>		
from Group Companies	-	-
from Other Companies	105.26	557.98
<b>Total</b>	<b>105.26</b>	<b>557.98</b>

## Note 23: Other Operating Income

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Other operating income comprises of</b>		
(i) Income from lending of shares- Security Lending and Borrowing Scheme (SLBM)	5.10	1.23
(ii) Reversal on impairment allowances on Standard Assets	1.60	9.31
(iii) Fees charged on financial Guarantee given to group company	4.95	7.08
<b>Total</b>	<b>11.65</b>	<b>17.62</b>

## Note 24: Other income

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Other income comprises of</b>		
(i) Net gain on derecognition of property, plant and equipment	0.12	-
(ii) Interest income on income tax refund	11.66	7.21
<b>Total</b>	<b>11.78</b>	<b>7.21</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 25: Finance costs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>On Financial liabilities measured at amortized cost</b>		
Interest on borrowings		
from related parties	3.55	7.09
from other parties	25.26	8.06
<b>Others</b>		
Interest on late payment of TDS	0.12	-
<b>Total</b>	<b>28.93</b>	<b>15.15</b>

## Note 26: Net Loss on fair value changes

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Net gain/(loss) on financial instruments measured at fair value through profit or loss</b>		
<b>(A) On trading portfolio:</b>		
<b>Stock-in-trade</b>		
Trading gain/(loss) on financial instruments ( refer note (a) below)	(1,315.66)	(552.97)
<b>(B) Others</b>		
Realised gain on financial instruments at FVTPL	71.13	85.78
Unrealised (loss) on financial instruments at FVTPL	31.79	-
Loss from futures & options segment	(60.31)	(13.29)
Loss from speculation in equity shares - cash segment	14.49	(38.23)
<b>Total</b>	<b>(1,258.57)</b>	<b>(518.71)</b>

Note	Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(a)	<b>Realised gain/(loss) on financial instruments at FVTPL</b>		
	<b>On trading portfolio</b>		
	Sale of shares and mutual funds	490.77	851.26
	Less: Purchases of shares & mutual funds	2,420.20	1,528.53
	Less: Changes in inventories ( refer note (i) below)	(613.76)	(124.30)
	<b>Total</b>	<b>(1,315.66)</b>	<b>(552.97)</b>
(i)	<b>Changes in Stock-in-trade</b>		
	At the end of the year		
	Stock-in-trade	1,388.18	774.42
		<b>1,388.18</b>	<b>774.42</b>
	At the beginning of the year		
	Stock-in-trade	774.42	650.12
		<b>774.42</b>	<b>650.12</b>
	<b>Net (increase) / decrease</b>	<b>(613.76)</b>	<b>(124.30)</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 27: Employee benefits expenses

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries, wages and bonus to employees	112.35	135.86
Staff welfare expenses	2.79	2.40
<b>Total</b>	<b>115.14</b>	<b>138.26</b>
<b>Employee benefit expenses to related parties</b>	<b>53.31</b>	<b>59.46</b>

## Note 28: Other expenses

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rates and taxes, excluding taxes on income	4.04	3.07
Legal and professional fees	6.64	9.48
Insurance	0.33	0.38
Payments to auditors (refer note (i) below)	1.05	0.74
Security Transaction Charges	3.60	1.09
Miscellaneous expenses	22.61	11.87
<b>Total</b>	<b>38.27</b>	<b>26.63</b>
<b>Related parties</b>	<b>0.69</b>	<b>0.51</b>

## Note (i)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(i) Payments to the auditors comprises		
As auditors - Statutory audit	0.86	0.55
for other services	0.19	0.05
<b>Total</b>	<b>1.05</b>	<b>0.60</b>

## Note 29: Tax expenses

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>i) Amounts recognised in the Statement of Profit and Loss</b>		
In respect of the current year	-	2.86
in respect of deferred tax	(343.20)	59.21
In respect of earlier years	(0.68)	(24.00)
<b>(A)</b>	<b>(343.88)</b>	<b>38.07</b>
<b>ii) Tax on amounts recognised in Other Comprehensive Income</b>		
Income tax relating to items that will not be reclassified to profit or loss	(881.80)	118.30
<b>(B)</b>	<b>(881.80)</b>	<b>118.30</b>
<b>Income tax expenses for the year ended (A) + (B)</b>	<b>(1,225.68)</b>	<b>156.37</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

The income tax expense for the year can be reconciled to the accounting profit as follows

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Income tax expense for the year reconciled to the accounting profit:</b>		
Profit before tax	(1,305.69)	73.83
Realised gain on equity instruments recognised through Other Comprehensive Income	487.61	709.49
<b>Total</b>	<b>(818.08)</b>	<b>783.32</b>
Income tax rate	27.82%	27.82%
Income tax expense	(227.59)	217.92
<b>Tax Effect of :</b>		
<b>(i) amounts which are not deductible (taxable) in calculating taxable income:</b>		
Disallowance under section 14A	15.94	12.16
Disallowances of losses under section 94(7)	-	142.05
Disallowances of STT on investments	1.35	2.26
Others	0.97	0.30
<b>(ii) amounts which are deductible (non taxable) in calculating taxable income:</b>		
Dividend Income	(29.28)	(155.23)
Financial Guarantee	-	(1.97)
Long term capital gain	(94.07)	(46.91)
<b>(iii) Adjustment in respect of earlier years (net)</b>	<b>(0.68)</b>	<b>(24.00)</b>
<b>(iv) Loss/ (Income) taxable at differential rate (net)</b>	<b>(5.31)</b>	<b>(63.36)</b>
<b>(v) Utilisation of prior year's brought forward depreciation</b>	<b>-</b>	<b>(1.21)</b>
<b>(vii) Increase of prior year's brought forward tax losses (net)</b>	<b>(6.51)</b>	<b>(4.12)</b>
	(345.18)	77.89
Deferred tax on unrealised gain / (loss) on investments through OCI	(880.50)	78.48
<b>Income tax expenses for the year ended (A) + (B)</b>	<b>(1,225.68)</b>	<b>156.37</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**Note 30 : Contingent Liabilities and Commitments :**

- Demand of **Rs.80.23 Lakhs** for AY 1996-97 is pending under Madhya Pradesh Sales Tax Act against which appeals had been filed with Deputy Commissioner of Commercial Tax. The Deputy Commissioner of Commercial tax has redirected case to Assessing Officer for reassessment. The reassessment proceedings has not yet initiated.
- During F.Y. 2004-05, Company has kept **Rs.100.70 Lacs** in Escrow account with Calyon Bank, Nariman Point Branch for any demands of stamp duty, penalties and liabilities that may arise on the scheme of arrangement as approved by the High Court of Judicature at Mumbai in terms of which company has transferred its Aluminium Chloride undertaking and wind mill undertaking to Nagda Orgo Chem Private Limited under Section 391 to Section 394 of the companies Act, 1956. On 1st October,2012.The High court of Indore (Single Judge ) has given decision in favour of the Company. Revenue had filed an writ appeal against the said order with the Hon'ble The High court of M.P., Indore.( Double Judge), wherein order dated 26th September,2014 states that the appeal be listed for final hearing in due course.
- NEPC India Limited had instituted a suit against the company in the court of II FAST TRACK JUDGE Madras for deferment of payment to the NEPC India Limited the sum of **Rs. 20.47 Lakhs** together with interest at 24% p.a on **Rs. 10.53 Lakhs** Vide order dated 13th February,2012, court has given decision in favour of NEPC India limited. In the result the suit is decreed in favour of NEPC India Limited for **Rs.10.53 Lakhs** with interest at the rate of 12% p.a. from August 1998 till realisation with costs. Company has filed an appeal with the High court of Madras against the said order.
- As per Income tax department, following tax demands are outstanding against the company and it has not been accounted in the financial statements:

