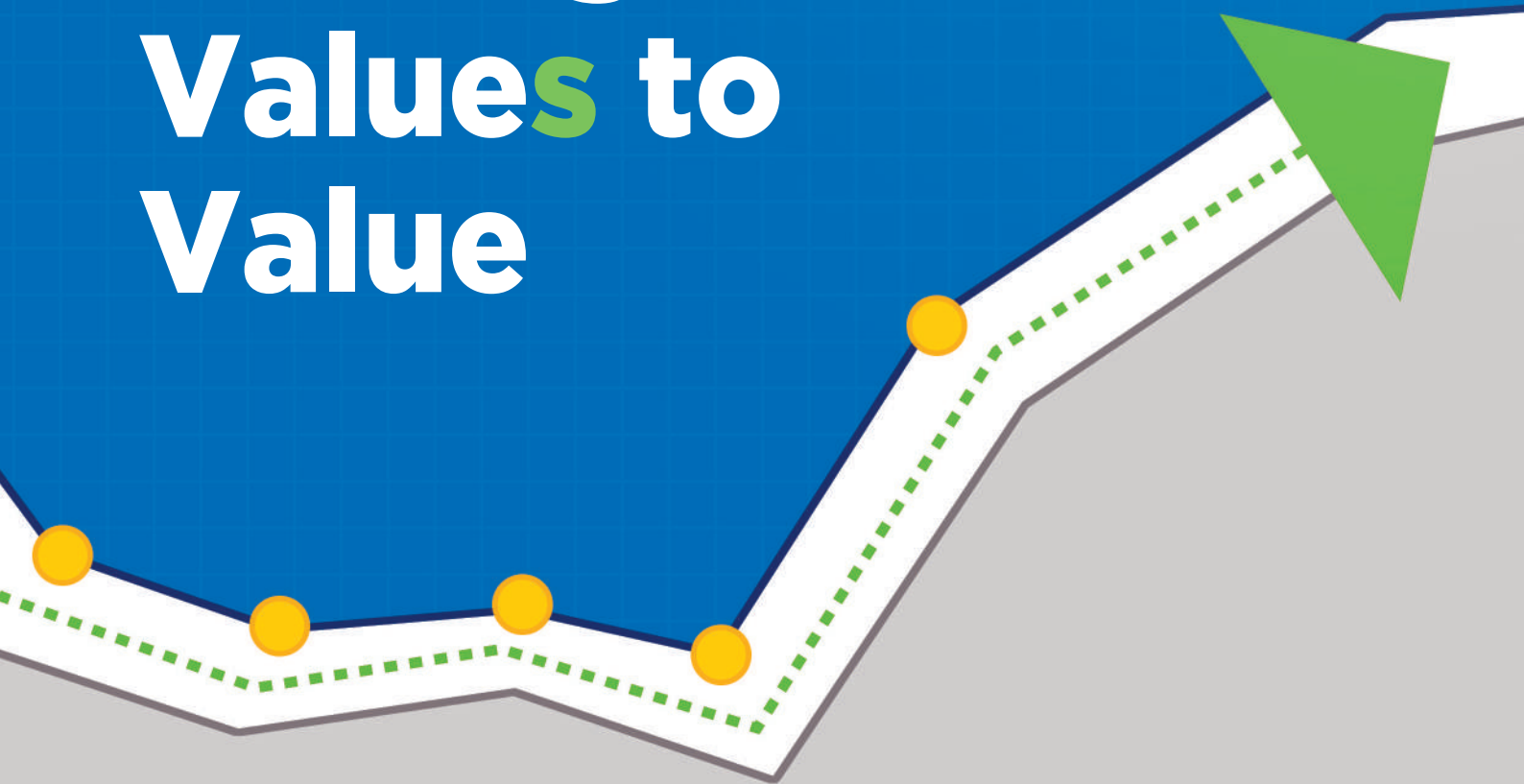




SUMEDHA
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ANNUAL REPORT 2019-20
SUMEDHA FISCAL SERVICES LIMITED



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SUMEDHA FISCAL SERVICES LIMITED

(CIN : L70101WB1989PLC047465)

REGISTERED and CORPORATE OFFICE

6A Geetanjali, 8B Middleton Street, Kolkata – 700 071

Tel: +91 33 2229 8936/6758/3237/4473 Fax: +91 33 2226 4140/2265 5830

Website: www.sumedhafiscal.com Email: kolkata@sumedhafiscal.com

BRANCH OFFICES

MUMBAI

C-703 “Marathon Innova”,
Off Ganapatrao Kadam Marg,
Opp. Peninsula Corporate Park,
Lower Parel (W) , Mumbai - 400 013
Tel: +91 22 4033 2400
Fax: +91 22 2498 2878
Email: mumbai@sumedhafiscal.com

NEW DELHI

B1/12, Safdarjung Enclave, 2nd Floor
New Delhi – 110 029
Tel: +91 11 4165 4481/4482
Fax: +91 11 4165 4483
Email: delhi@sumedhafiscal.com

AHMEDABAD

A/82, Pariseema Complex, Opp. IFCI Bhawan
C.G. Road, Ahmedabad – 380 009
Tel: +91 79 3002 3337 / 6605 2957
Fax: +91 79 2646 0394
Email: ahmedabad@sumedhafiscal.com

BANGALORE

“Park Plaza”, 1st Floor, No. 1 Park Road
(Off. Infantry Road), Tasker Town
Bangalore – 560 051
Tel: +91 80 4124 2545 / 2546
Fax: +91 80 4124 2547
Email: bangalore@sumedhafiscal.com

HYDERABAD

309/1, 3rd Floor, Krishna Plaza
Khairatabad, Hyderabad – 500 004
Tel: +91 40 4020 2826/4026 7272
Fax: +91 40 4020 2826
Email: hyderabad@sumedhafiscal.com

BOARD OF DIRECTORS

Dr. Basudeb Sen
Independent Director



Mr. Ratan Lal Gagar

Chairman,
Independent
Director



**Mr. S. A. Ramesh
Rangan**
Independent
Director



Mr. Santanu Mukherjee
Independent Director

Mr. Vijay Maheshwari
Non-Executive Director



Mr. Prashant Sekhar Panda
Independent Director

Mr. Anil Kumar Birla
Non-Executive Director



Mr. Bijay Murmuria
Non-Executive Director

Mr. Bhawani Sankar Rathi
Wholetime Director



Mrs. Garima Maheshwari
Non-Executive Director

Sumedha Fiscal Services Ltd.

(Composition of Committees of Directors)

Audit Committee

Sl. No.	Name of the Member	Category
1.	Mr. Prashant Shekhar Panda, Chairman	Independent Director
2.	Mr. S. A. Ramesh Rangan	Independent Director
3.	Mr. Santanu Mukherjee	Independent Director
4.	Mr. Bijay Murmura	Non-Executive Director/Promoter

Stakeholders Relationship Committee

Sl. No.	Name of the Member	Category
1.	Mr. Prashant Shekhar Panda, Chairman	Independent Director
2.	Mr. Anil Kumar Birla	Non-Executive Director
3.	Mr. Bijay Murmura	Non-Executive Director/Promoter

Nomination & Remuneration Committee / Compensation Committee

Sl. No.	Name of the Member	Category
1.	Mr. Prashant Shekhar Panda, Chairman	Independent Director
2.	Mr. S. A. Ramesh Rangan	Independent Director
3.	Mr. Santanu Mukherjee	Independent Director
4.	Mr. Vijay Maheshwari	Non-Executive Director/Promoter
5.	Mr. Bijay Murmura	Non-Executive Director/Promoter

Management Committee

Sl. No.	Name of the Member	Category
1.	Mr. Bijay Murmura, Chairman	Non-Executive Director/Promoter
2.	Mr. Anil Kumar Birla	Non-Executive Director
3.	Mr. Vijay Maheshwari	Non-Executive Director/Promoter

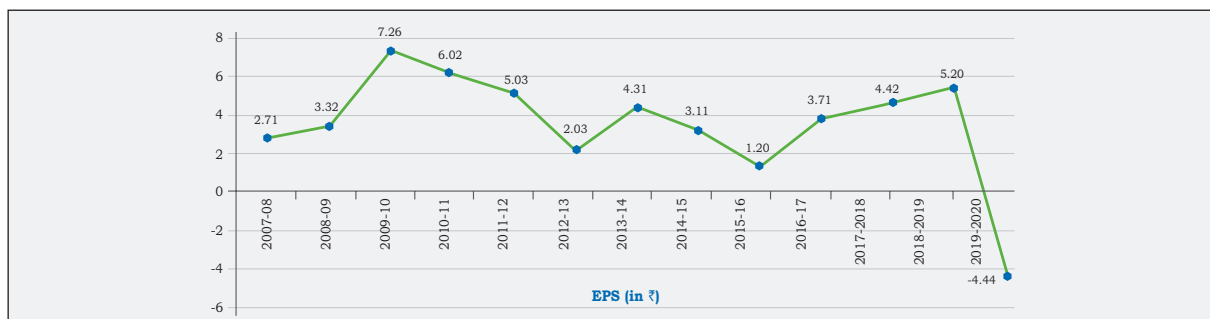
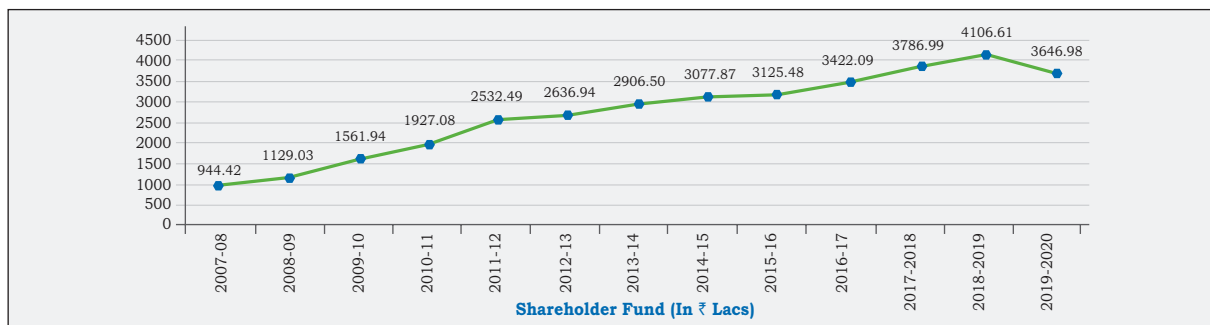
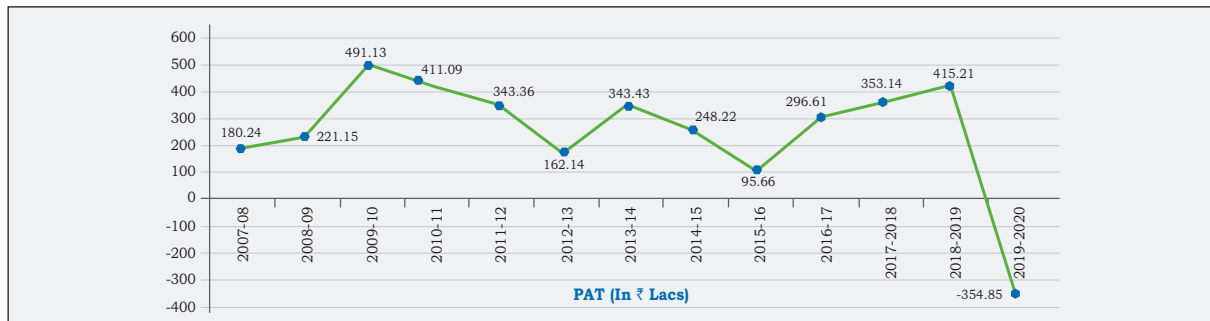
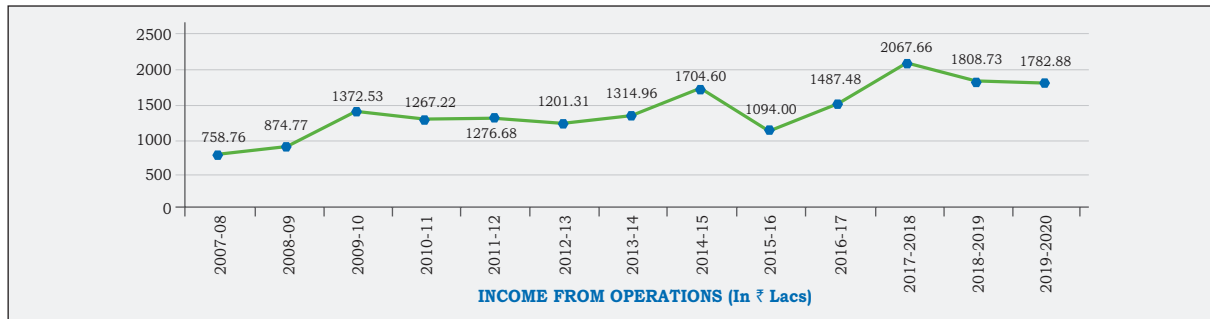


KEY BUSINESS HIGHLIGHTS IN 2019 – 2020

- Income from operations ₹ 1782.88 Lacs
- PAT stood at ₹ (354.85) Lacs.
- Shareholders' Fund ₹ 3646.98 Lacs
- EPS ₹ (4.44)

The Investment Banking Segment continues to remain the major earning vertical accounting to 66.50% of Total Income and 93% of operating profits of the Company.

PERFORMANCE HIGHLIGHTS



CHAIRMAN'S ADDRESS



Dear Shareholders,

Welcome to the 31st Annual General Meeting of your Company.

We are all aware that the nation has been passing through COVID-19 pandemic.

This is in spite of preventive nation-wide initial lockdown followed by orchestrated need based ones. Several steps and economic stimulus are being applied to restart the economy that had slowed down in response to initial preference to **“Life”** instead of **“Livelihood”**.

In the Second round, the Government has gradually opened up sectors with focus on **“Livelihood”**. The project **“Atmanirbhar Bharat”** would steadily transform the nation to a more healthy, assertive and self-reliant India.

The Company is indeed passing through the consequences of the pandemic and has taken progressive steps towards containing costs and overhead, use of video conferencing facility, moving towards cloud-based platform and other measures. I am sure the Company will emerge as stronger, more focused and efficient.

When we emerge out of this crisis, the world will be a different place. The company shall emerge stronger and be resilient to newer products, client acquisitions and staying true to its purpose and values.

Key area of focus

Investment Banking continues to be the focus area for the Company, as a one-stop solution for major value added corporate services. The services covered include merchant banking, loan syndication, financial restructuring, resolution of stressed assets, merger amalgamation, placements of securities. Income there from was

Rs. 1185 lacs in FY 20 compared to Rs. 1131 lacs during FY 19.

Considering the change in Govt. Policy Framework and overall risk and rewards attached thereto, your Company closed down Portfolio Management Services (PMS) and Mutual Funds Products Distribution operations (effective April 1, 2020), in compliance of all regulatory formalities. However, certain human assets employed therein are being re-deployed in the Company's other segments. The Company remains committed to its broader financial services business.