Demand under Section and Status of Appeal	Assessment year	Short Provision	Amount paid under protest/
<b>Aroni Commercials Limited- Transferor Company*</b>			
<b>Section 143(3)</b> - Letter of rectification is pending	2000-01	0.43	0.43
<b>Section 250-</b> Order giving effect to ITAT order pending	2006-07	4.13	4.13
<b>Section 143(3)</b> - Letter for rectification against order u/s 154 wrt 143(3) dated 29/02/2012 has been filed	2009-10	1.57	1.57
<b>Section 143(3)</b> - CIT (Appeal's) order giving effect is pending	2010-11	0.72	-

\*Pursuant to scheme of Amalgamation between Aroni Commercials Limited and Saraswati Commercial (India) Limited, along with order passed by Hon'ble National Company Law Tribunal, Mumbai bench on 16th March, 2017, the above mentioned companies became the subsidiaries as on the

<b>Saraswati Commercial (India) Limited</b>			
<b>Section 143(1)</b> - Rectification of order u/s 154 is pending	2010-11	3.86	3.86
<b>Section 143(3)</b> - Letter for rectification against order u/s 143(3) dated 24/12/2018 has been filed. Rectification of order is pending	2016-17	4.38	44.5
<b>Section 143(1)</b> - Rectification of order u/s 154 is pending	2017-18	0.01	0.01

- During the year company has pledged some of its Investments on behalf of its Group Company **M/s Urudavan Investment & Trading Private Limited ("Urudavan")**. Urudavan has availed Short term Loans against said pledged Investments. The Contingent Liability as on 31st March, 2020 is **Rs. 142.90 Lakhs** and as on 31st March, 2019 is **Rs 1021 Lakhs**.

- Capital Commitment:** Partly paid up shares warrant of Ramky Infrastructure Limited as on 31st March, 2020 is **Nil** and as on 31st March 2019 is **Rs 757.50 Lakhs**

**Note 31: Earning Per share**

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Net profit/ (Loss) attributable to Equity shareholders (Rs in Lakh)	(961.81)	35.76
Weighted average of Equity shares used as denominator for calculating Basic Earning per Share (EPS) and Diluted Earning per Share (DPS)	10,00,928	10,00,928
Earing Per Share (EPS / DPS) (Rs.)	(96.09)	3.57
Face value per share (Rs.)	10.00	10.00



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**32 Maturity pattern of Assets and Liabilities**  
 (Based on reasonable assumptions made by the Management)

Particulars	For the year ended 31st March, 2020		
	Within 12 Months	After 12 months	Total
<b>ASSETS</b>			
<b>Financial Assets</b>			
(a) Cash and cash equivalents	748.87	-	748.87
(b) Bank Balance other than (a) above	3.76	-	3.76
(c) Receivables			
(i) Trade Receivables	11.68		11.68
(d) Loans	5.05	5.39	10.44
(e) Investments	546.57	13,178.38	13,724.95
(f) Stock in Trade (Securities held for Trading)	1,388.18	-	1,388.18
(g) Other Financial assets	0.25	-	0.25
<b>Non -Financial Assets</b>			
(a) Current tax assets (Net)	-	287.26	287.26
(b) Deferred tax Assets (Net)	-	521.93	521.93
(c) Property, Plant and Equipment		4.07	4.07
(d) Other non-financial assets	3.62	101.07	104.69
<b>TOTAL ASSETS</b>	<b>2,707.98</b>	<b>14,098.09</b>	<b>16,806.07</b>
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
(a) Payables			
(i) Trade Payables			
total outstanding dues of micro enterprises and small enterprises	0.72	-	0.72
total outstanding dues of creditors other than micro enterprises and small enterprises	1.24	-	1.24
(b) Borrowings (Other than Debt Securities)	1,006.53	-	1,006.53
(c) Other financial liabilities	2.07	-	2.07
<b>Non-Financial Liabilities</b>			
(a) Provisions	-	15.32	15.32
(b) Other non-financial liabilities	3.25	-	3.25
<b>TOTAL LIABILITIES</b>	<b>1,013.81</b>	<b>15.32</b>	<b>1,029.13</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## 32 Maturity pattern of Assets and Liabilities (Cont...)

Particulars	For the year ended 31st March, 2019		
	Within 12 Months	After 12 months	Total
<b>ASSETS</b>			
<b>Financial Assets</b>			
(a) Cash and cash equivalents	14.09	-	14.09
(b) Bank Balance other than (a) above	3.76	-	3.76
(c) Receivables			
(i) Trade Receivables	0.12	-	0.12
(d) Loans	403.50	10.92	414.42
(e) Investments	298.36	23,530.97	23,829.33
(f) Stock in Trade (Securities held for Trading)	774.42	-	774.42
(g) Other Financial assets	0.02	0.01	0.03
<b>Non -Financial Assets</b>			
(a) Current tax assets (Net)	-	251.64	251.64
(b) Property, Plant and Equipment	-	5.46	5.46
(c) Other non-financial assets	5.30	101.12	106.42
<b>TOTAL ASSETS</b>	<b>1,499.57</b>	<b>23,900.12</b>	<b>25,399.69</b>
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
(a) Payables			
(i) Trade Payables			
total outstanding dues of micro enterprises and small enterprises	0.61	-	0.61
total outstanding dues of creditors other than micro enterprises and small enterprises	1.88	-	1.88
(b) Borrowings (Other than Debt Securities)	51.57	-	51.57
(c) Other financial liabilities	-	27.04	27.04
<b>Non-Financial Liabilities</b>			
(a) Provisions	-	13.82	13.82
(b) Deferred tax liabilities (Net)	-	703.07	703.07
(c) Other non-financial liabilities	2.79	-	2.79
<b>TOTAL LIABILITIES</b>	<b>56.85</b>	<b>743.94</b>	<b>800.79</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## 32 Maturity pattern of Assets and Liabilities (Cont...)

Particulars	For the year ended 1st April, 2018		
	Within 12 Months	After 12 months	Total
<b>ASSETS</b>			
<b>Financial Assets</b>			
(a) Cash and cash equivalents	28.70	-	28.70
(b) Bank Balance other than (a) above	3.76	-	3.76
(c) Receivables			
(i) Trade Receivables	0.17		0.17
(d) Loans	2,649.55	8.74	2,658.29
(e) Investments	6,204.39	18,088.76	24,293.15
(f) Stock in Trade (Securities held for Trading)	650.12	-	650.12
(g) Other Financial assets	81.27	0.01	81.28
<b>Non -Financial Assets</b>			
(a) Current tax assets (Net)	-	199.06	199.06
(b) Property, Plant and Equipment	-	7.58	7.58
(c) Other non-financial assets	0.74	101.11	101.85
<b>TOTAL ASSETS</b>	<b>9,618.70</b>	<b>18,405.26</b>	<b>28,023.96</b>
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
(a) Payables			
(i) Trade Payables			
total outstanding dues of micro enterprises and small enterprises	0.21	-	0.21
total outstanding dues of creditors other than micro enterprises and small enterprises	6.39	-	6.39
(b) Borrowings (Other than Debt Securities)	3,186.13	-	3,186.13
(c) Other financial liabilities		16.47	16.47
<b>Non-Financial Liabilities</b>			
(a) Provisions	-	14.42	14.42
(b) Deferred tax liabilities (Net)	-	569.88	569.88
(c) Other non-financial liabilities	2.99	-	2.99
<b>TOTAL LIABILITIES</b>	<b>3,195.72</b>	<b>600.77</b>	<b>3,796.49</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**Note 33 : Financial Instruments****A Financial Risk Management (Ind AS 107)**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Interest rate risk
- Currency risk

**Risk management framework**

Risk management forms an integral part of the business. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors are responsible for developing and monitoring the Company's risk management policies. The Company's Risk Management committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

**1 Credit Risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. Credit risk arises primarily from financial assets such as trade receivables, investments, other balances with banks, loans another receivables.

The Company has adopted a Policy of dealing with counter parties that have sufficiently high credit rating. The Company's exposure and credit ratings of its counter parties are continuously monitored. Credit risk arising from trade receivables are reviewed periodically and based on past experience and history. Management is confident of recovering all the dues. Credit risk arises from balances with banks is limited and there is no collateral held against these because the counter parties are bank.

**Credit exposure**

Company's credit period generally ranges from 20 to 30 days

Particulars	31st March, 2020	31st March, 2019	1st April, 2018
Trade receivables	11.68	0.12	0.17
Other receivable	-	-	-

**Investment in debt instruments**

Credit risk on investment in various instruments is limited as company generally invest debt instruments like mutual fund, preference shares, debentures with high credit ratings assigned by international and domestic credit rating agencies.

**Loan:**

The Company considers default in all cases when the borrower becomes 90 days past due on its contractual payments. All the loans are classified under Stage 1 loan i.e. Performing Standard Assets as per RBI per RBI prudential norms.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**Expected Credit Loss (ECL) on Financial Assets**

The Company continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL (12m ECL) or life time ECL (LTECL), the Company assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. The Company applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired :

- (a) Historical trend of collection from counterparty.
- (b) Company's contractual rights with respect to recovery of dues from counterparty.
- (c) Credit rating of counterparty and any relevant information available in public domain.

ECL is a probability weighted estimate of credit losses. It is measured as the present value of cash shortfalls(i.e. the difference between the cash flows due to the Company in accordance with contract and the cash flows that the Company expects to receive). The Company has following types of financial assets that are subject to the expected credit loss:

- (a) Cash and cash equivalent
- (b) Loans
- (c) Other receivables

After applying above criteria, Management has decided to make minimum ECL provision as the provisioning rates as per RBI prudential norms unless higher provisioning is required as per above criteria.

**2 Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's principal sources of liquidity are cash and cash equivalents, investment in liquid mutual and the cash flow that is generated from operations. In case of any shortfall, company has availed revolving loan facilities from its Group Companies.

As at 31st March, 2020, the Company had a cash and cash equivalents of Rs. 748.87 (Rs. in lakhs). As at 31st March, 2019, the Company had a cash and cash equivalents of Rs. 14.09 (Rs. in lakhs) and As at 1st April, 2018, the Company had a cash and cash equivalents of Rs. 28.07 (Rs. in lakhs)

**Exposure to liquidity risk**

The details regarding the contractual maturities of significant financial liabilities as at 31st March, 2020 are as follows :

Particulars	On demand	Less than 1 year	1-5 years	More than 5 years	Total
(a) Payables					
(i) Trade Payables	-	1.96	-	-	1.96
(b) Borrowings (Other than Debt Securities)	1,006.53	-	-	-	1,006.53
(c) Other financial liabilities	-	2.07	-	-	2.07
<b>Total</b>	<b>1,006.53</b>	<b>4.03</b>	<b>-</b>	<b>-</b>	<b>1,010.56</b>

The details regarding the contractual maturities of significant financial liabilities as at 31st March, 2019 are as follows :

Particulars	On demand	Less than 1 year	1-5 years	More than 5 years	Total
(a) Payables	-				
(i) Trade Payables		2.49	-	-	2.49
(b) Borrowings (Other than Debt Securities)	51.57	-	-	-	51.57
(c) Other financial liabilities		27.04	-	-	27.04
<b>Total</b>	<b>51.57</b>	<b>29.53</b>	<b>-</b>	<b>-</b>	<b>81.10</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

The details regarding the contractual maturities of significant financial liabilities as at 1st April, 2018 are as follows :

Particulars	On demand	Less than 1 year	1-5 years	More than 5 years	Total
(a) Payables					
(i) Trade Payables		6.60	-	-	6.60
(b) Borrowings (Other than Debt Securities)	3,186.13	-	-	-	3,186.13
(c) Other financial liabilities		16.47	-	-	16.47
<b>Total</b>	<b>3,186.13</b>	<b>23.07</b>	<b>-</b>	<b>-</b>	<b>3,209.20</b>

**3 Market risk**

Market risk is the risk that changes in market prices – such as interest rates and commodity prices– will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including payables and debt. We are exposed to market risk primarily related interest rate risk. Thus, our exposure to market risk is a function of investing activities and revenue generating and operating activities. The objective of market risk management is to avoid excessive exposure to these risks in our revenues and costs.

The Company has classified the equity securities, which are not held for trading purpose, in Balance sheet as fair value through OCI & which are held for trading purpose are classified in the Balance Sheet as fair value through profit & loss. Equity price risk is related to the change in market reference price of the instruments in quoted securities. The Fair value of equity instruments which are not held for trading purpose are as at 31st March, 2020, 31st March, 2019 and 1st April, 2018 was Rs.3,782.04, Rs. 10,437.3 and Rs.9,119.83 respectively. The fair value of equity instruments which are held for trading are as 31st March, 2020, 31st March, 2019 and 1st April, 2018 was Rs. 1,386.98 , Rs. 769.69 and Rs. 648.91 respectively.

The majority of the Company's equity investments are listed on the BSE Ltd and the National Stock Exchange (NSE) in India. To manage its price risk arising from investment in equity securities, the Company diversifies its portfolio. Apart from above the Company's exposure to other listed securities (other than equity) are classified in the Balance Sheet as fair value through profit & loss. The fair value of such instruments are as 31st March, 2020, 31st March, 2019 and 1st April, 2018 was Rs. Nil , Rs. Nil and Rs. 117.01 respectively.

**4 Interest rate risk**

The Company is exposed to interest rate risk pertaining to fund borrowed at fixed interest rate. Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The Company do not have any long term external borrowing as on 31st March, 2020 , 31st March, 2019 and as on 1st April,2018. However the company do have short term borrowings of Rs. 1,002.50 , Rs. 50 as on 31st March, 2019 and Rs. 3,182.32 as on 1st April, 2018.

**5 Currency risk**

The Company's primary business activities are within India and does not have any exposure in foreign currency.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**B Financial Instruments measurements and disclosures (Ind AS 113)****a Accounting Classification**

Particulars	31st March, 2020			31st March, 2019			1st April, 2018		
	Fair value through profit or loss (FVTPL)	Fair value through other comprehensive income	Cost / Amortised Cost	Fair value through profit or loss (FVTPL)	Fair value through other comprehensive income (FVOCI)	Cost / Amortised Cost	Fair value through profit or loss (FVTPL)	Fair value through other comprehensive income	Cost / Amortised Cost
<b>Financial Assets</b>									
(a) Cash and cash equivalents	-	-	748.87	-	-	14.09	-	-	28.70
(b) Bank Balance other than (a) above	-	-	3.76	-	-	3.76	-	-	3.76
(c) Receivables	-	-	11.68	-	-	0.12	-	-	0.17
(d) Loans	-	-	10.44	-	-	414.42	-	-	2,658.29
(e) Investments	65.68	13,659.27	-	44.31	23,785.03	-	3,395.09	20,898.06	-
(f) Stock in Trade (Securities held for Trading)	1,388.18	-	-	774.42	-	-	650.12	-	-
(g) Other Financial assets	-	-	0.25	-	-	0.03	-	-	81.28
<b>Total Financial Assets</b>	<b>1,453.86</b>	<b>13,659.27</b>	<b>774.99</b>	<b>818.73</b>	<b>23,785.03</b>	<b>432.42</b>	<b>4,045.21</b>	<b>20,898.06</b>	<b>2,772.20</b>
<b>Financial Liability</b>									
(a) Payables	-	-	1.96	-	-	2.49	-	-	6.60
(b) Borrowings (Other than Debt Securities)	-	-	1,006.53	-	-	51.57	-	-	3,186.13
(c) Other financial liabilities	-	-	2.07	-	-	27.04	-	-	16.47
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>1,010.56</b>	<b>-</b>	<b>-</b>	<b>81.10</b>	<b>-</b>	<b>-</b>	<b>3,209.20</b>

**b Fair value hierarchy**

The following table presents the fair value hierarchy of assets and liabilities measured at fair value basis,

Particulars	31st March, 2020			31st March, 2019			1st April, 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>									
(a) Investments	3,872.04	-	-	10,437.26	-	-	12,423.76	-	-
(b) Stock in Trade (Securities held for Trading)	1,386.98	-	1.21	769.69	-	4.73	648.91	-	1.21
<b>Total Financial Assets</b>	<b>5,259.01</b>	<b>-</b>	<b>1.21</b>	<b>11,206.95</b>	<b>-</b>	<b>4.73</b>	<b>13,072.67</b>	<b>-</b>	<b>1.21</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**Fair value hierarchy:**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

**(a) Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices in an active market. This included listed equity instruments, traded debentures and mutual funds that have quoted price. The fair value of all equity instruments (including debentures) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV as published on Association of Mutual Funds of India (AMFI).