Financial performance

The Company has posted revenues of Rs. 1783 lacs during FY 20 (Rs.1809 Lacs for FY 19). Profit before Tax was Rs. (388) lacs against Rs. 551 lacs in the previous year due to losses arising out of collapse of secondary market, whereas PAT was Rs.(355) lacs compared with Rs. 415 lacs. EPS stood at Rs. (4.44) in FY 20, compared to Rs. 5.20 in FY 19.

Looking ahead

With green shoots for recovery of the economy and Reserve Bank initiative towards providing liquidity support, new products, restructuring scheme etc., your company is confident of availing the opportunities to consolidate, venture into new opportunities and move forward.

On behalf of the Board of Directors, I thank you for your sustained trust, encouragement and support.

Warm Regards,



R. L. Gaggar

Chairman

CONTENTS

Notice – 31st AGM	06
CFO Certification	13
Directors’ Report	14
Management Discussion and Analysis	21
Corporate Governance Report	25
Auditors’ Certificate on Corporate Governance	40
Extract of Annual Return (MGT-9)	41
Secretarial Audit Report	51
Ratio of Remunerations	54
Independent Auditors’ Report	55
Financial Statements 2019-20	62
Subsidiary & Associates Particulars (AOC – 1)	105
Auditors’ Report on Consolidated Financial Statements	106
Consolidated Financial Statements 2019-20	112
Financial Highlights	Back Inside Cover

Corporate Information

Board of Directors

Mr. Ratan Lal Gaggar, *Chairman*
Dr. Basudeb Sen
Mr. S. A. Ramesh Rangan
Mr. Santanu Mukherjee (*appointed on May 18, 2019*)
Mr. Prashant Shekhar Panda
Mr. Vijay Maheshwari
Mr. Anil Kumar Birla
Mr. Bijay Murmuria
Mr. Bhawani Shankar Rathi, *Wholetime Director*
Mrs. Garima Maheshwari

Company Secretary

Mr. Deb Kumar Sett

Registered & Corporate Office

6A, Geetanjali, 8B, Middleton Street,
Kolkata – 700071.

Corporate Identity No.: L70101WB1989PLC047465

Tel: + 91 33 2229 8936/6758/3237/4473

Fax: + 91 33 2226 4140/2265 5830

Web: www.sumedhafiscal.com

Email: investors@sumedhafiscal.com

Bankers

Canara Bank, HDFC Bank

Auditors

V. Singhi & Associates,
Chartered Accountants, Kolkata

Registrar & Share Transfer Agents

Maheshwari Datamatics Private Limited
23 R. N. Mukherjee Road, 5th Floor,
Kolkata - 700 001
Tel. No.: 033-2243-5029, 2248-2248
Fax No.: 033-2248-4787
Email: mdpldc@yahoo.com

Annual General Meeting

Day: Saturday

Date: 19th September, 2020

Time: 10.30 A.M.

Venue: Annual General Meeting through Video
Conferencing/other Audio Visual Means facility.

[Deemed venue for the meeting: Registered Office: 6A
Geetanjali, 8B Middleton Street, Kolkata – 700 071.]

Sumedha Fiscal Services Ltd.

Corporate Identification Number: L70101WB1989PLC047465

Registered Office: 6A, Geetanjali, 8B, Middleton Street, Kolkata – 700071

Tel: 033-2229-8936/6758 Fax: 033-2226-4140/033-2265-5830

Email: investors@sumedhafiscal.com Website: www.sumedhafiscal.com

NOTICE OF 31ST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 31st Annual General Meeting of the Members of **Sumedha Fiscal Services Limited** will be held on **Saturday, the 19th day of September, 2020, at 10.30 a.m.** (1ST) for the transaction of the following businesses, through Video Conferencing/Other Audio Visual Means in conformity with the regulatory provisions and Circulars issued by the Ministry of Corporate Affairs, Government of India:

ORDINARY BUSINESS

1. To consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2020, the Consolidated Financial Statements for the said financial year and the Reports of the Board of Directors and the Auditors.
2. To declare dividend for the financial year ended 31st March, 2020.
3. To appoint Mr. Vijay Maheshwari [DIN – 00216687], who retires by rotation and being eligible, offer himself for re-election.

Registered Office:

6A, Geetanjali,
8B, Middleton Street,

Kolkata – 700 071.

Date: 26th June, 2020

By Order of the Board

Deb Kumar Sett

Company Secretary

Notes:

1. The **Register of Members** and Share Transfer Books of the Company **will remain closed** from **Monday, September 14, 2020 to Saturday, September 19, 2020** (both days inclusive).
2. Since this AGM will be held through Video Conferencing ('VC') /Other Audio Visual Means ('OAVM'), Members will not be able to appoint proxies for this meeting. Further, Attendance Slip and Route Map are not being annexed to this Notice.
3. Corporate Members are requested to send a scanned copy (in PDF/JPG format) of the Board Resolution authorising their representatives to attend the AGM, pursuant to Section 113 of the Act, through e-mail at **investors@sumedhafiscal.com**.
4. In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote e-voting (facility to cast vote prior to the AGM) and also e-voting during the AGM, for which purpose the Board of Directors of the Company (the Board) have engaged the services of CDSL. The Board has appointed Mr. Ashit Kumar Labh, Company Secretary in Practice (Membership No. 32891; C.P. No. 14664), to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.

5. **Remote e-voting will commence at 9.00 am. on 16th September, 2020 and will end at 5.00 p.m. on 18th September, 2020**, when remote e-voting will be blocked by CDSL.
6. Voting rights will be reckoned on the shares registered in the name of the Members on **12th September, 2020 (cut-off date)**. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.
7. Pursuant to the Income-tax Act, 1961 (“the IT Act”) read with the Finance Act, 2020, dividend income is taxable in the hands of the Members with effect from 1st April, 2020 and the Company is required to deduct tax at source from such dividend at the prescribed rates. A communication providing information and detailed instructions with respect to tax on dividend for the financial year ended 31st March, 2020 is being sent separately by the Company to the Members.
8. Unclaimed dividend for the financial year ended 31st March, 2013 and the shares in respect of which dividend entitlements remain unclaimed for seven consecutive years will be due for transfer to the Investor Education and Protection Fund of the Central Government on 16th September, 2020, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Members are requested to claim the said dividend, details of which are available on the Company’s corporate website www.sumedhafiscal.com under the section <COMPLIANCE>. The Company will not be able to entertain any claim received after 1st September, 2020 in respect of the same.
9. In conformity with the applicable regulatory requirements, the Notice of this AGM and the Report and Accounts 2020 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories.

Members who have not registered their e-mail addresses with the Company or with the Depositories and wish to receive the aforesaid documents are required to register their e-mail addresses online on the website of the **Maheshwari Datamatics Pvt. Ltd.** (Registrar and Share Transfer Agent of the Company) at www.mdpl.in/form/email-update (**MDPL**) and provide the required particulars for registering their e-mail addresses.

10. CDSL e-Voting System – For Remote e-voting and e-voting during AGM/EGM

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.sumedhafiscal.com. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
6. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

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

- (i) The remote e-voting period begins on **Wednesday, September 16, 2020** (9.00 A.M. IST) and **ends on Friday, September 18, 2020** (5.00 P.M. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Saturday, September 12, 2020** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> ● Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
	<ul style="list-style-type: none"> ● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

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

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

1. **For Physical shareholders** - please register their e-mail addresses online on the website of MDPL by visiting the link <http://mdpl.in/form> providing the necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card).
2. **For Demat shareholders** - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to **Company/RTA email id.**

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

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

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

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

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@sumedhafiscal.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

- i) Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
- ii) Mr. S. Rajagopal, MDPL, at telephones. (033) 2243 5029, 2248 2248 or at E-mail Id. mdpldc@yahoo.com.

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

11. Instructions for e-voting during the AGM

- (a) The procedure for e-voting during the AGM is the same as mentioned above for remote e-voting.
- (b) The aforesaid faculty will be available only to those Members who participate in the AGM and who do not cast their votes by remote e-voting prior to the AGM. Members, who cast their votes by remote e-voting, will not be entitled to cast their votes once again.

12. General Information

- (a) There will be one vote for every Client ID/registered folio number irrespective of the number of joint holders.
- (b) In case the Members require any technical assistance with respect to attending the meeting or voting during the meeting, they may contact the helpline numbers mentioned above under Clause (c) of Other Instructions’ for remote e-voting.
- (c) The Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Act, the Register of contracts with related party, and contracts and bodies etc. in which Directors are interested under Section 189 of the Act, and the Certificate from the Statutory Auditors in respect of the Company’s Employee Stock Option Schemes will remain available for inspection during the meeting, on the CDSL e-voting system after login.

- (d) The Results of voting will be declared within 48 hours from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, along with the Scrutinizer's Report, will be available forthwith on the Company's corporate website www.sumedhafiscal.com under the section INVESTOR RELATIONSHIP and on the website of CDSL; such Results will also be forwarded to the CDSL, BSE Limited and The Calcutta Stock Exchange Limited, where the Company's shares are listed.

Registered Office:

6A, Geetanjali,
8B, Middleton Street,

Kolkata – 700 071.

Date: 26th June, 2020

By Order of the Board

Deb Kumar Sett

Company Secretary

CERTIFICATION BY CFO OF THE COMPANY

- A.** I have reviewed Financial Statements and the Cash Flow statement for the year ended 31-Mar-20 and that to the best of my knowledge and belief;
- B.** these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- C.** These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- D.** There are, to the best of my 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.
- E.** I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- F.** I have indicated to the Auditors and the Audit Committee:
- (1) Significant changes in internal control over financial reporting during the year;
 - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the Financial Statements; and
 - (3) Instances of significant fraud of which they 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.
- G.** I further declare that all Board members and Senior Management personnel have affirmed compliance with the Code of Conduct of the Company during the year under review.

Place: Kolkata
Date : 26th June, 2020

Bhawani Shankar Rathi
Wholetime Director

Girdhari Lal Dadhich
Chief Financial Officer

DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Members,

Your Directors are pleased to present the Thirty First Annual Report together with the Audited Financial Statements for the year ended March 31, 2020.

Financial Highlights

(Rs. in lakhs, except equity share data)

Particulars	Consolidated		Standalone	
	Year ended 31.3.2020	Year ended 31.3.2019	Year ended 31.3.2020	Year ended 31.3.2019
Total Income	1865.75	1865.25	1855.44	1856.87
Cash Profit	(262.18)	646.93	(334.37)	603.36
Less: Depreciation	54.42	53.13	53.92	52.64
Profit before Tax	(316.60)	593.80	(388.29)	550.72
Less: Provision for Taxation	2.37	141.24	-	139.50
Add / (Less): Deferred Tax	21.07	(8.15)	20.45	(1.72)
Profit after Tax (Net of adjustment for earlier years)	(285.61)	450.06	(354.85)	415.20
Other Comprehensive Income	(21.32)	(6.82)	(8.52)	0.67
Add : Retained Earning brought forward	3178.54	2831.55	3041.71	2722.09
Balance available for appropriation	2871.62	3274.79	2678.34	3137.96
APPROPRIATION				
Less: Dividend Paid (Including Dividend Tax)	96.25	96.25	96.25	96.25
Balance carried to Balance Sheet	2775.37	3178.54	2582.09	3041.71
Earnings per Share (Rs.10/- each)				
Basic (in Rs.)	(3.58)	5.64	(4.44)	5.20
Diluted (in Rs.)	(3.58)	5.64	(4.44)	5.20

Operational Review

In 2019-20, your Company's total Income from Operations stood Rs. 1782.88 at lacs as against Rs.1808.72 lacs during the previous year.

Your Company continued its focus on fee based activities (Investment Banking) and income therefrom was Rs. 1185.76 lacs as against Rs. 1122.61 lacs during the previous year, recording an increase of 5.62%. It continues to be the thrust area for the Company.

Income from Other Sources was at Rs. 72.55 lacs as against Rs. 48.14 lacs during the previous year.

There has not been any change in the nature of business of the Company during the year.

Indian Accounting Standards

Pursuant to the notification dated February 16, 2015 issued by the Ministry of Corporate Affairs, the Company has adopted the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standard) Rules, 2015. Accordingly, the Financial Statements have been prepared in compliance with Ind AS. Consequently, the subsidiary, associate and joint venture companies also have adopted Ind AS (irrespective of their net worth).

Dividend & Reserves

The Board of Directors is pleased to recommend a dividend of Re. 0.60/- per share (6%) for the year ended March 31, 2020, subject to the approval of the Members at the 31st Annual General Meeting.

During the year under review, there was no transfer to General Reserve (Previous year Rs. Nil).

Employee Stock Option Scheme

No shares have been issued under the SFSL Employee Stock Option Scheme, 2011 during the FY 2019-20. Disclosures with respect to Stock Options, as required under Regulation 14 of the SEBI SBEB Regulations are available on the Company's website <http://www.sumedhafiscal.com> under the section INVESTORS/ESOP DISCLOSURE.

Your Company's Auditors, M/s. V. Singhi & Associates have certified that the Employees Stock Option Scheme of the Company have been implemented in accordance with the Regulations and the resolutions passed by the members in this regard.

Share Capital

The Paid-up Equity Share Capital as at March 31, 2020 stood at Rs. 7,98,44,240/-. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity.

As on March 31, 2020, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

Management Discussion and Analysis Report

In terms of requirements of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), a Management Discussion and Analysis Report is attached **Annexure - I** forming part of this Report.

Report on Corporate Governance

In terms of requirements of Regulation 34 of the SEBI LODR, a Report on Corporate Governance together with Auditors' Certificate regarding compliance of Conditions of Corporate Governance are attached as **Annexure - II** and **Annexure - III**, forming part of this Report.

Consolidated Financial Statement

In accordance with Section 136 of the Companies Act, 2013 and Regulation 34 of the Listing Regulations read with other applicable provisions, your Directors have attached the Consolidated Financial Statements of the Company for the financial year ended March 31, 2020, prepared in accordance with applicable Ind AS, which form a part of the Annual Report. The financial statements including consolidated financial statements and the audited accounts of the subsidiary are available on the Company's website <http://www.sumedhafiscal.com/financials.asp>.

Accordingly a statement in **Form AOC-1** is attached to the Financial Statements of the Company for your information.

Performance Subsidiary:

SFSL Commodity Trading Pvt. Ltd. - Subsidiary

During the year the Company recorded Total Revenue of Rs. 19,31,159/- (previous year Rs. 18,17,379/-) and Net Profit of Rs. 15,17,357/- for the year ended 31st March, 2020 (Previous Year: Rs. 905168/-/-).

The subsidiary has formally discontinued commodity trading activities (Membership with MCX) from April 1, 2019, considering overall profitability and risks associated with commodity trading.

Performance of Associate Companies

US Infotech Pvt. Ltd.

During the year the Company recorded Total Revenue of Rs. 41,91,445/- (previous year Rs. 51,33,289/-) and Net Profit of Rs. 16,35,201/- for the year ended 31st March, 2020 (Previous Year: Rs. 24,41,885/-).

The Company continues to explore growth opportunities.

Brandshoots Ventures Pvt. Ltd.

During the year the Company recorded a revenue of Rs. 5,54,411/- (Previous year : Rs. 7,09,367/-) and booked Net Loss of Rs. 7,16,842/- for the year ended 31st March, 2020 (Previous year : Rs. 6,95,425/-).

The Company is building requisite eco-system to support start-up entities.

Sumedha Management Solutions Pvt. Ltd. (IPE)

During the year the Company recorded a revenue of Rs. 9,59,05,405/- (Previous year : Rs. 6,69,08,158/-) and Net Profit of Rs. 1,61,21,072/- for the year ended 31st March, 2020 (Previous year : Rs. 97,02,763/-).

Material Subsidiary

In accordance with the Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('Listing Regulations'), the unlisted subsidiary of this Company is not a material subsidiary. The Company has formulated a policy for determining material subsidiary. The policy can be accessed at the Company's website at http://www.sumedhafiscal.com/material_subsidary.pdf.

Corporate Social Responsibility

The Company is not yet required to comply to with the requirement associated with Section 135 of the Companies Act, 2013.

Business Responsibility Report

The Company is not required to comply with the requirements associated with Regulation 34(2)(f) of the Listing Regulations, 2015.

Secretarial Standards

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

Directors' Responsibility Statement

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

- (i) that in the preparation of the Annual Accounts for the year ended March 31, 2020, the applicable accounting standards have been followed and there are no material departure;
- (ii) 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 March 31, 2020 and profits of the Company for the year ended on that date;
- (iii) that 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;
- (iv) the annual accounts have been prepared on a going concern basis;
- (v) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management

and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2020.

Directors

Members of the Company at its 30th Annual General Meeting held on 14th September, 2019, approved reappointment of Mr. Bijay Murmura (DIN – 00015948) as a Director liable to retire by rotation.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Vijay Maheshwari (DIN: 00216687), Director, retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors on recommendation of the Nomination and Remuneration Committee has recommended his re-appointment.

Board Evaluation

The Company had annual evaluation of its Board, Committees and individual Directors pursuant to the provisions of Companies Act, 2013 and Listing Regulations. The Nomination and Remuneration Committee (NRC) specified the methodology for effective evaluation of performance of Board and Committees and individual Directors and also finalised the evaluation criteria (containing required particulars as per Guidance Note issued by the SEBI) and authorized the Board to undertake the evaluation process. The Evaluation Statement was reviewed by the Independent Directors.

The performance of individual directors was evaluated on parameters, such as, number of meetings attended, contribution made in the discussions, contribution towards formulation of the growth strategy of the Company, independence of judgement, safeguarding the interest of the Company and minority shareholders etc. The Board then evaluated the performance of the Board, Committees and the individual Directors in the prescribed manner.

Number of Meetings of the Board

Four meetings of the Board were held during the year ended 31st March, 2020.

Key Managerial Personnel (KMP)

The Company is having the following Key Managerial Personnel during the year

Name	Designation
Mr. Bhawani Shankar Rathi	Wholetime Director
Mr. Deb Kumar Sett	Company Secretary
Mr. Girdhari Lal Dadhich	Chief Financial Officer

Committees of the Board

The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186(4) of the Companies Act, 2013 are provided in the Notes to Financial Statements.

Vigil Mechanism/Whistle Blower Policy

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company http://www.sumedhafiscal.com/whistle_blower_policy.pdf.

Remuneration and Nomination Policy

The Company has updated its Nomination and Remuneration Policy for determining remuneration of its Directors, Key Managerial Personnel and Senior Management and other matters provided under Section 178(3) of the Companies Act, 2013 and Listing Regulations, adopted by the Board. The details of this policy have been posted on the website of the Company [http:// www.sumedhafiscal.com/remuneration_policy.pdf](http://www.sumedhafiscal.com/remuneration_policy.pdf).

The Remuneration Policy has also been outlined in the Corporate Governance Report forming part of this Annual Report.

Related Party Transactions

All transactions entered with Related Parties for the year under review were in ordinary course of business and on arm's length basis and thus a disclosure in Form **AOC-2** in terms of Section 134 of the Companies Act, 2013 is not required. Further, there is no material related party transaction during the year. All related party transactions are mentioned in the Notes to Accounts.

All Related Party Transactions are placed before the Audit Committee (for approval) as well as the Board of Directors, on a quarterly basis. There has not been any Omnibus approval for such transactions pursuant to Regulation 23 of the Listing Regulations, 2015.

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has updated its Policy on Related Party Transactions which is also available on http://www.sumedhafiscal.com/policy_on_rpt.pdf. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

Risk Management Policy and Internal Financial Control

The Company has a risk management policy, the objective of which is to lay down a structured framework for identifying potential threats to the organisation on a regular basis, assessing likelihood of their occurrence, designate risk owners to continually evaluate the emergent risks and plan measures to mitigate the impact on the Company, to the extent possible. The framework and the system are reviewed from time to time to enhance their usefulness and effectiveness. The policy recognizes that all risks in the business cannot be eliminated but these could be controlled or minimised through effective mitigation measures, effective internal controls and by defining risk limits.

A comprehensive Risk Management Framework has been put in place for each of the businesses segments of the Company which is stringently followed for the management of risks, including categorisation thereof based on their impact on the organisation. Such categorisation gives highest weightage to the risks which have the potential to threaten the existence of the Company. The risks with higher severity receive more attention and management time and it is the endeavour of the Company to strengthen internal controls and other mitigation measures on a continuous basis to improve the risk profile of the Company.

Risk Management System has been integrated with the requirements of internal controls as referred to in Section 134(5)(e) of the Companies Act, 2013 to evolve risk related controls.

Closure of PMS & Mutual Funds Distribution Operations

The Company intends to discontinue its Portfolio Management Services (as an Intermediary) and Mutual Funds Distribution Operations (effective April 1, 2020) considering regulatory changes (for PMS) and deteriorating market condition, in compliance with all regulatory requirements.

Deposits

The Company has neither accepted nor renewed any deposits during the year. No deposit has remained unpaid or unclaimed at the end of the year under review.

Going Concern Status

No significant and material orders have been passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operation in the future.

Material Changes and Commitments

Except closure of PMS & Mutual Funds Distribution Operations of the Company there has not been any material change and commitment affecting the financial position of the Company occurred between the end of the Financial Year 2019-20 and the date of the Report.

Compliance System

Based on quarterly reports on the status of statutory compliance from Departmental Heads/ Responsibility Centres, the Company Secretary issues Certificate under Section 205 of the Companies Act, 2013 (Act) and Rules made thereunder. The Certificate is also endorsed by the Wholetime Director of the Company and placed before the Audit Committee and Board of Directors for review.

The status of Statutory Compliance is verified by the Internal Auditors and Secretarial Auditors pursuant to Sections 138 and 204 of the Companies Act, 2013 as well as Annual Secretarial Compliance Report pursuant to Reg. 24A of Listing Regulations.

Annual Return

Annual Return of the Company pursuant to the provisions of Section 92 of the Companies Act, 2013, has been uploaded to the website of the Company and can be accessed at http://www.sumedhafiscal.com/annual_return.asp. The extract of Annual Return in Form MGT-9 pursuant to aforesaid provision of the Companies Act, 2013 and Rules made there under, is attached to this report as **Annexure - IV**.

AUDITORS

Statutory Auditors

M/s. V. Singhi & Associates, Chartered Accountants, 4, Mangoe Lane, Ground Floor, Kolkata – 700001 (Firm Registration No. 311017E) were appointed as the Statutory Auditors of the Company for a period of 5 (five) consecutive years for the period from Financial Year 2018-19 to 2021-22, at the 28th AGM of the Company held on 23-Sep-17.

The Board and the Audit Committee has approved their continuation as Statutory Auditors of the Company for the Financial Year 2020-21, based on their consent and confirmation of eligibility dated June 12, 2020.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

Secretarial Audit

In terms of the requirements of Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, M/s. A. K. Labh & Co., Practicing Company Secretaries has been re-appointed to conduct the Secretarial Audit of the Company for FY 2019-20.

Based on the consent received from M/s. A. K. Labh & Co. and recommendation of the Audit Committee, the Board has appointed them as Secretarial Auditor of the Company for FY 2020-21.

The Secretarial Audit Report for FY 2019-20 (attached as **Annexure – V**) is free from any qualification.

Cost Audit

The Company is not engaged in production of goods or providing services pursuant to Section 148 of the Act and therefore not required to comply with the requirements thereunder.

Board's Response on Auditors' Qualification, Reservation or Adverse Remark or Disclaimer Made

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report or by the Practicing Company Secretary in their Secretarial Audit for FY 2019-20. During the year, there has been no instances of frauds reported by Auditors under section 143(12) of the Companies Act, 2013.

Significant and Material Orders Passed by the Courts/ Regulators

None.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has a Prevention of Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the period under review, no complaint was received by the Internal Complaint Committee.

Conservation of Energy and Technology Absorption

Since the Company does not own any manufacturing facility, the other particulars relating to conservation of energy and technology absorption stipulated in the Companies (Accounts) Rules, 2014 are not applicable.

Foreign Exchange Earning and Outgo

Foreign Exchange earnings and outgo during the year under review were Rs. 10.09 Lacs and Rs. 6.87 Lacs, respectively (previous year Rs. 7.62 Lacs and Rs. 10.00 Lacs, respectively).

Risk Management

The Company, as an Intermediary (Merchant Banker, Portfolio Management Service provider) is registered with the Securities and Exchange Board of India (SEBI) and is required to comply with the prescribed risk management measures. Accordingly, the quarterly status of various risks being faced by the Company and measures for mitigation thereof are placed before the Audit Committee and Board of Directors of the Company, for review and appropriate measures. With closure of PMS & Mutual Funds Distribution Operations (effective April 1, 2020), risks associated therewith stand extinguished.

Further details about the pertinent risks are contained in the statement of Management Discussion and Analysis (**Annexure I**).

Particulars of Employees

The ratio of the remuneration of each Director to the median employee's remuneration and other particulars or details of employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached to this Report as **Annexure VI**.

None of the employees of the Company is in receipt of remuneration coming under purview of the said Section/Rule.

A Statement comprising of top 10 employees in terms of remuneration drawn is annexed **Annexure VII**. The said Annexure is not being sent along with this Annual Report to the Members of the Company in line with the provisions of Section 136 of the Act. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company.

Key Financial Ratio

Key financial Ratios for the financial year ended March 31, 2020, are provided in the Management Discussion and Analysis Report.

Appreciation

We acknowledge our appreciation to Shareholders, Bankers, Regulators and Clients for their continued support. The Board also takes this opportunity to express its whole-hearted appreciation of the efforts put in by the employees at all levels. We look forward to the future with confidence and stand committed to creating a brighter future for all shareholders.

On Behalf of the Board

Place: Kolkata
Date: 26th June, 2020

Ratan Lal Gaggar
Chairman

Annexure – I

MANAGEMENT DISCUSSION & ANALYSIS

ECONOMY: REVIEW

The Reserve Bank of India in its Financial Stability Report 2020 pointed out that:

- In response to COVID-19, a combination of fiscal, monetary and regulatory interventions on an unprecedented scale has ensured normal functioning of financial markets.
- The overleveraged non-financial sector, simmering global geopolitical tensions, and economic losses on account of the pandemic are major downside risks to global economic prospects.
- Actions undertaken by financial sector regulators and the Government to mitigate the impact of COVID-19 eased operational constraints brought in desired liquidity and helped in maintaining market integrity and resilience in the face of severe risk aversion.
- Bank credit, which had considerably weakened during the first half of 2019-20, slid down further in the subsequent period with the moderation becoming broad-based across bank groups.
- Inter-bank market continues to shrink and with better capitalization of public sector banks, there would be reduction in contagion losses to the banking system under various scenarios in relation to a year ago.
- The major challenges include pandemic-proofing large sections of society, especially those that tend to get excluded in formal financial intermediation.

Disruptions & Restructuring of the Market

Tariff war: Tariffs have been used by states to encourage/protect the interest of an industry or agricultural produce or selected minerals/materials. Now it has become extremely effective economic policy weapon between US and China trade war. Similarly, **economic sanctions** by US against so-called “rogue states” (e.g. North Korea, Iran) inflicted wide-spread disruptions of trade of associated trading partners (e.g. Iran-India and others resulting in disruption of oil supplies/infrastructure project). North Korea has resorted to high-sea transfer of commodities to avoid the impact of wide spread sanction.

Re-location & resetting of supply chain: New geopolitical realities will force countries /industries to look for alternative sources often at higher costs and after a time lag. It also offers opportunities to new destinations/economies for re-location of manufacturing and processing centres (e.g. Vietnam, Philippines, Bangladesh, India, Nigeria, Egypt), depending upon their new technology absorption rate.

Macroeconomic Overview

Indian Economic Environment

In 2019, India became a \$ 2.7 trillion economy, having added one trillion US dollars in the last five years. The Economic Survey of the government outlined the blueprint to achieve the vision of making Indian a USD 5 trillion economy by 2024-25. Following the path, India’s rank in the World Bank’s Ease of Doing Business 2020 survey has consistently improved over last three years and stands at 63, among 190 countries, making it the one of world’s top 10 most improved countries for the third consecutive time. Further, the Government has set a target to invest worth Rs 111 trillion over 2020-2026 under National Infrastructure Pipeline (NIP). NIP is likely to help provide quality and adequate infrastructure across the nation and boost economic growth.

RBI has taken number of measures to ensure sufficient liquidity in the system since the beginning of 2019-20. We note that it has slashed policy rate (Repo rate) from 6.25% in the beginning of year to 4.4% at the closing of fiscal and at now at 4% in ongoing fiscal so far. We also note this time transmission of rate cuts has happened in a large way and helped across all industries and borrowers.

According to the World Bank, the global economy decelerated to an estimated 2.4 percent in 2019, the slowest pace since the global financial crisis. The Indian Economy was not immune to the slowdown. The Indian Economy was affected across all four key growth engines of our economy faltered to stimulate any growth. We note that three of the four growth engines – private consumption, private investment, and exports- have slowed down significantly led by variety of reasons. Consumption, the biggest contributor of growth was subdued, pointing to fragile consumer sentiment and purchasing ability. Similarly, private investments and exports have remained muted owing to soft demand, global uncertainties around trade and investments and geopolitical tensions. The fourth engine, government consumption and investment has been moderated because of the limited elbow room the government has for counter- cyclical spending as the budget deficit remains under pressure. Further, an unexpected COVID-19 outbreak engulfed India too and resulted in nationwide lockdown starting 25th March 2020 has dashed hope of any early recovery on economy, which will have wider ramification in current fiscal.