**(b) Level 2:** Level 2 hierarchy includes financial instruments that are not traded in an active market (for example, traded bonds/debentures, over the counter derivatives). The fair value in this hierarchy is determined using valuation techniques and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**(c) Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Financial instruments such as unlisted equity shares, loans are included in this hierarchy.

**c Inter level transfers:**

There are no inter level transfers made during the year.

**d Valuation technique used to determine fair value**

- Closing NAV Statement from Mutual fund is used to determine fair value of unquoted Mutual Fund, if any.
- Fair values of quoted investments held for trading and other than held for trading purpose under FVTPL are valued using the closing price of NSE / BSE as at the reporting period, if any.
- Fair values of quoted investments routed through FVTOCI are valued using the closing price of NSE / BSE as at the reporting period, if any.
- For unlisted group companies investments, for which latest consolidated audited balance sheet are available (not later than 1 year) are classified under level 3. Accordingly, their fair value can be derived from the latest Consolidated audited balance sheet by applying below formula: "Share capital + other equity - prepaid expenses) / no of equity shares = value per share."  
Any reciprocal interest held by the group company reduced from "no of equity shares" in above formula & calculate the value per share accordingly.

**e Fair value of financial instruments not measured at fair value**

Particulars	31st March, 2020			31st March, 2019			1st April, 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets:</b>									
(a) Cash and cash equivalents	748.87	-	-	14.09	-	-	28.70	-	-
(b) Bank Balance other than (a) above	3.76	-	-	3.76	-	-	3.76	-	-
(c) Receivables	-	-	11.68	-	-	0.12	-	-	0.17
(d) Loans	-	-	10.44	-	-	414.42	-	-	2,658.29
(e) Investments	-	-	9,852.91	-	-	13,392.07	-	-	11,869.39
(e) Other Financial assets	-	-	0.25	-	-	0.03	-	-	81.28
<b>Total Financial Assets</b>	<b>752.63</b>	<b>-</b>	<b>9,875.28</b>	<b>17.85</b>	<b>-</b>	<b>13,806.64</b>	<b>32.46</b>	<b>-</b>	<b>14,609.13</b>
<b>Financial Liabilities:</b>									
(a) Payables	-	-	1.96	-	-	2.49	-	-	6.60
(b) Borrowings (Other than Debt Securities)	-	-	1,006.53	-	-	51.57	-	-	3,186.13
(c) Other financial liabilities	-	-	2.07	-	-	27.04	-	-	16.47
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>1,010.56</b>	<b>-</b>	<b>-</b>	<b>81.10</b>	<b>-</b>	<b>-</b>	<b>3,209.20</b>

Note: Level 3 includes investments in associates and subsidiary measured at cost as Ind AS 27.



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**Valuation Techniques:****Short-term Financial assets and liabilities**

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, trade receivables, balances other than cash and cash equivalents and trade payables without a specific maturity. Such amounts have been classified as Level 1 / Level 2 / Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

**Note 34: Capital Management**

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital in a manner which enables it to safeguard its ability to continue as a going concern and to optimise returns to the Shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Company has adequate liquid assets. The company monitors its capital by a careful scrutiny of the liquid assets, and a regular assessment of any debt requirements. In the absence of debt or very minimal amount of debt, the maintenance of debt equity ratio etc. may not be of any relevance to the Company.

The Company is subject to the capital adequacy requirements of the Reserve Bank of India (RBI). Under RBI's capital adequacy guidelines, the Company is required to maintain a capital adequacy ratio consisting of Tier I and Tier II Capital. The minimum capital ratio as prescribed by RBI guidelines and applicable to the Company, consisting of Tier I and Tier II capital, shall not be less than 15 percent of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet. The Tier I capital, at any point of time, shall not be less than 10%.

The Company has complied with all regulatory requirements related capital and capital adequacy ratios as prescribed by RBI. (Refer note 33 of standalone financial statement.)

**Note 35: Segment Reporting**

The Company is engaged in the business of investment and trading in shares and securities & Lending Activities. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable operating or geographical segments applicable to the Company.

**Note 36 a: Distribution made and proposed**

The Company has not distributed or not proposed any dividend during the year.

**Note 36 b: Transferred financial assets that are derecognised in the entity but where the Company has continuing involvement.**

The company has not transferred any assets that are derecognised in their entirety where the company continues to have continuing involvement.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**Note 37 : Disclosures as required by Ind AS 101 "First Time Adoption of Ind AS"****Transition to Ind AS**

The Consolidated financial statements for the year ended 31st March, 2020 are the first Consolidated financial statements of the Company prepared under Ind AS.

The accounting policies set out in Note no 2 have been applied in preparing the Consolidated Ind AS financial statements for the year ended 31st March, 2020. The comparative information presented in these Consolidated Ind AS Financial statements for the year ended 31st March, 2019 and the information presented in the preparation of an opening Ind AS Balance sheet at 1st April, 2018 were restated as per Indian Accounting standard.

In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act ("previous GAAP"). The exemptions and exceptions applied by the Company in accordance with Ind AS 101 'First-time Adoption of Indian Accounting Standards' along with the reconciliations of equity, total comprehensive income and statement of cash flows in accordance with Previous GAAP to Ind AS are explained below:

**A. Ind AS mandatory exceptions:**

**a. Estimates:** On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence that those estimates were in error. However, estimates, if any, that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

**b. Classification and Measurement of Financial Assets:** Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly the Company has classified the financial assets as per Ind AS 109 on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

**B. Ind AS Optional exemptions:**

**a. Property, plant and equipment and Investment Property :** Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for investment properties covered by Ind AS 40 "Investment Property". Accordingly, the Company has elected to measure all of its property, plant and equipment and investment properties at their previous GAAP carrying value.

**b. Investment in Associates:**

Ind AS 101 gives an option to recognize the investment in associate at cost. Consequently, the Company has availed such option to value its investments in associate at cost.

**1. Reconciliation statement of Balance sheet as previously reported under IGAAP to IND AS:**

Particulars	Note No	Balance sheet as at 31st March, 2019			Balance sheet as at 1st April, 2018		
		IGAAP	Effect of transition to IND AS	IND AS	IGAAP	Effect of transition to IND AS	IND AS
<b>Financial Assets</b>							
(a) Cash and cash equivalents		14.09	-	14.09	28.70	-	28.70
(b) Bank Balance other than (a) above		3.76	-	3.76	3.76	-	3.76
(c) Receivables							
Trade Receivables		-	0.12	0.12	-	0.17	0.17
(d) Loans		416.02	(1.60)	414.42	2,669.20	(10.91)	2,658.29
(e) Investments	1	11,744.71	12,084.62	23,829.33	11,938.35	12,354.80	24,293.15
(f) Stock in Trade (Securities held for Trading)	1	730.90	43.52	774.42	651.63	(1.51)	650.12
(g) Other Financial assets		0.02	0.01	0.03	81.28	-	81.28
<b>Non -Financial Assets</b>							
(a) Current tax assets (Net)		251.64	-	251.64	199.06	-	199.06
(b) Property, Plant and Equipment		5.46	-	5.46	7.58	-	7.58
(c) Deferred tax assets (Net)		430.65	(430.65)	-	479.72	(479.72)	-
(c) Other non-financial assets		106.43	(0.01)	106.42	101.86	(0.01)	101.85
<b>Total Assets</b>		<b>13,703.68</b>	<b>11,696.01</b>	<b>25,399.69</b>	<b>16,161.14</b>	<b>11,862.82</b>	<b>28,023.96</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## 1. Reconciliation statement of Balance sheet as previously reported under IGAAP to IND AS (continued..)

Particulars	Note No	Balance sheet as at 31st March, 2019			Balance sheet as at 1st April, 2018		
		IGAAP	Effect of transition to IND AS	IND AS	IGAAP	Effect of transition to IND AS	IND AS
<b>Financial Liabilities</b>							
(a) Payables		2.38	0.11	2.49	6.33	0.27	6.60
(b) Borrowings (Other than Debt Securities)		51.57	-	51.57	3,186.13	-	3,186.13
(c) Other financial liabilities		27.04	-	27.04	16.55	(0.08)	16.47
<b>Non-Financial Liabilities</b>							
(a) Provisions		15.42	(1.60)	13.82	25.34	(10.92)	14.42
(b) Deferred tax liabilities (Net)	2	-	703.07	703.07		569.88	569.88
(c) Other non-financial liabilities		2.79	-	2.79	2.99	-	2.99
<b>EQUITY</b>							
(a) Equity Share capital		100.09	-	100.09	100.09	-	100.09
(b) Other Equity		13,488.10	10,876.73	24,364.83	12,812.99	11,173.59	23,986.58
<b>Equity Attributable to Owners of the Company</b>							
Non-controlling interests		16.30	117.68	133.98	10.72	130.08	140.80
<b>Total Liabilities and Equity</b>		<b>13,703.68</b>	<b>11,696.01</b>	<b>25,399.69</b>	<b>16,161.14</b>	<b>11,862.82</b>	<b>28,023.96</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## 2. Reconciliation statement of Profit and Loss as previously reported under I-GAAP to IND AS:

Particulars	Note No.	Profit and loss for the year ended 31st March, 2019		
		IGAAP	Effect of transition to IND AS	IND AS
<b>Revenue from operations</b>				
(a) Interest Income		195.44	-	195.44
(b) Dividend Income		557.98	-	557.98
(c) Other operating income	3	10.54	7.08	17.62
<b>Other Income</b>		7.21	-	7.21
<b>Total income</b>		<b>771.17</b>	<b>7.08</b>	<b>778.25</b>
<b>Expenses</b>				
(a) Finance Costs		15.15	-	15.15
(b) Net loss on fair value changes (Net)	1	(163.92)	682.63	518.71
(c) Impairment on financial instruments	5	-	1.18	1.18
(d) Employee Benefits Expenses		138.26	-	138.26
(e) Depreciation and amortization expenses		2.12	-	2.12
(f) Others expenses	5	26.74	(0.11)	26.63
<b>Total expenses</b>		<b>18.35</b>	<b>683.70</b>	<b>702.05</b>
<b>Profit before tax</b>		<b>752.82</b>	<b>(676.62)</b>	<b>76.20</b>
<b>Tax Expense</b>				
(a) Current Tax		47.18	(44.32)	2.86
(b) Deferred Tax	2	49.06	10.15	59.21
(c) Tax adjustment of earlier years (net)		(24.00)	-	(24.00)
<b>Total tax expense</b>		<b>72.24</b>	<b>(34.17)</b>	<b>38.07</b>
<b>Profit after tax</b>		<b>680.58</b>	<b>(642.45)</b>	<b>38.13</b>
<b>Add: Share in profit/(loss) of associates</b>		5.48	(5.48)	-
<b>Net profit/(loss) after taxes and share in profit/(loss) of associates</b>		<b>675.10</b>	<b>(636.97)</b>	<b>38.13</b>
<b>Other Comprehensive Income</b>	4			
(i) Items that will not be reclassified to profit or loss in subsequent periods				
(a) Fair value gain on financial instruments (net)		-	451.51	451.51
(b) Tax impact on above		-	(118.30)	(118.30)
		-	<b>333.21</b>	<b>333.21</b>
(ii) Items that will be reclassified to profit or loss in subsequent periods				
<b>Other Comprehensive Income/ (loss) (net of tax)</b>		-	333.21	<b>333.21</b>
<b>Total comprehensive income for the year</b>		<b>675.10</b>	<b>(303.77)</b>	<b>371.33</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**3. Reconciliation statement of cash flow for the year ended 31st March, 2019:**

There are no material changes in cash flow for the year ended 31st March, 2019 as reported erstwhile Indian GAAP and Ind AS

**4. Reconciliation of standalone equity for the year ended 31st March, 2019 as reported erstwhile Indian GAAP and Ind AS is summarised as below:**

Particulars	Note No.	March 31, 2019	April 1, 2018
<b>Total Equity (including Non-controlling interest) as reported under Indian GAAP</b>		<b>13,604.49</b>	<b>12,923.80</b>
<b>Add / (Less) :</b>			
Fair valuation of financial assets	<b>1</b>	12,128.14	12,353.28
Deferred Tax on above	<b>2</b>	(1,133.72)	(1,049.60)
Others			-
<b>Total Equity (including Non-controlling interest) as reported under Ind AS</b>		<b>24,598.91</b>	<b>24,227.47</b>

**5. Reconciliation of total comprehensive income for the year ended 31st March, 2019**

Particulars	Note No.	March 31, 2019
<b>Consolidated Net profit after tax as reported under Indian GAAP</b>		<b>680.58</b>
<b>Add / (Less) : Adjustments increasing/(decreasing) net profit after tax reported under Previous GAAP</b>		
Fair valuation of financial assets through profit and loss (net of tax)	<b>1</b>	15.63
Gain on derecognition of investments fair valued through other comprehensive income (net of tax)	<b>1, 2 &amp; 4</b>	(665.17)
Fees on financial guarantee	<b>3</b>	7.08
Net profit after tax as per Ind AS		<b>38.12</b>
Other Comprehensive income (net of tax)	<b>4</b>	591.19
<b>Total Comprehensive income under Ind AS</b>		<b>629.31</b>

**Notes to Reconciliation:****1. Fair valuation of Financial Instruments****a. Fair valuation of investments (mutual funds) :**

Under the previous GAAP, long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. Fair value changes with respect to investments in Mutual fund designated as at fair value through Profit & loss (FVTPL) have been recognised in Equity (net of related deferred taxes) as at the date of transition and subsequently in the profit & loss for the year ended 31st March, 2019.

**b. Fair valuation of investments (preference shares) :**

Under the previous GAAP, long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. Fair value changes with respect to investments in preference shares designated as at fair value through Profit & loss (FVTPL) have been recognised in Equity (net of related deferred taxes) as at the date of transition and subsequently in the profit & loss for the year ended 31st March, 2019.

**c. Fair valuation of investments (Listed Equity shares) :**

Under the previous GAAP, long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. Fair value changes with respect to investments in Listed Equity shares (not held for trade) designated as at fair value through Other comprehensive Income (FVTOCI) have been recognised in Equity (net of related deferred taxes) as at the date of transition and subsequently in the Other comprehensive Income for the year ended 31st March, 2019.

**d. Fair valuation of investments (Unlisted Equity shares) :**

Under the previous GAAP, long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. Fair value changes with respect to investments in Unlisted Equity shares (not held for trade) designated as at fair value through Other comprehensive Income (FVTOCI) have been recognised in Equity (net of related deferred taxes) as at the date of transition and subsequently in the Other comprehensive Income for the year ended 31st March, 2019. Their fair value can be derived from the latest audited balance sheet by applying below formula: "Net worth of company / no of equity shares = value per share."