As per the Central Statistics Organization (CSO) second advance estimates, the GDP growth was retained at 5 percent in 2019-20 and however final numbers are likely to be worse than expectations due to sharp contraction in economic activities in March due to COVID-19. As per Moody's (a global rating company), India's GDP growth rate for 2020-21 is expected to be at Zero mainly led by steep deterioration in business activities and sharp contraction in consumption trend due to disruption led by COVID-19. However, on a positive note, it has forecasted India's GDP growth rate to bounce back to 6.6 per cent in 2021-22.

COVID-19 pandemic changed the way we move, work, socialize and all other areas of our life. Aviation, hospitality, tourism segments have been worst hit and affecting almost all other segments with different degrees. Effects of the pandemic can be summarized as -

- More remote work for (almost) everyone
- Increased work/life flexibility and not just for parents
- More frequent communication among managers, direct reports, clients, and colleagues
- More video conferencing and less flying/physical movements
- More humanity - necessary leadership and management skills and qualities had been trending toward vulnerability, empathy, emotional intelligence, active listening, and transparency
- Prolonged lockdowns followed by cyclical ones have destroyed the existing business operations. It has resulted in dried-up business/revenue and extreme liquidity crunches. This has thrown a large number of organizations out of business and employees of small and unorganized sectors out of employment. These drastically dragged down individual incomes, GDP and effective demand of the economy.

Economic and Regulatory Scenario

The outbreak of the pandemic of COVID-19 has radically altered the economic landscape and increased volatility in the global capital markets. The after-effects of such a pandemic will continue to show on the financial and capital markets for a substantial amount of time. The Government of India has announced various measures to deal with such unprecedented circumstances. The Central and State Governments of India have taken proactive measures by declaring a countrywide 'lock down', thereby imposing restrictions on all sectors of the economy and impacting smooth operations of businesses. To address such concerns, market regulators such as the Securities and Exchange Board of India ("SEBI") have relaxed several compliance requirements applicable to listed companies. The Reserve Bank of India ("RBI") permitted all commercial banks (including regional rural banks, small finance banks and local area banks), co-operative banks, all-India Financial Institutions, and non-banking financial companies (including housing finance companies and micro-finance institutions) to allow a moratorium inter alia on servicing of term loans ("Moratorium") by its notification dated 27th March 2020.

Apart from relaxations granted for determination of default in servicing of debt, various relaxations have been provided to listed companies for raising of capital. It is likely that due to the lack of investor appetite and stringent regulatory requirements, listed companies would struggle with raising capital in the current market. Therefore, SEBI made it easier for companies to undertake a fast track rights issue. Under regular circumstances, only a company which has been listed and in compliance with the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 (“LODR Regulations”) for 3 years is permitted to undertake a fast track rights issue. SEBI has now reduced this period to 18 months, allowing younger listed companies to seek capital infusion. Further, the minimum subscription requirement for a successful rights issue has also been reduced from 90% to 75% of the issue size. Listed companies have also been allowed by SEBI to raise further capital (until 31st December 2020), upon completion of only 6 (six) months from the date of the preceding buy-back, as against the minimum period of 1 (one) year which is stipulated under the SEBI (Buy-back of Securities) Regulations, 2018.

For day-to-day operations, listed companies have been given several relaxations from compliance with the LODR Regulations. SEBI has granted listed companies a relaxation in filing of their quarterly and annual financial results till 31st July 2020. Apart from the above, SEBI has granted various other relaxations with respect to submitting the corporate governance report, shareholding pattern and compliance certificate.

In order to ensure transparency and investor protection, SEBI has directed all listed companies to disclose the impact of COVID-19 on their business operations, financials, and performance, both qualitative and quantitative, on an ongoing basis.

Outlook

In times where the economy is dealing with a global pandemic, the role of the capital market regulator, SEBI has become all the more significant. The relaxations provided to listed companies have been a welcome move, and in such unprecedented times are necessary to reduce the inordinate amount of logistical and practical burdens. The regulator has tried to tread the fine line between taking measures to enable companies to carry on their operations and, protecting the interests of investors.

The Company growth prospects remain positive as it is well equipped to handle any exigency. The Company is consistently adding its revenue sources while containing costs and work upon disruptions to its advantage.

Highlights of Financial Performance during FY 2019-20

- Total Income from Operation of Rs. 1783 Lacs (Rs. 1809 Lacs for FY18-19)
- Profit Before Tax of Rs. (388) lacs (Rs. 551 lacs in FY18-19)
- Net Profit of Rs. (355) lacs (Rs. 415 lacs in FY18-19)
- Basic EPS after extra ordinary items stood at Rs. (4.44), compared to Rs. 5.20 in FY18-19.

BUSINESS OVERVIEW

Investment Banking

Investment Banking continues to be the major revenue earning division of the Company, contributing Rs 1185 lacs, for the year under review. Performance of this segment improved overall in revenue terms but below its potential due to stagnant investment climate in the economy and weak corporate investment activity. Reluctance of public sector banks for fresh lending due to regulatory restrictions and uncertainties of repayment/recovery also contributed to the scenario. The Company provides merchant banking, loan syndication, financial restructuring, portfolio resolution of stressed assets.

The Company’s overall performance was dismal primarily due to major downfall witnessed in secondary market leading to huge losses during last quarter. The market since year end has revived with overall improvement in sentiments.

Risks & Concerns

The company is subject to following broad risks -

- Operational Risk
- Market Risk
- Financial Risk
- Compliance Risk

The Company is having a system of risk management commensurate with its size and nature of activities to address the consequent vulnerability. Quarterly reports on relevant areas are placed before the Audit Committee and the Board of Directors of the Company. All major risks are identified, monitored and acted upon within the internal framework. However the Company is not yet required to constitute a Risk Management Committee pursuant to Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Closure of Certain Operations

The Company has discontinued its Portfolio Management Services and Mutual Funds Product Distribution operation due to change in regulatory parameters and deterioration of the market (effective April 1, 2020), in compliance with all regulatory formalities.

Internal Control Systems

The Company currently operates in areas related to Investment Banking and is having all the required regulatory approvals with clear demarcation of operational and compliance responsibilities. Quarterly status thereof are reviewed by the Internal Auditors (external) and placed before the Audit Committee and the Board for remedial measures, if any.

There has been no material developments in the area of Human Resources.

The Company had 54 permanent employees during the year under review.

Details of significant changes in key financial ratios, along with detailed explanations therefor:

Ratio Analysis	2020		2019		Remarks
Debtor Turnover	482890/1855440	0.26	393469 / 1856870	0.21	Increased by 23.80% (a)
Inventory Turnover	379272/1855440	0.20	700438 / 1856870	0.38	Decreased by 47.36% (b)
Operating Profit Ratio%	(300928)/ 1855440	(0.16)	467843 / 1856870	25.20	Decreased by 100.63% (c)
Net Profit Ratio%	(354854)/ 1855440	(0.19)	415207 / 1856870	22.36	Decreased by 100.85% (c)
Debts Equity Ratio%	13818/798442	0.02	18577 / 798442	0.02	Nil
Interest Coverage Ratio%	(35.50) Times		90 Times		Decreased by 138.80% (c)
Current Ratio%	2274330/81405	27.93	3027117 / 103404	29.27	Decreased by 4.57% (c)
Return on Networth%	(9.05)		10.28		Decreased by 188% (c)

- NOTE :** (a) Majorly due to increase in overall debtors at the year end.
 (b) Majorly due to downfall in Capital market.
 (c) Majorly due to losses arising out of abrupt downfall in secondary market.

Details of change in return on Net Worth as compared to the immediately previous Financial Year along with a detailed explanation thereof:

There has been negative return on Networth in the current year due to losses arising in Q4 primarily due to abrupt downfall in secondary market.

Cautionary Statement

This Management Discussion and Analysis provides the details of the Company objectives. Statements detailed here are not exhaustive but are for information purposes only. The actual performance of the Company in future may vary substantially from those outlined herein. Some of the statements written herein are forward looking and should not be construed as a guarantee of performance. The readers must exercise their due diligence before forming any opinion based on this statement.

For and on behalf of the Board

Place: Kolkata
Date: 26th June, 2020

Ratan Lal Gagar
Chairman

Annexure – II

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company is of the belief that sound Corporate Governance is vital to enhance and retain stakeholders' trust. Good Governance underpins the success and integrity of the organisation, institutions and markets. It is one of the essential pillars for building an efficient and sustainable environment, systems and practices to ensure that the affairs of the Company are being managed in a way which ensure accountability, transparency, fairness in all its transactions in the widest sense and meeting its stakeholder's aspirations and societal expectations. Your Company is committed to adopt the best governance practices and their adherence in the true spirit at all times. It envisages the attainment of a high level of transparency and accountability in the functioning of the Company and in the way it conducts business internally and externally.

In line with the above philosophy, your Company continuously strives for excellence through adoption of best governance and disclosure practices. The Company recognises that good governance is a continuing exercise and thus reiterates its commitment to pursue highest standard of Corporate Governance in the overall interest of its stakeholders. Your Company has been consistently working for the betterment of the governance system and is committed to doing things in the right way which includes but not limited to compliance with its applicable statutory requirements.

THE HIGHLIGHT OF THE CORPORATE GOVERNANCE SYSTEM INCLUDES:

1. The Board of Directors of the Company is well represented with Executive, Non-Executive and Independent Non-Executive Directors with the Non-Executive Independent Director as Chairman. As on the date of this report, the Independent & Non-Executive Directors form 50% of the Board of Directors.
2. The Board has constituted several Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, as required statutorily. The Board is empowered to constitute additional functional Committees depending upon the business needs. Accordingly, Management Committee of Directors has been formed to address routine decision-making in ordinary course of its business.
3. The Company has established a Code of Conduct for Directors and Senior Management of the Company.
4. Whistle Blower Policy wherein the Employees and Directors may have the direct access to the Chairperson of the Audit Committee.
5. Risk Management framework to identify the risk for its businesses, to assess the probability of its occurrence and its mitigation plans. The information about the updated status of risks is placed before the Board of Directors and the Audit Committee, on quarterly basis for taking suitable steps.

BOARD OF DIRECTORS

The Company is managed and guided by the Board of Directors. The Board formulates the strategy, regularly reviews the performance of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the stakeholders are being served. The Board with the support of the Wholetime Director and senior executives oversees the functional matters of the Company.

As on the date of this report, the Board comprises of 10 (ten) Directors - 5 (five) Non-Executive and Independent Directors, 4 (four) Non-Executive Non-Independent Directors [including 1(one) Woman Director] and 1 (one) Wholetime Director. All the members of the Board are persons with professional expertise and valuable experience in their respective areas of specialisation and bring a wide range of skills and experience to the Board.

None of the Directors on the Board is a Member on more than 10 Committees, and Chairperson of more than 5 Committees across all listed companies in which he is a Director. Necessary disclosures regarding Committee positions have been made by the Directors.

MEETINGS OF THE BOARD

The Board of Directors met four times during the FY 2019-20 ended on March 31, 2020. The interval between any two successive meetings did not exceed one hundred and twenty days. Board Meetings were held on May 18, 2019, August 12, 2019, November 06, 2019 and February 10, 2020.

INDEPENDENT DIRECTORS

All the Independent Directors have confirmed that they meet the criteria as stipulated under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') read with Section 149(6) of the Companies Act, 2013. All such declarations were placed before the Board. The maximum tenure of Independent Directors is in compliance with the Companies Act, 2013 and the terms and conditions of their appointment have been disclosed on the website of the Company. Particulars of the Independent Directors are stated in the following table viz. "COMPOSITION OF THE BOARD".

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

All the Directors including Independent Directors are provided with the necessary documents / brochures, reports and internal policies, codes of conduct to enable them to familiarise with the Company's procedure and practices. Directors are regularly updated on performance of each line of business of the Company, business strategy going forward and new initiatives being taken / proposed to be taken by the Company through presentation. The details of the familiarisation programme of the Independent Directors are available on the Company's website at http://www.sumedhafiscal.com/familiarization_programme.pdf.

COMPOSITION OF THE BOARD

The composition of the Board of Directors, their attendance at Board Meetings held during the year and at the last Annual General Meeting (AGM) as also the required details of Directorships and Committee positions held by them in other companies are given below:-

Name of the Director	Category	No. of Board Meetings		Attendance at last AGM held on September 14, 2019	No. of other Directorships* ¹	No. of Committees position held in other companies* ²	
		Held	Attended			Chairman	Member
Mr. Ratan Lal Gagar, Chairman DIN: 00066068	Independent Non-Executive Director	4	4	No	8	1	7
Dr. Basudeb Sen DIN: 00056861	Independent Non-Executive Director	4	2	No	1	-	2
Mr. S.A. Ramesh Rangan DIN: 07586413	Independent Non-Executive Director	4	4	Yes	-	-	-
Mr. Santanu Mukherjee* ³ DIN: 07716452	Independent Non-Executive Director	4	4	Yes	5	-	5
Mr. Vijay Maheshwari DIN: 00216687	Promoter & Non-Executive Director	4	4	Yes	2	1	1
Mr. Prashant Shekhar Panda DIN: 00596554	Independent Non-Executive Director	4	2	No	1	-	-
Mr. Anil Kumar Birla DIN: 00015948	Non-Executive Director	4	3	No	-	-	-
Mr. Bijay Murmuria DIN: 00216534	Promoter & Non-Executive Director	4	4	Yes	1	-	-

Name of the Director	Category	No. of Board Meetings		Attendance at last AGM held on September 14, 2019	No. of other Directorships* ¹	No. of Committees position held in other companies* ²	
		Held	Attended			Chairman	Member
Mrs. Garima Maheshwari* ⁴ DIN: 07001628	Non-Executive Director	4	1	No	-	-	-
Mr. Bhawani Shankar Rathi, Wholetime Director DIN: 00028499	Promoter & Executive Director	4	3	Yes	-	-	-

*1 Excludes Directorships in Private Limited Companies, Foreign Companies and Section 8 Companies.

*2 The Committees considered for the purpose are those prescribed under Regulation 26(1) of Listing Regulations i.e. Audit Committee and Stakeholders Relationship Committee of Public Limited Companies, whether listed or not.

*3 Mr. Santanu Mukherjee was appointed on 18-May-2019

*4 Mrs. Garima Maheshwari is daughter-in-law of Mr. Vijay Maheshwari.

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

Name of Director	Name of listed entity	Category of Directorship
Mr. Ratan Lal Gaggar, Chairman	Duroply Industries Ltd.	Independent Director
	TIL Ltd.	Independent Director
	International Combustion (India) Ltd.	Independent Director
	Shree Cement Ltd.	Independent Director
Dr. Basudeb Sen	Dhunseri Ventures Ltd.	Independent Director
Mr. S. A. Ramesh Rangan	-	-
Mr. Santanu Mukherjee* ¹	Bandhan Bank Ltd.	Independent Director
	Donear Industries Ltd.	Independent Director
	Suven Life Sciences Ltd.	Independent Director
Mr. Vijay Maheshwari	Paramount Communications Ltd.	Independent Director
Mr. Prashant Shekhar Panda	-	-
Mr. Anil Kumar Birla	-	-
Mr. Bijay Murmuria	-	-
Mrs. Garima Maheshwari	-	-
Mr. Bhawani Shankar Rathi, Wholetime Director	-	-

*1 Mr. Santanu Mukherjee was appointed on 18-May-2019

Skills, expertise and competence of the Board

The Directors of the Company comprise qualified and well experienced members who bring in the required skills, experience, competence and expertise effectively contributing to the Board and Committee proceedings. The Board members are committed to ensuring that the Board is in compliance with the highest standards of corporate governance.

The individual members of the Board of Directors has been identified with the key skills, expertise, competence and attributes in various functional spheres which are required in the context of the Company's business including effective functioning of the Company under overall superintendence of relevant collective body.

Sl. No.	Nature of key skills, expertise, and competence and attributes	Whether such key skills, expertise, and competence and attributes are available with the Company's Board
1.	Domain expertise in Investment/ Merchant Banking	Yes
2.	Sound knowledge and expertise in Financial Service matters	Yes
3.	Expertise in Legal, Governance and Risk management	Yes
4.	Business development, Sales and marketing	Yes
5.	Leadership qualities and management expertise	Yes

Independence of Independent Directors

The Board of Directors of the Company is of the opinion that the Independent Directors on the Board fulfill the conditions specified under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and are independent of the executive management of the Company.

Appointment of Independent Director

Mr. S. A. Ramesh Rangan (DIN: 07586413) and Mr. Santanu Mukherjee (DIN: 07716452) were appointed as Independent Directors of the Company at the 30th Annual General Meeting held on 14th September, 2019 for a period of five years with effect from 14th September, 2019.

Board Functioning and Procedure

Board Meeting Frequency and Circulation of Agenda Papers

The Board and its Committees meet at regular intervals for discussion on agenda circulated well in advance by the Company. All material information are incorporated in the Notes on Agenda for facilitating meaningful and focused discussion at the meeting. Where it is not practical to attach or send the relevant information as a part of agenda papers, the same are tabled at the Meeting.

The Company has proper systems to review the status of compliance of all applicable laws as well as to suggest remedies for compliance deficiencies, if any. The status of compliance is reviewed quarterly by the Board and the Audit Committee.

Presentation by the Management

The senior management of the Company is invited at the meetings to make presentations to the Board, covering operations of the businesses of the Company, Strategy and Business Plans and to provide clarifications as and when necessary.

Access to Employees

The Directors bring an independent perspective on the issues deliberated by the Board. They have complete and unfettered access to any information of the Company and to any employee of the Company.

Availability of Information to the Board Member Includes

- Performance of each line of business, business strategy going forward, new initiatives being taken / proposed to be taken and business plans of the Company.
- Annual operating plans and budgets including capital expenditure budgets and any updates.
- Quarterly results of the Company including results of the business segments.
- Minutes of the meetings of Committees of the Board.
- The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in the financial obligations to and by the Company, or substantial non-payment for goods sold / services provided by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature.
- Judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources / Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.

- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders servicing issues, such as non-payment of dividend, delay in share transfer etc.
- Unforeseen circumstance affecting business/normal function.
- Statutory compliance report of all laws applicable to the Company.
- Details of the transactions with the related parties.
- General notices of interest of directors.
- Appointment, remuneration and resignation of Directors.

Post Meeting follow up Mechanism

The important decisions taken at the Board / Committee meetings are promptly communicated to the respective units/departments. Action taken report on the decisions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/ Committee for information and review by the Board.

Board Committees

The Board of Directors have constituted the following statutory Committees to function according to applicable statutory guidelines under the Companies Act, 2013 and Listing Regulations -

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance are provided below:

(I) Audit Committee

Composition, Meetings & Attendance

The Committee is headed by an Independent Director and consists of the members as stated below. The Audit Committee met four times during the FY 2019-20 ended on March 31, 2020 i.e. on May 18, 2019, August 12, 2019, November 6, 2019 and February 10, 2020. The composition and attendance of each Audit Committee Member is as under:

Name of the Member	Category	No. of Board Meetings	
		Held	Attended
Mr. Prashant Shekhar Panda, Chairman	Independent Non-Executive Director	4	2
Mr. S. A. Ramesh Rangan	Independent Non-Executive Director	4	4
Mr. Santanu Mukherjee *	Independent Non-Executive Director	3	3
Mr. Bijay Murmuria	Promoter & Non-Executive Director	4	4

* Appointed on 18-May-2019.

The Chairperson of the Audit Committee authorised Mr. Bijay Murmuria, Director to attend the last AGM on his behalf and to answer the shareholders' queries.

The terms of reference of the Committee inter-alia include:-

- (i) Reviewing the Company's financial reporting process and its financial statements.
- (ii) Reviewing the accounting and financial policies and practices and compliance with applicable accounting standards.
- (iii) Reviewing the efficacy of the internal control mechanism, monitor risk management policies adopted by the Company and to ensure compliance with regulatory guidelines.

- (iv) Reviewing reports furnished by the Internal and Statutory Auditors, and to ensure that suitable follow-up action is taken.
- (v) Examining accountancy and disclosure aspects of all significant transactions.
- (vi) Reviewing with management the quarterly, half yearly & annual financial statements including review of qualifications, if any, in the Audit Report before submission to the Board for approval.
- (vii) Recommending appointment of External and Internal Auditors and fixation of audit fees.
- (viii) Seeking legal or professional advice, if required.
- (ix) Approval or any subsequent modifications of transactions of the Company with related parties.
- (x) Scrutiny of Inter-Corporate loans and investments.
- (xi) Valuation of undertakings or assets of the Company, wherever required.
- (xii) Review policy vigil mechanism of the Company from time to time.

The constitution and terms of reference of the Audit Committee meet the requirements of Regulation 18 of the Listing Regulations read with the relevant provisions of Section 177 of the Companies Act, 2013. The Company Secretary is the Secretary to the Audit Committee.

(II) Nomination and Remuneration Committee (NRC)

Composition, Meetings & Attendance

The NRC is headed by an Independent Director and consists of the following members as stated below. The NRC met twice during the FY 2019-20, on May 18, 2019 and February 10, 2020.

The composition and attendance of each NRC Member is as under:-

Name of the Member	Category	No. of Board Meetings	
		Held	Attended
Mr. Prashant Shekhar Panda, Chairman	Independent Non-Executive Director	2	1
Mr. S. A. Ramesh Rangan	Independent Non-Executive Director	2	2
Mr. Santanu Mukherjee *	Independent Non-Executive Director	1	1
Mr. Vijay Maheshwari	Promoter & Non-Executive Director	2	2
Mr. Bijay Murmuria	Promoter & Non-Executive Director	2	2

* Appointed on 18-May-2019.

The broad terms of reference of the NRC include:

- To identify persons who are qualified to become Directors (Executive, Non-Executive and Independent Directors) and who may be appointed in senior management in accordance with the criteria laid down,
- To recommend to the Board for their appointment and removal.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the directors (Executive, Non-Executive and Independent Directors), key managerial personnel and other employees.
- To specify the manner of effective evaluation of performance of the Board of Directors, its committees and individual directors and review implementation and thereof.
- Plan for succession of Board members and Key Managerial Personnel;
- Devising a policy on Board diversity;
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.

The constitution and term of reference of the NRC meet the requirements of Regulation 19 of the Listing Regulations and Section 178 (1) & (2) of the Companies Act, 2013.

Remuneration Policy

In terms of the provisions of the Companies Act, 2013 and the Listing Regulations, the Board of Directors of the Company has adopted Remuneration Policy for remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management, which forms part of this Annual Report. The Nomination and Remuneration Committee inter-alia identifies persons qualified for appointment as Directors and in senior management positions and recommends

their remunerations. Remuneration of the Wholetime Director is recommended by the Board of Directors, subject to approval of the shareholders. The details of the Remuneration Policy has been posted on the website of the Company - http://www.sumedhafiscal.com/N_R_Policy_wef01042019.pdf

Remuneration of Wholetime Director

The remuneration of the Wholetime Director is recommended by the Nomination and Remuneration Committee to the Board of Directors and after approval by the Board the same is approved by the shareholders. Wholetime Director does not receive any sitting fee for attending the Board and Committee meetings. He has not been issued any stock option during the Financial Year 2019-20. The details of remuneration paid/payable to Mr. B. S. Rathi, Wholetime Director for the year ended March 31, 2020 are as under:

Mr. B. S. Rathi, Wholetime Director (FY 2019-20)	Rs. in lacs
Salary	21.00
Bonus	2.62
House Rent Allowance	3.00
Other allowances	3.60
Employer's Contribution to PF	2.52
Total	32.74

Remuneration of Directors

Details of remuneration paid to Directors during the financial year 2019-20

Name of Directors	Meetings Fees	Salary & Perks	Total	No. of Shares held as on 31-Mar-20
	(₹)	(₹)	(₹)	
Mr. Ratan Lal Gaggar, Chairman	50,000	-	50,000	-
Dr. Basudeb Sen	30,000	-	30,000	4,000
Mr. S. A. Ramesh Rangan	1,10,000	-	1,10,000	-
Mr. Santanu Mukherjee *	90,000	-	90,000	-
Mr. Prashant Shekhar Panda	60,000	-	60,000	-
Mr. Vijay Maheshwari	60,000	-	60,000	16,69,220
Mr. Anil Kumar Birla	40,000	-	40,000	6,000
Mr. Bijay Murmura	1,10,000	-	1,10,000	3,69,920
Mr. Bhawani Shankar Rathi, Wholetime Director	-	32,74,500	32,74,500	1,19,270
Mrs. Garima Maheshwari	10,000	-	-	25,000
Total	5,60,000	32,74,500	38,34,500	

*Appointed w.e.f. May 18, 2019.

(III) Stakeholders' Relationship Committee

Composition, Meetings & Attendance

The Committee is headed by an Independent Director and consists of the following members. The Committee met once during the FY 2019-20 on February 11, 2020. The composition and attendance of each Committee Member is as under:-

Name of the Member	Category	No. of Board Meetings	
		Held	Attended
Mr. Prashant Sekhar Panda, Chairman	Independent Non-Executive Director	1	1
Mr. Anil Kumar Birla	Non-Executive Director	1	1
Mr. Bijay Murmura	Promoter & Non-Executive Director	1	1

Function and term of reference

The Committee has the mandate to look into and review the actions for redressal of security holders grievances, such as non-receipt of transferred / transmitted share certificates/annual report / declared dividend etc. as also to review the reports submitted by the Company Secretary relating to approval / confirmation of requests for share transfer/transmission / transposition/ consolidation/ issue of duplicate share certificates/ sub-division, remat, demat of shares etc. from time to time.

The constitution and term of reference of the Stakeholders Relationship Committee meet the requirements of Regulation 20 of the Listing Regulations and Section 178(5), (6) & (7) of the Companies Act, 2013. Mr. Deb Kumar Sett, Company Secretary is the Compliance Officer of the Company.

Details of Investor Complaints/Requests

The Company received the following service requests (not amounting to complaint) from various shareholders / investors directly and/or through the Share Transfer Agent (STA) during the FY 2019-20. The company has addressed all the requests during the year

Status of requests received from shareholders during FY 2019-20 -

Type of Requests	Pending at the beginning of the year (01.04.2019)	Received during the year	Disposed of during the year	Unresolved at the end of the year (31.03.2020)
Bank A/C Details	0	6	6	0
Change of Address	0	1	1	0
Duplicate Dividend Warrant	0	3	3	0
Name Deletion/Name Correction	0	0	0	0
Issue of Duplicate Certificate	0	0	0	0
Exchange of old Share Certificate	0	0	0	0
Revalidation of Dividend Warrant	0	0	0	0
Stop Transfer	0	0	0	0
Transmission	0	0	0	0
Annual Report	0	0	0	0
IEPF	0	0	0	0
Miscellaneous	0	1	1	0
TOTAL	0	11	11	0

Details of investor complaints received and resolved during the FY 2019-20 are as follows:

Pending at the beginning of the year	Received during the year	Redressed/Replied during the year	Pending at the year end
Nil	3	3	Nil

Other Committees

Management Committee of Directors

Apart from the above statutory committees, the Board of Directors has constituted Management Committee of Directors comprising of three (3) Directors to oversee routine matters that are in the normal course of the business. The Board of Directors has delegated certain powers to this Committee to facilitate the working of the Company.

GENERAL BODY MEETINGS

Particulars of the last three Annual General Meetings are as follows:-

Details of last three Annual General Meetings and particulars of Special Resolutions and Postal Ballot:

Financial Year ended	Date and time	Venue	Special Resolutions Passed
March 31, 2017	September 23, 2017 at 10.30 a.m.	Merchants' Chamber of Commerce & Industry,	No special resolution has been passed
March 31, 2018	September 15, 2018 at 10.30 a.m.	15B Hemanta Basu Sarani, Kolkata – 700001.	Special Resolutions were passed in respect of the following – Re-appointment for the second term as Independent Director – 1. Mr. Ratan Lal Gaggar 2. Dr. Basudeb Sen 3. Mr. Prashant Shekhar Panda 4. Modification of SFSL Employees Stock Option Scheme 2011; Modification of Grant of options to the Employees of the Subsidiaries of the Company under SFSL Employees Stock Option Plan 2011
March 31, 2019	September 14, 2019 at 10.30 a.m.		Re-appointment of Mr. Bhawani Shankar Rathi as Wholetime Director & terms and Remuneration related thereto.

No special resolution was passed by the Company last year through Postal Ballot. No special resolution is proposed to be conducted through Postal Ballot.

MEANS OF COMMUNICATION

a) Quarterly Results in newspapers & websites:

Quarterly, half-yearly and annual financial results are uploaded/submitted to designated website/email ID of BSE & CSE, in the prescribed manner followed by publication in prominent dailies [Financial Express (English) and Aajkal (Bengali)] in the form and manner prescribed by Regulation 33 and 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same are also made available at the Company's website, as required.

b) Website www.sumedhafiscal.com:

Detailed information on the Company's business and services offered; quarterly / half yearly / nine months and annual financial results and quarterly distribution of Shareholding as well as other regulatory information are displayed on the Company's website.

d) Exclusive email ID for investors:

The Company has designated the email id investors@sumedhafiscal.com exclusively for investor servicing, and the same is prominently displayed on the Company's website www.sumedhafiscal.com. The Company strives to reply to the complaints within a period of 6 working days.

e) Annual Report:

Annual Report contains, inter-alia, Audited Annual Stand-alone Financial Statement, Consolidated Financial Statement, Directors' Report and Auditors' Report. The Management Perspective, Business Review and Financial Highlights are also part of the annual report.

f) Intimation to Stock Exchanges:

The Company periodically intimates stock exchanges all regulatory and price sensitive information and other information are material and of relevance to the shareholders.

GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting

Date : September 19, 2020 (Saturday)
 Time : 10.30 a.m.
 Venue : Annual General Meeting through Video Conferencing/other Audio Visual Means facility. [Deemed venue for the meeting: Registered Office: 6A Geetanjali, 8B Middleton Street, Kolkata – 700 071.]

b) Financial Year : April to March

Financial calendar for the financial year 2020-21 (tentative)

The tentative dates of meeting of the Board of Directors for consideration of quarterly financial results for the financial year ending on 31st March, 2021 are as follow:

First Quarter Results : By middle of August, 2020
 Second Quarter and Half yearly Results : By middle of November, 2020
 Third Quarter Results : By middle of February, 2021
 Fourth Quarter and Annual Results : By end of May, 2021

c) Dividend

The Board of Directors at their meeting held on 26th June, 2020, recommended a Dividend of Re. 0.60 per equity share of Rs. 10/- each, for the Financial Year ended 31st March, 2020. Dividend, if approved by Members, will be paid on or after Wednesday, 23rd September, 2020.

d) Listing on Stock Exchanges

Name and Address of Stock Exchange	Stock Code
BSE Limited (BSE)	
Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.	530419
The Calcutta Stock Exchange Ltd. (CSE)	
7, Lyons Range, Kolkata - 700 001.	029093
ISIN	INE886B01012

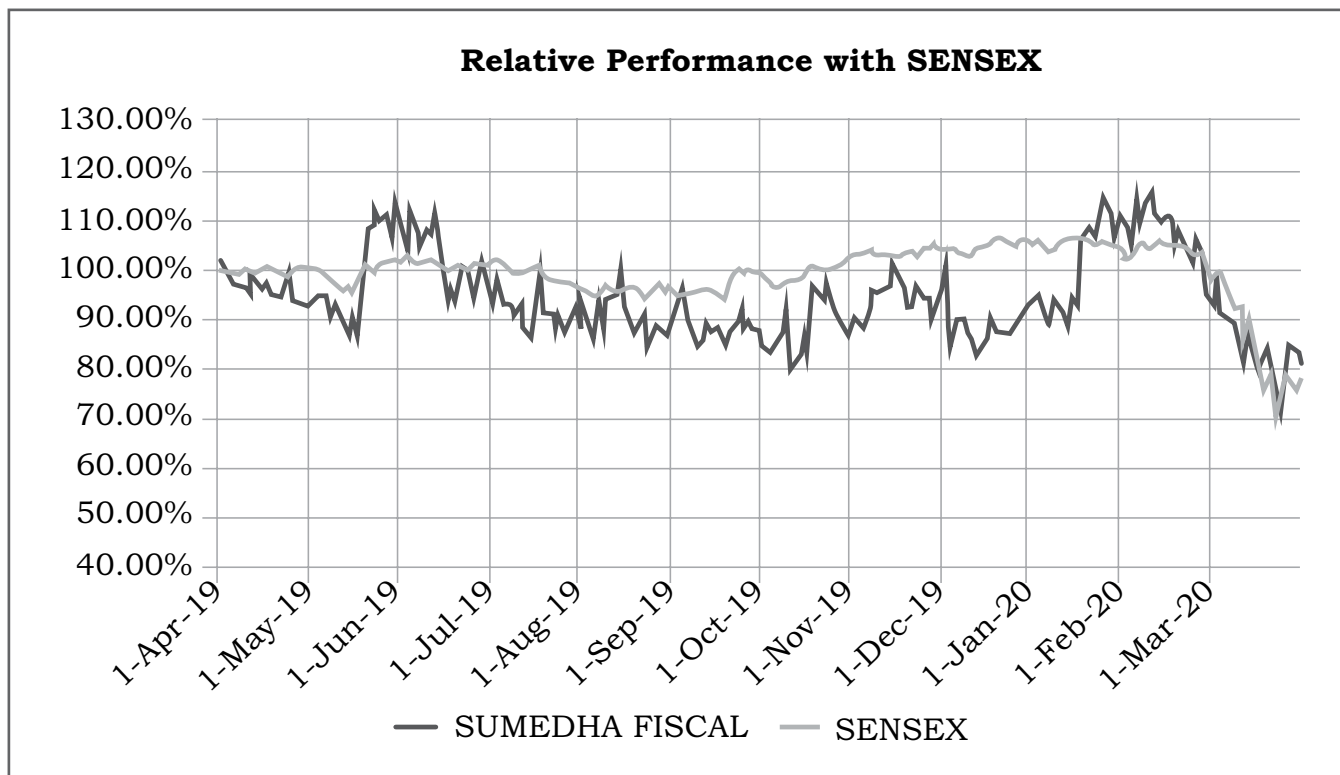
The listing fees for the financial year 2019-20 has been paid to the above Stock Exchanges.

e) Market Price Data

Period	The Calcutta Stock Exchange Ltd.		BSE Ltd.			
	High	Low	High	Low	Closing	Sensex (Closing)
April, 2019	-	-	21.30	18.00	18.00	39,031.55
May, 2019	-	-	23.85	16.55	22.00	39,714.20
June, 2019	-	-	22.90	16.20	19.85	39,394.64
July, 2019	-	-	19.95	16.30	18.35	37,481.12
August, 2019	-	-	20.00	15.70	16.65	37,332.79
September, 2019	-	-	19.95	15.05	16.85	38,667.33
October, 2019	-	-	19.00	15.00	16.75	40,129.05
November, 2019	-	-	20.00	16.60	18.00	40,793.81
December, 2019	-	-	20.90	15.00	17.90	41,253.74
January, 2020	-	-	24.90	16.75	21.70	40,723.49
February, 2020	-	-	24.95	18.30	18.50	38,297.29
March, 2020	-	-	19.20	12.20	15.45	29,468.49

f) Stock Performance: FY 2019-20 ended on March 31, 2020

Performance in comparison to BSE SENSEX: Share Price Performance (April 2019 to March 2020)



g) Securities of the Company (Equity Shares) has never been suspended from trading.

h) Registrar & Share Transfer Agent

Maheshwari Datamatics Pvt. Ltd.

[Unit: Sumedha Fiscal Services Ltd.]

23 R. N. Mukherjee Road, 5th Floor, Kolkata – 700001.

Phone: (033) 2243-5029; 2248-2248; 2231-6839

Fax: (033) 2248-4787; E-mail ID: mdpldc@yahoo.com

i) Share Transfer System

The Company's share transfer authority has been delegated to the Company Secretary / Registrar and Transfer Agent M/s. Maheshwari Datamatics Pvt. Ltd. (RTA). The RTA generally approves and confirms the request for share transfer / transmission / transposition / consolidation / issue of duplicate share certificates / sub-division, consolidation, remat, demat and perform other related activities in accordance with the Listing Regulations and SEBI (Depositories and Participants) Regulations, 1996 and submit a report in this regard to the Company.

The shares sent for physical transfer are registered and returned within the stipulated period from the date of receipt of request, if the documents are complete in all respects. As per the requirement of regulation 40(9) of the Listing Regulations, a certificate on half yearly basis confirming due compliance of share transfer/transmission formalities by the Company from Practicing Company Secretary has been submitted to Stock Exchanges within stipulated time.

Transfer of physical shares has since been suspended by the SEBI.

j) Distribution of Equity Shareholding as on March 31, 2020

No. of Shares	No. of Shareholders	% of Shareholders	Shares held	% of Shareholding
1-500	2129	73.34	347820	4.36
501-1000	308	10.61	256793	3.22
1001-2000	189	6.51	297691	4.73
2001-3000	68	2.34	171585	2.15
3001-4000	46	1.59	162374	2.03
4001-5000	27	0.93	126310	1.58
5001-10000	66	2.27	477787	5.98
10001 and above	70	2.41	6144064	76.95
	2903	100.00	7984424	100.00

k) Shareholding Pattern as on 31st March, 2020

Category	No. of Shares	% of holding
Promoters (Individual & Bodies Corporate)	3957709	49.57
Mutual Funds/Government(s)	7300	0.09
Bodies Corporate (Non-promoter)	767743	9.62
Indian Public (Individual)	2982215	37.35
NRI/OCBs	144025	1.80
Clearing Member	3402	0.04
Investor Education and Protection Fund Authority	122030	1.53
Total	7984424	100.00

l) Dematerialisation of Shares & Liquidity

The Company's Equity Shares are compulsorily traded in the electronic form. The Company has entered into an Agreement with NSDL and CDSL to establish electronic connectivity of its equity shares for scripless trading. Both NSDL & CDSL have admitted the Company's Equity Shares on their system.

The system for getting the shares dematerialised is as under:

- Share Certificate(s) along with Demat Request Form (DRF) will be submitted by the shareholder(s) to the Depository Participant (DP) with whom he/she has opened a Depository Account.
- DP will process the DRF and generates a unique number DRN.
- DP will forward the DRF and Share Certificates to the Company's Registrar and Share Transfer Agent.
- The Company's Registrar and Share Transfer Agent after processing the DRF will confirm or reject the request to the Depositories.
- Upon confirmation, the Depository will give the credit to shareholder in his / her depository account maintained with DP.

As on March 31, 2020, 98.50% of total Equity Share Capital of the Company was held in dematerialised form (including 100% of the promoters' holding). The ISIN allotted by NSDL / CDSL is INE886B01012. Confirmation in respect of the requests for dematerialisation of shares is sent to NSDL and CDSL within the stipulated period.

m) Outstanding GDR / ADR or Warrants

As on date there are no Global Depository Receipts (GDR), American Depository Receipt (ADR), Warrants or any other convertible instrument.

n) Commodity price risk/foreign exchange risk and hedging activities

The Commodity Broking activities of SFSL Commodity Trading Pvt. Ltd. (subsidiary) has been discontinued since April, 2019.

The Company does not have any exposure in foreign currency transactions.

o) Branch Locations:

Mumbai	New Delhi	Bangalore
C-703 “Marathon Innova”, Off Ganapatrao Kadam Marg Opp Peninsula Corporate Park, Lower Parel (W), Mumbai - 400 013.	B1/12 Safdarjung Enclave, 2nd Floor, New Delhi – 110 029.	First Floor, Park Plaza, No. 1 Park Road, (Off. Infantry Road), Tasker Town, Bangalore – 560 051.
Hyderabad	Ahmedabad	
309/1, 3rd Floor, Krishna Plaza, Khairatabad, Hyderabad-500 004.	A/82, Pariseema Complex, Opp. IFCI Bhavan, C. G. Road, Ahmedabad – 380 009.	

p) Address for Correspondence

All shareholders’ correspondence should be forwarded to Maheshwari Datamatics Pvt. Ltd., the Registrar and Transfer Agent of the Company or to the Investor Service Department at the Registered Office of the Company at the addresses mentioned below –

<p>Maheshwari Datamatics Pvt. Ltd. [Unit: Sumedha Fiscal Services Ltd.] 23 R. N. Mukherjee Road, 5th Floor, Kolkata – 700001. Phone: (033) 2243-5029; 2248-2248; 2231-6839, Fax: (033) 2248-4787 E-mail: mdpldc@yahoo.com</p>	<p>Investor Service Department Sumedha Fiscal Services Ltd. 6A, Geetanjali, 8B, Middleton Street, Kolkata – 700071. Phone: (033) 2229-8936/3237 Fax: 033) 2229-4140 E-mail: investors@sumedhafiscal.com</p>	<p>Compliance Officer Mr. Deb Kumar Sett Company Secretary & Compliance Officer E-mail – compliance@ sumedhafiscal.com Phone: 2229-8936/3237</p>
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q) Credit Rating

The Company has not issued any debt instrument and therefore not liable to credit rating requirement.

OTHER DISCLOSURES

● **Related Party Transactions**

During the year, there was no materially significant related party transaction which may have potential conflict with the interest of the Company. The Company’s Related Party Transaction Policy uploaded on its website, is accessible at http://www.sumedhafiscal.com/policy_on_rpt.pdf. Details of related party information and transactions are being placed before the Audit Committee from time to time. The details of the related party transactions during the year have been provided in Note No. 34 to the financial statements.

● **Details of Non-Compliance by the Company, penalties, stricture imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities or any matter related to capital markets**

The Company has complied with all the requirements of the Stock Exchanges / the Regulations and guidelines of SEBI and other Statutory Authorities on all matters relating to capital markets. No penalties or strictures have been imposed by SEBI, Stock Exchanges or any statutory authorities on matters relating to capital markets during the last three years.

As a Merchant Banker the Company now is categorised as a Non-Banking Financial Company (NBFC). However such an NBFC registered with the SEBI, are not required to be register with the RBI. In the absence of appropriate format subsequent to aforesaid regulatory change, the Company could not continue filing of Financial Statement for FY-2018-19, like previous FYs. The Company is in communication with the authority/ service provider.

- **Whistle Blower Policy and Affirmation that no personnel has been denied access to the Audit Committee**

The Company has established a vigil mechanism through a Whistle Blower Policy for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The mechanism provides for adequate safeguards against victimisation of director(s) / employee(s) who express their concerns and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. During the year under review, no personnel was denied access to the Audit Committee. Further, no complaint of sexual harassment was received from any women employee.

- **Code for prevention of Insider Trading**

The Company has formulated comprehensive Code of Conduct to regulate, monitor and report trading by Insiders in line with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code lays down the guidelines which advise on procedures to be followed and disclosures to be made, while dealing in shares of the Company and the consequences of non-compliances.

- **Code of conduct for Directors and Senior Executives**

The Company has laid down a Code of Conduct for all Board Members and the Senior Executives of the Company. The Code of conduct is available on the Company's website <http://www.sumedhafiscal.com/CodeofConduct.asp>. They have affirmed their compliance with the said Code of Conduct for the financial year ended March 31, 2020. A declaration to this effect duly signed by the Wholetime Director is given below:

To the Shareholders of Sumedha Fiscal Services Ltd.

Sub.: Compliance with Code of Conduct

I hereby declare that all the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors and applicable to them for the financial year ended March 31, 2020.

Date: June 26, 2020

Place: Kolkata

B. S. Rathi

Wholetime Director

- **CEO / CFO Certification**

A certificate as stipulated in Regulation 17 (8) of the Listing Regulations duly signed by the Wholetime Director and CFO was placed before the Board alongwith the financial statements for the FY 2019-20 ended on March 31, 2020. The said certificate is provided elsewhere in this Annual Report. The Company is not having CEO.

- **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements**

The details of mandatory requirements are mentioned in this Report. The Company is in compliance with the requirements specified under regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations, as applicable, with regard to corporate governance.

The status of adoption of the discretionary requirement as prescribed in Schedule II Part E of the Listing Regulations is as under:

Modified opinion(s) in Audit Report

The opinion expressed by the Auditor in the Audit Report on the Financial Statements for the year ended March 31, 2020 is unmodified.