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

**Notes to Reconconciliation (Cont...)****2. Deferred Tax**

Indian GAAP requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

Under the previous GAAP, MAT credit entitlement was presented as part of long-term loans and advances. Under Ind AS, MAT credit entitlement is required to be presented as part of Deferred tax assets. There is no impact on the total equity or profit as a result of this adjustment.

**3. Income on Financial Guarantees :**

Under the Previous GAAP, Financial Guarantees was treated as contingent liability. Under Ind AS, Financial Guarantees are required to be measured at fair value. Accordingly company has recovered Financial guarantee income from group company on account of shares pledge for availing short term borrowings to one of group company.

**4. Other Comprehensive Income :**

Under Ind AS, all items of income and expenses recognised in a period should be included in the Statement of Profit and Loss for the period, unless a standard requires or permits otherwise. Items of income and expenses that are not recognised in profit or loss but are shown in the Statement of Profit and Loss as 'other comprehensive income' includes fair value changes in equity shares which are not for trading purpose. The concept of other comprehensive income did not exist under previous GAAP.

**5. Impairment of financial assets**

Under previous GAAP, loan losses and provisions were computed basis RBI guidelines and Management estimations. Under Ind AS, the same is required to be computed as per the impairment principles laid out in Ind AS 109 – 'Financial Instruments' which prescribes the expected credit loss model (ECL model) for the same. Accordingly, the difference between loan losses and provisions as computed under previous GAAP and as computed under Ind AS, if any is adjusted in retained earnings (net of related deferred taxes) as at the date of transition and subsequently in the profit & loss for the year ended 31st March, 2019.

6. Erstwhile reported IGAAP figures have been regrouped wherever necessary to correspond with IND AS classification and disclosures.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 38 : Disclosure of transactions with related parties as required by Ind AS 24

## Details of related parties:

Description of relationship	Names of related parties
<b>Associates</b>	Arcies Laboratories Limited
<b>Other group companies</b>	Four Dimensions Commodities Private Limited Four Dimensions Securities (India) Limited Geecee Ventures Limited Singularity Holdings Limited (Formerly known as GeeCee Investments Limited) Geecee Business Private Limited Sam Jag-Deep Investment Private Limited Urudavan Investment and Trading Private Limited Winro Commercial (India) Limited GTZ (Bombay) Private Limited
<b>Key Management Personnel (KMP) as on 31st March, 2020</b>	<ul style="list-style-type: none"> <li>• Mr Rajiv Pathak Chief Executive Officer</li> <li>• Mrs Vaishali Rajesh Dhuri Chief Financial Officer</li> <li>• Mrs Avani Sanghavi Company Secretary</li> </ul>
<b>Director as on 31st March, 2020</b>	<ul style="list-style-type: none"> <li>• Mr V V Suresh Kumar Non-executive Director</li> <li>• Mr Ritesh Zaveri Non-executive Director</li> <li>• Mr. Sandeep Kejariwal Non-executive Director (Appointed w.e.f. 25th July, 2019)</li> </ul>
<b>Independent Directors as on 31st March, 2020</b>	<ul style="list-style-type: none"> <li>• Mrs Babita Thakkar Independent Director</li> <li>• Mr Ketan Desai Independent Director</li> </ul>

## Details of related party transactions during the year ended 31st March, 2020 and balances outstanding as at 31st March, 2020:

Sr. No	Particulars	Associates	KMP	Relatives of KMP	Other group	Total
a	Brokerage Paid	-	-	-	8.88	<b>8.88</b>
		(-)	(-)	(-)	(3.60)	(3.60)
b	Employee benefit expenses	-	53.30	-	-	<b>53.30</b>
		(-)	(59.46)	(-)	(-)	(59.46)
c	Director's Sitting fees	-	0.33	-	-	<b>0.33</b>
		(-)	(0.25)	(-)	(-)	(0.25)
d	Interest Received	-	-	-	0.68	<b>0.68</b>
		(2.05)	(-)	(-)	(-)	(2.05)
e	Interest Paid on borrowings	-	-	-	3.55	<b>3.55</b>
		(-)	(-)	(-)	(7.09)	(7.09)
f	Re-imbusement of expenses	-	0.36	-	-	<b>0.36</b>
		-	(0.26)	(-)	(-)	(0.26)
g	Income on Financial Guarantee	-	-	-	4.95	<b>4.95</b>
		(-)	(-)	(-)	(7.08)	(7.08)
<b>Finance &amp; Investment</b>						
h	Loans Taken	-	-	-	1,852.82	<b>1,853</b>
		(-)	(-)	(-)	(2,524.81)	(2,524.81)
i	Loans Repaid	-	-	-	1,900.32	<b>1,900</b>
		(-)	(-)	(-)	(5,657.13)	(5,657.13)
j	Loans Advanced	-	-	-	513.00	<b>513.00</b>
		(29.50)	(-)	(-)	(4,009.10)	(4,038.60)
k	Loans received back	-	-	-	513.00	<b>513.00</b>
		(29.50)	(-)	(-)	(5,765.10)	(5,794.60)
l	Investments Purchase	-	-	-	302.5	<b>302.5</b>
		(-)	(-)	(-)	(1,488.77)	(1,488.77)
m	Equity shares offered in Buy back	-	-	-	128.15	<b>128.1</b>
		(-)	(-)	(-)	(-)	(-)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Balances outstanding at the end of the year						
Sr. No	Particulars	Associates	KMP	Relatives of KMP	Other group	Total
n	Trade Payables	-	0.04	-	0.01	0.05
		(-)	(-)	(-)	(1.01)	(1.01)
o	Other Financial Liability	-	-	-	0.77	0.77
		(-)	(-)	(-)	(15.59)	(15.59)
p	Borrowings (Other than Debt securities) - Interest Accrued on Borrowings	-	-	-	0.10	0.10
		(-)	(-)	(-)	(1.56)	(1.56)
q	Borrowing (Other than Debt Securities)	-	-	-	2.50	2.50
		(-)	(-)	(-)	(50.00)	(50.00)
r	Other Financial Asset	-	-	-	0.22	0.22
		(-)	(-)	(-)	(-)	-
s	Other Non Financial Asset	-	0.50	-	-	0.50
		(-)	(-)	(-)	(-)	-
t	Trade Receivable	-	-	-	11.68	11.68
		(-)	(-)	(-)	(-)	-
u	Investment	-	-	-	10,542.74	10,542.74
		(-)	(-)	(-)	(15,782.36)	(15,782.36)

## Disclosure in respect of Related Party Transactions during the year

	Particulars	Relation	2019-20	2018-19
			Rs	Rs
a	<b>Brokerage Paid</b> Four Dimensions Securities (India) Limited	Other group companies	8.88	3.60
b	<b>Employee benefit expenses</b> Mrs Vaishali Dhuri Mr Rajiv Pathak Mrs Avani Sanghavi	KMP KMP KMP	9.41 36.02 7.87	10.07 41.38 8.01
c	<b>Directors Sitting Fees</b> Mrs Babita Thakkar Mr Ketan Desai	KMP KMP	0.19 0.14	0.14 0.11
d	<b>Interest Received on Loans</b> Four Dimensions Securities (India) Limited Arcies Laboratories Limited Sam Jag-Deep Investment Private Limited GTZ (Bombay) Private Limited	Other group companies Associates Other group companies Other group companies	0.68 - - -	88.59 2.05 1.79 0.26
e	<b>Interest Paid on borrowings</b> Singularity Holdings Limited Winro Commercial (India) Limited	Other group companies Other group companies	1.63 1.92	1.74 5.35
f	<b>Re-imbursment of expenses</b> Mrs Vaishali Dhuri Mrs Avani Sanghavi	KMP KMP	0.21 0.15	0.17 0.09
g	<b>Income on Financial Guarantee</b> Urudavan Investment & Trading Private Limited	Other group companies	4.95	7.08
h	<b>Finance &amp; Investment</b> <b>Loans Taken</b> Singularity Holdings Limited Winro Commercial (India) Limited	Other group companies Other group companies	1,229.32 623.50	1,304.02 1,220.79
i	<b>Loans Repaid</b> Singularity Holdings Limited Winro Commercial (India) Limited	Other group companies Other group companies	1,279.32 621.00	4,401.79 1,255.34
j	<b>Loans Advanced</b> Singularity Holdings Limited Four Dimensions Securities (India) Limited Urudavan Investment & Trading Private Limited Sam Jag-Deep Investment Private Limited GTZ (Bombay) Private Limited Arcies Laboratories Limited	Other group companies Other group companies Other group companies Other group companies Other group companies Associates	- 513.00 - - - -	6.92 3,958.33 8.55 31.30 4.00 29.50