Subsidiary Company

The only unlisted Indian subsidiary company viz. SFSL Commodity Trading Pvt. Ltd. is a 99.98% subsidiary. The subsidiary is not a "Material Non-listed Subsidiary" in terms of Regulation 16(1)(c) of the Listing Regulations. The Company regularly places before the Board, minutes of the unlisted subsidiary of the Company. The Company has a policy for determining Material Subsidiary which has been uploaded on its website at http://www.sumedhafiscal.com/MaterialSubsidiaryPolicy_wef_01042019.pdf.

● **Utilisation of Funds**

The Company has not raised any funds through preferential allotment or otherwise.

● **Eligibility of Directors**

In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company has obtained a certificate from Mr. A. K. Labh, Practising Company Secretary certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority and such certificate forms part of this report.

● **Recommendation of Committee of the Board**

The Board of Directors of the Company has accepted all the mandatory recommendations of the statutory Committees of the Company.

● **Fees paid to the Statutory Auditors and network firms for all services**

During the year ended 31st March, 2020, the Company has availed the services of the Statutory Auditors and made the following payments:

Services availed	Payment (Rs.)	
	Standalone	Consolidated
Statutory Audit for the FY 2019-20	2,25,000	2,52,500
Tax Audit for the FY 2019-20	1,00,000	1,00,000
Limited Review	75,000	75,000
Certifications	1,22,500	1,22,500
Total	5,22,500	5,50,000

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

● **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the year ended 31st March, 2020:**

No. of complaints filed during the financial year : Nil

No. of complaints disposed of during the financial year : Nil

No. of complaints pending as on end of the financial year : Nil

AUDITORS' CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

The Certificate dated June 26, 2020 from the Statutory Auditors of the Company (M/s. V. Singhi & Associates) confirming compliance with the Corporate Governance requirements as stipulated under the Listing Regulations is annexed hereto.

The above report has been adopted by the Board of Directors of the Company at their meeting held on June 26, 2020.

Place : Kolkata

Date : 26th June, 2020

For and on behalf of the Board

Ratan Lal Gaggar

Chairman

Annexure – III

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCE

To the Members,

SUMEDHA FISCAL SERVICES LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated 29th July, 2019.
2. This report contains details of compliance of conditions of Corporate Governance by Sumedha Fiscal Services Limited ('the Company') for the year ended 31st March, 2020 as stipulated in regulations 17 to 27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with the Bombay Stock Exchange Limited (BSE) and The Calcutta Stock Exchange Ltd. (CSE)(collectively referred to as the 'Stock Exchanges').

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the terms and conditions contained in the Corporate Governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

4. Our examination was limited to 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.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended 31st March, 2020.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **V Singhi & Associates**
Chartered Accountants
Firm Registration No: 311017E

(SUNIL SINGHI)

Partner

Membership No. 060854
UDIN No: 20060854AAAAAN3557

Place: Kolkata

Date: 26th June, 2020

Annexure – IV

FORM NO. MGT-9

Extract of Annual Return as on the financial year ended on 31 March, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	L70101WB1989PLC047465
(ii)	Registration Date	28/08/1989
(iii)	Name of the Company	SUMEDHA FISCAL SERVICES LTD.
(iv)	Category / Sub-Category of the Company	Company limited by shares/Indian Non-Government Company
(v)	Address of the Registered office and contact details	6A Geetanjali, 8B Middleton Street, Kolkata – 700071, West Bengal. Phone : 033-2229-8936/6758 Fax : 033-2226-4140 Email : investors@sumedhafiscal.com
(vi)	Whether listed company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Pvt. Ltd. 23 R. N. Mukherjee Road, 5th Floor, Kolkata – 700 001, West Bengal. Phone : 033-2243-5029/2248-2248 Fax : 033-2248-4787 Email : mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the product/service	% to total turnover of the Company
1.	Investment Banking Services	99712000	63

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	SFSL Commodity Trading Pvt. Ltd.	U65999WB1996PTC077314	Subsidiary	99.98	2(87)
2.	US Infotech Pvt. Ltd.	U72900WB2002PTC095028	Associate	43.36	2(6)
3.	Brandshoots Ventres Pvt. Ltd.	U74999WB2016PTC217941	Associate	31.84	2(6)
4.	Sumedha Management Solutions Pvt. Ltd.	U93000WB2017PTC219387	Associate	24.73	2(6)

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

i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2019]				No of Shares held at the end of the year [As on 31/Mar/2020]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2580143	0	2580143	32.3147	2580143	0	2580143	32.3147	0.0000
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1377566	0	1377566	17.2532	1377566	0	1377566	17.2532	0.0000
e) Banks/Fi	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	3957709	0	3957709	49.5679	3957709	0	3957709	49.5679	0.0000
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	3957709	0	3957709	49.5679	3957709	0	3957709	49.5679	0.0000
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	0	7300	7300	0.0914	0	7300	7300	0.0914	0.0000
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Alternate Investment Funds	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
Provident Funds / Pension Funds	-	-	-	-	-	-	-	-	-
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-total(B)(1):-	0	7300	7300	0.0914	0	7300	7300	0.0914	0.0000
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	666037	24800	690837	8.6523	744743	23000	767743	9.6155	0.9632
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1654894	91420	1746314	21.8715	1629941	87215	1717156	21.5063	-0.3652
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1283620	0	1283620	16.0766	1265059	0	1265059	15.8441	-0.2325
c) Others (Specify)									
Non Resident Indians	135307	3900	139207	1.7435	142025	2000	144025	1.8038	0.0603
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Custodian of Enemy Property	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	40352	0	40352	0.5054	3402	0	3402	0.0426	-0.4628
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies-D R	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
Employee Trusts	-	-	-	-	-	-	-	-	-
Domestic Corporate Unclaimed Shares Account	-	-	-	-	-	-	-	-	-
Investor Education and Protection Fund Authority	119085	0	119085	1.4915	122030	0	122030	1.5284	0.0369
Sub-total(B)(2):-	3899295	120120	4019415	50.3408	3907200	112215	4019415	50.3407	-0.0001
Total Public Shareholding (B)=(B)(1)+ (B)(2)	3899295	127420	4026715	50.4322	3907200	119515	4026715	50.4321	-0.0001
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	7857004	127420	7984424	100.0000	7864909	119515	7984424	100.0000	0.0000

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)(Contd.)

ii) Shareholding of Promoters

Sl. No.	Shareholders' Name	Shareholding at the beginning of the year [As on 01/Apr/2019]			Shareholding at the end of the year [As on 31/Mar/2020]			% change in share holding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / Encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / Encumbered to total Shares	
1	VIJAY MAHESHWARI	1669220	20.9060	0.0000	1669220	20.9060	0.0000	0.0000
2	US INFOTECH PVT LTD	1115566	13.9718	0.0000	1115566	13.9718	0.0000	0.0000
3	BIJAY MURMURIA	369920	4.6330	0.0000	369920	4.6330	0.0000	0.0000
4	SUPERB ESTATE SERVICES PVT LTD.	218600	2.7378	0.0000	218600	2.7378	0.0000	0.0000
5	BHAWANI SHANKAR RATHI	119270	1.4938	0.0000	119270	1.4938	0.0000	0.0000
6	SANGEETA MURMURIA	110800	1.3877	0.0000	110800	1.3877	0.0000	0.0000
7	SAVITA MAHESHWARI	106933	1.3393	0.0000	106933	1.3393	0.0000	0.0000
8	SANGEETA RATHI	50600	0.6337	0.0000	50600	0.6337	0.0000	0.0000
9	SUMEDHA BANSAL	50000	0.6262	0.0000	50000	0.6262	0.0000	0.0000
10	RITIK ROADWAYS PVT. LTD	43400	0.5436	0.0000	43400	0.5436	0.0000	0.0000
11	VIJAY MAHESHWARI HUF	37000	0.4634	0.0000	37000	0.4634	0.0000	0.0000
12	GARIMA MAHESHWARI	25000	0.3131	0.0000	25000	0.3131	0.0000	0.0000
13	PUSHPA DEVI MURMURIA	23200	0.2906	0.0000	23200	0.2906	0.0000	0.0000
14	KARTICK MAHESHWARI	8000	0.1002	0.0000	8000	0.1002	0.0000	0.0000
15	BANWARI LAL MURMURIA	5200	0.0651	0.0000	5200	0.0651	0.0000	0.0000
16	LILA DEVI MURMURIA	5000	0.0626	0.0000	5000	0.0626	0.0000	0.0000
	TOTAL	3957709	49.5679	0.0000	3957709	49.5679	0.0000	0.0000

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

Sl. No.	Name of the Promoters	Shareholding at the beginning [01/Apr/19]/end of the year [31/Mar/20]		Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20]	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	US INFOTECH PVT LTD				
	01/04/19	1115566	13.9718		
	31/03/20	1115566	13.9718	1115566	13.9718
2	RITIK ROADWAYS PVT. LTD				
	01/04/19	43400	0.5436		
	31/03/20	43400	0.5436	43400	0.5436
3	VIJAY MAHESHWARI HUF				
	01/04/19	37000	0.4634		
	31/03/20	37000	0.4634	37000	0.4634
4	SUPERB ESTATE SERVICES PVT LTD.				
	01/04/19	218600	2.7378		
	31/03/20	218600	2.7378	218600	2.7378

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)(Contd.)

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

Sl. No.	Name of the Promoters	Shareholding at the beginning [01/Apr/19]/end of the year [31/Mar/20]		Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20]	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
5	BHAWANI SHANKAR RATHI				
	01/04/19	119270	1.4938		
	31/03/20	119270	1.4938	119270	1.4938
6	SANGEETA RATHI				
	01/04/19	50600	0.6337		
	31/03/20	50600	0.6337	50600	0.6337
7	SANGEETA MURMURIA				
	01/04/19	110800	1.3877		
	31/03/20	110800	1.3877	110800	1.3877
8	LILA DEVI MURMURIA				
	01/04/19	5000	0.0626		
	31/03/20	5000	0.0626	5000	0.0626
9	PUSHPA DEVI MURMURIA				
	01/04/19	23200	0.2906		
	31/03/20	23200	0.2906	23200	0.2906
10	SUMEDHA BANSAL				
	01/04/19	50000	0.6262		
	31/03/20	50000	0.6262	50000	0.6262
11	KARTICK MAHESHWARI				
	01/04/19	8000	0.1002		
	31/03/20	8000	0.1002	8000	0.1002
12	BANWARI LAL MURMURIA				
	01/04/19	5200	0.0651		
	31/03/20	5200	0.0651	5200	0.0651
13	BIJAY MURMURIA				
	01/04/19	369920	4.6330		
	31/03/20	369920	4.6330	369920	4.6330
14	SAVITA MAHESHWARI				
	01/04/19	106933	1.3393		
	31/03/20	106933	1.3393	106933	1.3393
15	VIJAY MAHESHWARI				
	01/04/19	1669220	20.9060		
	31/03/20	1669220	20.9060	1669220	20.9060
16	GARIMA MAHESHWARI				
	01/04/19	25000	0.3131		
	31/03/20	25000	0.3131	25000	0.3131

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)(Contd.)

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

Sl. No.	Name of the Top 10 Shareholders	Shareholding at the beginning [01/Apr/19]/end of the year [31/Mar/20]		Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20]	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	PARTH INFIN BROKERS (P) LTD. #				
	01/04/19	75525	0.9459		
	05/04/2019 - Transfer	413	0.0052	75938	0.9511
	24/05/2019 - Transfer	486	0.0061	76424	0.9572
	31/05/2019 - Transfer	-3823	0.0479	72601	0.9093
	16/08/2019 - Transfer	-41705	0.5223	30896	0.3870
	23/08/2019 - Transfer	-898	0.0112	29998	0.3757
	13/09/2019 - Transfer	-20000	0.2505	9998	0.1252
	20/09/2019 - Transfer	-9998	0.1252	0	0.0000
	06/12/2019 - Transfer	2124	0.0266	2124	0.0266
	17/01/2020 - Transfer	2510	0.0314	4634	0.0580
	24/01/2020 - Transfer	38677	0.4844	43311	0.5424
	31/01/2020 - Transfer	51	0.0006	43362	0.5431
	07/02/2020 - Transfer	1928	0.0241	45290	0.5672
	14/02/2020 - Transfer	-3541	0.0443	41749	0.5229
	21/02/2020 - Transfer	-11	0.0001	41738	0.5227
	31/03/20	41738	0.5227	41738	0.5227
2	CRONY VYPAR PVT. LTD.*				
	01/04/19	0	0.0000		
	16/08/2019 - Transfer	20000	0.2505	20000	0.2505
	23/08/2019 - Transfer	24557	0.3076	44557	0.5580
	20/09/2019 - Transfer	40000	0.5010	84557	1.0590
	04/10/2019 - Transfer	37000	0.4634	121557	1.5224
	11/10/2019 - Transfer	118169	1.4800	239726	3.0024
	06/12/2019 - Transfer	25887	0.3242	265613	3.3266
	31/01/2020 - Transfer	660	0.0083	266273	3.3349
	07/02/2020 - Transfer	5000	0.0626	271273	3.3975
	14/02/2020 - Transfer	5606	0.0702	276879	3.4677
	21/02/2020 - Transfer	8900	0.1115	285779	3.5792
	31/03/20	285779	3.5792	285779	3.5792
3	RDH PLASTICS & METALS PVT LTD				
	01/04/19	252378	3.1609		
	31/03/20	252378	3.1609	252378	3.1609
4	RAMDOOT REALTORS PVT LTD#				
	01/04/19	165141	2.0683		
	20/09/2019 - Transfer	-9972	0.1249	155169	1.9434
	04/10/2019 - Transfer	-74000	0.9268	81169	1.0166
	11/10/2019 - Transfer	-81169	1.0166	0	0.0000
	31/03/20	0	0.0000	0	0.0000

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)(Contd.)

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) (Contd.)