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

## Disclosure in respect of Related Party Transactions during the year :

	Particulars	Relation	2019-20	2018-19
			Rs	Rs
k	<b>Loans received back</b>			
	Singularity Holdings Limited	Other group companies	-	6.92
	Four Dimensions Securities (India) Limited	Other group companies	513.00	5,714.33
	Urudavan Investment & Trading Private Limited	Other group companies	-	8.55
	Sam Jag-Deep Investment Private Limited	Other group companies	-	31.30
	GTZ (Bombay) Private Limited	Other group companies	-	4.00
	Arcies Laboratories Limited	Associates	-	29.50
l	<b>Investments Purchase</b>			
	Singularity Holdings Limited	Other group companies	-	1,488.77
	Urudavan Investment & Trading Private Limited	Other group companies	302.50	-
m	<b>Equity shares offered in Buy back</b>			
	Geecee Ventures Limited	Other group companies	128.15	-
n	<b>Balances outstanding at the end of the year</b>			
	<b>Trade Payables</b>			
	Four Dimensions Securities (India) Limited	Other group companies	0.01	1.01
	Mrs Vaishali Dhuri	KMP	0.03	-
	Mrs Avani Sanghavi	KMP	0.01	-
o	<b>Other Financial Liability</b>			
	Mrs Vaishali Dhuri	KMP	0.61	1.44
	Mr Rajiv Pathak	KMP	0.16	13.35
	Mrs Avani Sanghavi	KMP	-	0.80
p	<b>Borrowings (Other than Debt securities) - Interest Accrued on Borrowings</b>			
	Singularity Holdings Limited	Other group companies	0.10	1.56
q	<b>Borrowing (Other than Debt Securities)</b>			
	Singularity Holdings Limited	Other group companies	-	50.00
	Winro Commercial (India) Limited	Other group companies	2.50	-
r	<b>Other Financial Asset</b>			
	Four Dimensions Securities (India) Limited	Other group companies	0.22	-
s	<b>Other Non Financial Asset</b>			
	Mrs Vaishali Dhuri	KMP	0.50	-
t	<b>Trade Receivable</b>			
	Four Dimensions Securities (India) Limited	Other group companies	11.68	-
u	<b>Investments</b>			
	Four Dimensions Commodities Private Limited	Other group companies	4.19	4.08
	Four Dimensions Securities (India) Limited	Other group companies	7,741.73	10,060.14
	Geecee Business Private Limited	Other group companies	39.62	41.65
	Singularity Holdings Limited	Other group companies	1,313.50	2,245.43
	Geecee Ventures Limited	Other group companies	1,078.60	3,087.44
	Winro Commercial (India) Limited	Other group companies	336.54	336.54
	Urudavan Investment and Trading Private Limited	Other group companies	21.48	-
	Urudavan Investment and Trading Private Limited- Financial Guarantee	Other group companies	7.08	7.08

## Note:

- 1 Name of the related party and nature of the related party relationship where control exists, if any, have been disclosed irrespective of whether or not there have been transactions between the related parties.
- 2 Related parties have been identified by the Management and have been relied upon by the Auditors.
- 3 Related parties as defined under para 9 of Ind AS 24 'Related Party Disclosures' have been identified based on representations made by key managerial personnel and information available with the Company.
- 4 Figures in bracket relates to the previous year. Such figures have been regrouped/ reclassified to correspond with the current year classification/ disclosures.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## Note 39 (a): Entities included in Consolidation

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Subsidiaries</b>		
Sareshwar Trading and Finance Private Limited	60.77%	60.77%
Arkaya Commercial Private Limited	61.83%	61.83%
<b>Associate</b>		
Arcies Laboratories Limited	31.03%	31.03%

## Note 39(b): Investment in Associate

The break-up of investment in **Arcies Laboratories Limited** is summarized as below:

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Assets:</b>		
Financial Assets	1.70	2.19
Non Financial Assets	9.97	10.02
<b>Liabilities:</b>		
Financial Liabilities	34.18	32.08
Non Financial Liabilities	0.25	0.21
<b>Equites:</b>		
Equity Share Capital	8.06	8.06
Other equites	(30.82)	(28.14)
<b>Profit and Loss</b>		
Total Income	1.00	1.11
Expenses	3.68	3.23
Tax expenses	-	-
Profit/(Loss) for the year	(2.68)	(2.13)
Other Comprehensive income for the year	-	-
<b>Total Comprehensive Income</b>	(2.68)	(2.13)
<b>Company's share of profit for the year*</b>		
Profit / (Loss) after tax	-	-
Other Comprehensive Income	-	-

\* Since, the value of investments exceeds the Company's share of profit, the carrying cost has been restricted to the value of investments.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Note 39 (c): Financial information in respect of Group's subsidiaries as stated in Note 39 (a)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Sareshwar Trading and Finance Private Limited		Arkaya Commercial Private Limited	
	2020	2019	2020	2019
<b>Assets:</b>				
Financial Assets	193.92	268.47	58.93	101.13
Non Financial Assets	0.07	0.05	0.05	-
<b>Liabilities:</b>				
Financial Liabilities	0.70	0.05	2.11	2.07
Non Financial Liabilities	5.68	13.45	5.81	10.14
<b>Equites:</b>				
Equity Share Capital	15.42	15.42	2.88	2.88
Other equites	172.19	239.60	48.17	86.03
<b>Profit and Loss</b>				
Total Income	-	1.94	-	-
Expenses	0.40	0.13	0.51	0.29
Tax expenses	0.04	(0.02)	-	-
Profit/(Loss) for the year	(0.43)	1.82	(0.51)	(0.29)
Other Comprehensive income for the year	(66.98)	(8.46)	(37.35)	(11.01)
<b>Total Comprehensive income for the year</b>	<b>(67.41)</b>	<b>(6.64)</b>	<b>(37.86)</b>	<b>(11.30)</b>
<b>Profit /(Loss) for the year</b>	<b>(0.43)</b>	<b>1.82</b>	<b>(0.51)</b>	<b>(0.29)</b>
Attributable to owners of the company	(0.26)	1.11	(0.32)	(0.18)
Attributable to non-controlling interest	(0.17)	0.72	(0.19)	(0.11)
<b>Other Comprehensive Income for the year (Net of Tax)</b>	<b>(66.98)</b>	<b>(8.46)</b>	<b>(37.35)</b>	<b>(11.01)</b>
Attributable to owners of the company	(40.70)	(5.14)	(23.09)	(6.81)
Attributable to non-controlling interest	(26.28)	(3.32)	(14.26)	(4.20)
<b>Total Comprehensive Income for the year:</b>	<b>(67.41)</b>	<b>(6.64)</b>	<b>(37.86)</b>	<b>(11.30)</b>
Attributable to owners of the company	(40.97)	(4.04)	(23.41)	(6.99)
Attributable to non-controlling interest	(26.45)	(2.61)	(14.45)	(4.31)
<b>Earning Per Equity Share</b>				
Basic and Diluted	<b>(0.28)</b>	<b>1.18</b>	<b>(1.78)</b>	<b>(1.02)</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Note 39 (d): Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Particulars	Net Assets (Total Assets- Total Liabilities)		Share in Profit or Loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
<b>Parent</b>				
Saraswati Commercial (India) Limited	99.20%	15,558.67	99.90%	(960.87)
<b>Subsidiaries (Indian)</b>				
1. Sureshwar Trading and Finance Private Limited	1.20%	187.61	0.03%	(0.27)
2. Arkaya Commercial Private Limited	0.33%	51.06	0.03%	(0.31)
	1.52%	238.66	0.06%	(0.59)
<b>Foreign</b>	NA	NA	NA	NA
<b>Non Controlling interest in all subsidiaries</b>	-0.59%	(93.09)	-0.04%	(0.37)
<b>Associates (Investments as per the Equity method)</b>				
Arcies Laboratories Limited	-	-	-	-
<b>Total</b>	<b>100.13%</b>	<b>15,704.25</b>	<b>99.92%</b>	<b>(961.82)</b>
<b>Less: Elimination</b>	-0.13%	(20.40)	-	-
<b>Total</b>	<b>100%</b>	<b>15,683.85</b>	<b>100.00%</b>	<b>(961.82)</b>

Particulars	Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
<b>Parent</b>				
Saraswati Commercial (India) Limited	98.67%	(7,755.82)	98.8%	(8,716.69)
<b>Subsidiaries (Indian)</b>				
1. Sureshwar Trading and Finance Private Limited	0.52%	(40.70)	0.46%	(40.97)
2. Arkaya Commercial Private Limited	0.29%	(23.09)	0.27%	(23.40)
	0.81%	(63.80)	0.73%	(64.37)
<b>Foreign</b>	NA	NA	NA	NA
<b>Non Controlling interest in all subsidiaries</b>	-0.52%	(40.53)	-0.46%	(40.90)
<b>Associates (Investments as per the Equity method)</b>				
Arcies Laboratories Limited	-	-	-	-
<b>Total</b>	<b>100.00%</b>	<b>(7,860.15)</b>	<b>100.00%</b>	<b>(8,821.97)</b>
<b>Less: Elimination</b>	-	-	-	-
<b>Total</b>	<b>100.00%</b>	<b>(7,860.15)</b>	<b>100.00%</b>	<b>(8,821.97)</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

**Note 39 (e): Disclosure as per Regulation 34 (3) & 53(f) of Securities and Exchange Board Of India ( Listing Obligation and Disclosure Requirement) Regulation, 2015**

Loans and advances (including interest accrued and due) in the nature of loans to subsidiaries, associates, firms/companies in which directors are interested;

Particulars	Balance Sheet as at 31st March, 2020	Maximum balance outstanding during the year ended 31st March, 2020	Balance Sheet as at 31st March, 2019	Maximum balance outstanding during the year ended 31st March, 2019
<b>1 Subsidiaries</b>				
Arkaya Commercial Private Limited	-	-	-	1.60
Sareshwar Trading and Finance Private Limited	-	-	-	-
<b>2 Associates</b>				
Arcies Laboratories Limited	-	-	-	31.35
<b>3 Companies in which Directors are interested.</b>				
Four Dimension Securities (India) Limited	0.22	254.00	-	3,557.00
Singularity Holdings Limited	0.10	908.00	-	-

**Note 40: COVID-19 Impact on reporting company:**

The rapidly developing spread of Novel Coronavirus Disease (COVID-19) has caused serious disruption on the global economic and business environment. There is a huge uncertainty with regard to its impact which cannot be reasonably determined at this stage. The Company is a Non-Banking Finance Company & is mainly engaged in Investment & Trading in Shares and Securities. Company's profitability is primarily dependent on performance of its Investments. The Company did not face any major operational issues but due to volatile equity market the Company has suffered mark to mark losses on its long term investments in the financial year 2019-2020, thereby reducing the value of Company's investments. As the situation continues to evolve with significant level of uncertainty, the Company is unable to reasonably estimate time line for recovery from negative impact of the COVID-19 outbreak on its investments. However, the Company expects recovery in value of its Investments with recovery of equity market in subsequent quarters.

The Company is monitoring the situation closely and to mitigate the aforementioned financial impact, it is conscientiously managing its investment portfolio with a proper risk management strategy and conserving liquidity by investing in low risk investments.

**Impact on COVID-19 on Associates and Subsidiaries:**

**Sareshwar Trading and Finance Private Limited:** The Company is mainly engaged in Investment & Trading in Shares and Securities. Company's profitability is primarily dependant on performance of its Investments. The Company did not face any major operational issues but due to volatile equity market the Company has suffered mark to mark losses on its long term investments in the financial year 2019-2020. However, the Company expects recovery in value of its Investments with recovery of equity market in subsequent

**Arkaya Commercial Private Limited & Arcies Laboratories Limited:** COVID-19 has caused serious disruption on the global economic and business environment. There is a huge uncertainty with regard to its impact which cannot be reasonably determined at this stage. The Company did not face any major operational issues it its monitoring situation closely and to mitigate any financial impact.

**Note 41:** There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the reporting date

**Note 42 : Details of Open interest in Equity Stock futures Contracts**

The company did not have any open position interest in Equity stock future contracts in any of the financial years as on the reporting date.

**Note 43 : Income and Expenditure in Foreign Currency**

The company did not have any income and expenditure denoted in foreign currency in any of the financial years as on the reporting date.

**Note 44: Trade Confirmation:**

Trade Receivables, Trade Payables, Loans and Advances and Unsecured loan are subject to confirmation which have been relied upon by the Auditors.

**Note 45:** Fixed deposits with bank of Rs. 3.76 Lakhs includes fixed deposit of Rs. 3.09 Lakhs in the name of District and Sessions Judge, Ujjain deposited as guarantee money. However, the entire amount of Rs. 3.76 Lakhs is subject to reconciliation and confirmation from the respective banks and authorities. The Fixed Deposit of Rs. 3.09 Lakhs was renewed in August 2003 having maturity in June 2006 with a maturity value Rs. 4.85 Lakhs. Since the status of the case is pending & there is no communication of renewal of Fixed Deposit post June 2006. Considering this fact, the company has not accounted for any interest income on the said fixed deposit.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

**Note 46:** During F.Y. 2004-05, Company has kept Rs. 100.70 Lakhs in Escrow account in fixed deposit in the name of Arcil Catalyst Private Limited previously known as 'Atofina' with Calyon Bank, Nariman Point Branch for any demands of stamp duty, penalties and liabilities that may arise on the scheme of arrangement as approved by the High Court of Judicature at Mumbai in terms of which company has transferred its Aluminium Chloride undertaking and wind mill undertaking to Nagda Orgo Chem Private Limited. The present value of the fixed deposit as on 31st March 2020 is Rs. 222.61 Lakhs. Since the fixed deposit is in the name of Arcil Catalyst Private Limited no income on same is accounted for by the Company. Only in the event of a favourable outcome from the apex court in favour of the company, proceeds of fixed deposit will be received, the Company will account for interest income.

**Note 47 : Disclosure under Indian Accounting Standard- IND AS 19 Employee Benefits**

Retirement benefits in the form of provident fund under the Employees Provident Fund (Misc. Provisions) Act, 1952 and gratuity under the Payment of Gratuity Act, 1972 are not applicable to the Company as the total number of employees are below the minimum required number of employees as specified in respective acts.

The expected costs of other long-term employee benefits such as accumulated leaves are accrued over the period of employment and same has been provided based on accrual basis at year end.

**Note 48 :** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**As per our Report of even date**

For M/s Ajay Shobha & Co.

Chartered Accountants

Firm Reg. No: 317031E

Ajay Gupta

Partner

Membership No. 053071

Place : Mumbai

Date : 22nd July, 2020

For and on behalf of the Board of Directors

Ritesh Zaveri

Director

DIN:00054741

Rajiv Pathak

Chief Executive Officer

Avani Sanghavi

Company Secretary

Mem. No : A29108

Place : Mumbai

Date : 22nd July, 2020

Sandeep Kejariwal

Director

DIN:00053755

Vaishali Rajesh Dhuri

Chief Financial Officer

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