Sl. No.	Name of the Top 10 Shareholders	Shareholding at the beginning [01/Apr/19]/end of the year [31/Mar/20]		Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20]	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
5	SHRENIK JASHWANTLAL VAKHARIA				
	01/04/19	187000	2.3421		
	31/03/20	187000	2.3421	187000	2.3421
6	SARITA AGARWAL				
	01/04/19	39940	0.5002		
	31/03/20	39940	0.5002	39940	0.5002
7	KUSUM JAIN				
	01/04/19	51851	0.6494		
	31/03/20	51851	0.6494	51851	0.6494
8	LAXMAN MAHADEO TAWDE				
	01/04/19	73310	0.9182		
	12/04/2019 - Transfer	1466	0.0184	74776	0.9365
	26/04/2019 - Transfer	560	0.0070	75336	0.9435
	20/03/2020 - Transfer	-600	0.0075	74736	0.9360
	31/03/20	74736	0.9360	74736	0.9360
9	DHEERAJ KUMAR LOHIA#				
	01/04/19	44869	0.5620		
	24/05/2019 - Transfer	-1000	0.0125	43869	0.5494
	31/05/2019 - Transfer	-5789	0.0725	38080	0.4769
	20/09/2019 - Transfer	9791	0.1226	47871	0.5996
	06/12/2019 - Transfer	-6650	0.0833	41221	0.5163
	24/01/2020 - Transfer	-19376	0.2427	21845	0.2736
	31/03/20	21845	0.2736	21845	0.2736
10	SAVITHA S				
	01/04/19	45790	0.5735		
	31/03/20	45790	0.5735	45790	0.5735
11	SANGEETHA S *				
	01/04/19	0	0.0000		
	08/11/2019 - Transfer	40390	0.5059	40390	0.5059
	15/11/2019 - Transfer	7889	0.0988	48279	0.6047
	22/11/2019 - Transfer	10869	0.1361	59148	0.7408
	29/11/2019 - Transfer	500	0.0063	59648	0.7471
	27/12/2019 - Transfer	1802	0.0226	61450	0.7696
	17/01/2020 - Transfer	3240	0.0406	64690	0.8102
	24/01/2020 - Transfer	1411	0.0177	66101	0.8279
	31/01/2020 - Transfer	14249	0.1785	80350	1.0063
	07/02/2020 - Transfer	8100	0.1014	88450	1.1078
	14/02/2020 - Transfer	2340	0.0293	90790	1.1371
	06/03/2020 - Transfer	1800	0.0225	92590	1.1596
	31/03/20	92590	1.1596	92590	1.1596

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)(Contd.)

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) (Contd.)

Sl. No.	Name of the Top 10 Shareholders	Shareholding at the beginning [01/Apr/19]/end of the year [31/Mar/20]		Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20]	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
12	RAM KUMAR KAKANI*				
	01/04/19	0	0.0000		
	27/09/2019 - Transfer	3400	0.0426	3400	0.0426
	04/10/2019 - Transfer	8969	0.1123	12369	0.1549
	11/10/2019 - Transfer	5824	0.0729	18193	0.2279
	25/10/2019 - Transfer	10	0.0001	18203	0.2280
	01/11/2019 - Transfer	7462	0.0935	25665	0.3214
	27/12/2019 - Transfer	9749	0.1221	35414	0.4435
	07/02/2020 - Transfer	2000	0.0250	37414	0.4686
	14/02/2020 - Transfer	1000	0.0125	38414	0.4811
	21/02/2020 - Transfer	1156	0.0145	39570	0.4956
	06/03/2020 - Transfer	1465	0.0183	41035	0.5139
	13/03/2020 - Transfer	1540	0.0193	42575	0.5332
	20/03/2020 - Transfer	2000	0.0250	44575	0.5583
	27/03/2020 - Transfer	4317	0.0541	48892	0.6123
	31/03/20	48892	0.6123	48892	0.6123
13	SHOBHIT KUMAR GARG				
	01/04/19	38184	0.4782		
	12/04/2019 - Transfer	5400	0.0676	43584	0.5459
	31/03/20	43584	0.5459	43584	0.5459
14	BAILOOR MADHAVA SHETTY				
	01/04/19	74487	0.9329		
	24/05/2019 - Transfer	-5000	0.0626	69487	0.8703
	17/01/2020 - Transfer	-3000	0.0376	66487	0.8327
	24/01/2020 - Transfer	-3000	0.0376	63487	0.7951
	31/01/2020 - Transfer	-5000	0.0626	58487	0.7325
	13/03/2020 - Transfer	-3825	0.0479	54662	0.6846
	31/03/20	54662	0.6846	54662	0.6846
15	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS				
	01/04/19	119085	1.4915		
	25/10/2019 - Transfer	2805	0.0351	121890	1.5266
	01/11/2019 - Transfer	140	0.0018	122030	1.5284
	31/03/20	122030	1.5284	122030	1.5284

* Not in the list of Top 10 shareholders as on 01/04/2019 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2020.

Ceased to be in the list of Top 10 shareholders as on 31/03/2020. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2019.

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)(Contd.)

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of the Directors and KMP	Shareholding at the beginning [01/Apr/19]/end of the year [31/Mar/20]		Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20]	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	VIJAY MAHESHWARI				
	01/04/19	37000	0.4634		
	31/03/20	37000	0.4634	37000	0.4634
2	BASUDEB SEN				
	01/04/19	4000	0.0501		
	31/03/20	4000	0.0501	4000	0.0501
3	ANIL KUMAR BIRLA				
	01/04/19	6000	0.0751		
	31/03/20	6000	0.0751	6000	0.0751
4	BHAWANI SHANKAR RATHI				
	01/04/19	119270	1.4938		
	31/03/20	119270	1.4938	119270	1.4938
5	BIJAY MURMURIA				
	01/04/19	369920	4.6330		
	31/03/20	369920	4.6330	369920	4.6330
6	VIJAY MAHESHWARI				
	01/04/19	1669220	20.9060		
	31/03/20	1669220	20.9060	1669220	20.9060
7	GARIMA MAHESHWARI				
	01/04/19	25000	0.3131		
	31/03/20	25000	0.3131	25000	0.3131
8	MR. DEB KUMAR SETT				
	01/04/19	700	0.0088		
	31/03/20	700	0.0088	700	0.0088

V. INDEBTEDNESS

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

(Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	18,57,725	-	-	18,57,725
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	18,57,725	-	-	18,57,725
Change in indebtedness during the financial year				
● Addition	-	-	-	-
● Reduction	4,75,841	-	-	4,75,841
Net Change	4,75,841	-	-	4,75,841
Indebtedness at the end of the financial year				
i. Principal Amount	13,81,884	-	-	13,81,884
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	13,81,884	-	-	13,81,884

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	
		Mr. Bhawani Shankar Rathi, Wholetime Director	Total Amount
1.	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	30,22,500	30,22,500
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profit in lieu of Salary under Section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- As % of profit	-	-
	- Others, specify	-	-
5.	Others, please specify (PF, Medical and Leave Encashment)	2,52,000	2,52,000
	Total (A)^{*1}	32,74,500	32,74,500
	Ceiling as per the Act ^{*2}		42,00,000

*1 Payment made pursuant to Section 197 and Schedule V of the Companies Act, 2013.

*2 Ceiling of 5% of the Net profit of the Company has been calculated as per Section 197 & 198 of the Companies Act, 2013.

B. Remuneration to other directors :

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Ratan Lal Gaggar	Dr. Basudeb Sen	Mr. S. A. Ramesh Rangan	Mr. Prashant Shekhar Panda	Mr. Santanu Mukherjee	
1.	Independent Directors						
	● Fee for attending Board/ Committee Meetings	50,000	30,000	1,10,000	60,000	90,000	3,40,000
	● Commission	-	-	-	-	-	-
	● Others, please specify	-	-	-	-	-	-
	Total (1)	50,000	30,000	1,10,000	60,000	90,000	3,40,000
2.	Other Non-Executive Directors						
	● Fee for attending board/ committee meetings	60,000	40,000	1,10,000	10,000	-	2,20,000
	● Commission	-	-	-	-	-	-
	● Others, please specify	-	-	-	-	-	-
	Total (2)	60,000	40,000	1,10,000	10,000	-	2,20,000
	Total (B) = (1+2)						5,60,000
	Total Managerial Remuneration (A + B) ^{*1}				(Rs.32,74,500 + Rs.Nil)		32,74,500
	Overall Ceiling as per the Act ^{*2}						42,00,000

*1 Meeting Fees paid to Directors are exempt as Managerial Remuneration u/s. 197(2) of the Companies Act, 2013.

*2 Overall ceiling of 11% of the Net profit of the Company has calculated as per Section 197(1) of the Companies Act, 2013.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (Contd.)

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO *	Company Secretary	CFO	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	8,85,000	5,60,000	14,45,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profit in lieu of Salary under Section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- As % of profit	-	-	-	-
	- Others, specify	-	-	-	-
5.	Others, please specify (PF, Medical and Leave Encashment)	-	37,874	-	37,874
	Total (A)	-	9,22,874	5,60,000	14,82,874

* There is no CEO in the Company.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OFFENCES :

There has been no penalty, punishment or compounding offences for the year ended 31st March, 2020.

Place: Kolkata
Date: 26th June, 2020

On Behalf of the Board

Ratan Lal Gagar
Chairman

Annexure – V
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2020

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

To
The Members,
Sumedha Fiscal Services Limited
6A Geetanjali, 8B Middleton Street,
Kolkata – 700 071, West Bengal.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sumedha Fiscal Services Limited** having its Registered Office at 6A Geetanjali, 8B Middleton Street, Kolkata – 700 071, West Bengal (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 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 31.03.2020 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.

Auditors' Responsibility

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

We have followed the audit practices and processes as were appropriate to the best of our understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

Wherever required we have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

We have relied upon the accuracy of the documents and information as shared by the Company with us through appropriate Information Technology tools to assist us in completing the secretarial audit work during lock down period due to unprecedented situation prevailing in the Country due to CoVID-19 virus pandemic and the same is subject to physical verification by us post normalization of the situation.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of compliance procedures on test basis.

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

We report that, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2020 according to the provisions of (*as amended*):

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 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.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Act:

1. The Securities and Exchange Board of India (Depositories & Participants) Regulations, 1996;
2. The Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992;
3. The Securities and Exchange Board of India (Stock Brokers & Sub Brokers) Regulations, 1992;
4. The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 and
5. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

to the extent of its applicability to the Company during the financial year ended 31.03.2020 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environmental laws, etc.

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

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (ii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018;
- (iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

We further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- (d) 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:

- (a) As informed by the management and as per the disclosure dated 26th June, 2020 submitted with the Stock Exchange, the Company has decided to close the following operations subject to compliance of regulatory formalities:
 - Portfolio Management Services (PMS) with Securities and Exchange Board of India (SEBI); and
 - Mutual Fund Distribution Business.
- (b) The Company is yet to file the financial statement for the financial year 2018-2019 with the Office of Registrar of Companies. As informed by the management, the delay is due to non-availability of taxonomies for the class of Companies whose accounts are prepared in terms of Division III of Schedule III to the Companies Act, 2013. The Company has taken up the matter with Ministry of Corporate Affairs to resolve the issue and the reply is awaited.
- (c) The Board of Directors of the Company has decided to delist the shares of the Company from The Calcutta Stock Exchange Association Limited.
- (d) In the light of heightened concern on spread of COVID-19 across the nation and as per the notifications issued by the Central / State Government(s), the Company had temporarily closed its Offices from the last week of March, 2020 during the lockdown period and moved to Work from Home Policy for all its office employees. However, the Company has restarted some of its offices including its registered and head office at Kolkata with effect from 26-May-20 in a phased manner in accordance with the guidelines stipulated by the Ministry of Home Affairs of the Government of India and the local authorities.

For **A. K. LABH & Co.**
Company Secretaries

(CS A. K. LABH)

Practicing Company Secretary
FCS – 4848 / CP No.- 3238
UDIN: F004848B000387164

Place: Kolkata
Date: 29th June, 2020

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

To
The Members of
Sumedha Fiscal Services Limited
6A Geetanjali, 8B Middleton Street
Kolkata – 700 071, West Bengal

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sumedha Fiscal Services Limited having CIN : L70101WB1989PLC047465 and having registered office at 6A Geetanjali, 8B Middleton Street, Kolkata – 700 071, West Bengal (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Anil Kumar Birla	00015948	30.11.2005
2.	Bhawani Shankar Rathi	00028499	01.03.1994
3.	Basudeb Sen	00056861	28.12.2005
4.	Ratan Lal Gaggar	00066068	30.03.1993
5.	Bijay Murmura	00216534	04.07.1992
6.	Vijay Maheshwari	00216687	04.07.1992
7.	Prashant Shekhar Panda	00596554	24.01.2009
8.	Garima Maheshwari	07001628	08.11.2014
9.	Asuri Ramesh Rangan Sholinghur	07586413	10.11.2018
10.	Santanu Mukherjee	07716452	18.05.2019

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

Place : Kolkata
Date : 26.06.2020

CS Atul Kumar Labh
Membership No.: FCS 4848
CP No.: 3238
UDIN: F004848B000387197

Annexure – VI

RATIO OF REMUNERATIONS

[Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

A. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year (2019 – 2020):

Sl. No.	Name of the Director	Ratio to median remuneration
1	Mr. Bhawani Shankar Rathi	9.39

B. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Sl. No.	Name of the Directors	Salary for FY 2018 - 2019 (₹)	Salary for FY 2019 - 2020 (₹)	% increase in remuneration in the financial year
1	MR. BHAWANI SHANKAR RATHI, Wholetime Director	25,14,867	32,74,500	30.19
2	MR. DEB KUMAR SETT, Company Secretary	8,35,008	8,85,000	5.99
3	MR. GIRDHARI LAL DADHICH, Chief Financial Officer	5,10,000	5,60,000	9.80

C. The percentage increase in the median remuneration of employees in the financial year:

Sl. No.	Median	FY 2018-2019 (₹)	FY 2019 - 2020 (₹)	% increase in median remuneration in the financial year
1	Median Remuneration of employees	3,43,503	3,48,500	1.45

D. The number of permanent employees on the rolls of Company: 54 employees as on 31st March, 2020.

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 annual increase in the salary of employees other than the managerial personnel was around 13.12%. Average increase in the managerial remuneration for the year was 15.33%.

There are no exceptional circumstances of increase in KMP remuneration.

F. Affirmation that the remuneration is as per Remuneration Policy of the Company: The remuneration paid during the financial year ended 31st March, 2020 is in term of the Remuneration Policy of the Company.

On Behalf of the Board

Place : Kolkata

Date : 26th June, 2020

Ratan Lal Gaggar
Chairman

INDEPENDENT AUDITOR’S REPORT

To the Members of **Sumedha Fiscal Services Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Sumedha Fiscal Services Limited (“the Company”), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as “the Standalone Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

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

Key Audit Matters	Response to Key Audit Matters
<p>Property, Plant and Equipment</p> <p>There are areas where management judgement impacts the carrying value of property, plant and equipment, intangible assets, investment property and their respective depreciation rates. We do not consider this management judgement to be of high risk of significant misstatement or to be subject to significant level of judgment. Due to the materiality in the context of the Balance Sheet of the Company, this is considered to be an area which had the significant effect on the overall audit strategy and allocation of resources in planning and completing our audit.</p>	<p>We assessed the controls in place over the Property, Plant & Equipments, evaluated the appropriateness of capitalisation process, performed tests of details on costs capitalised, the timeliness of the capitalisation of the assets and the de-recognition criteria for assets retired from active use.</p> <p>In performing these procedures, we reviewed the judgements made by management including the nature of underlying costs capitalised; determination of realizable value of the assets retired from active use; the appropriateness of assets lives applied in the calculation of depreciation; and the useful lives of assets prescribed in Schedule II to the Act and as per significant accounting policies of the Company.</p>

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

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

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

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

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

Responsibilities of Management and those charged with governance for the Standalone Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
 - e. on the basis of the written representations received from the directors as on 31st March, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”;
- 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. The Company has complied with the provisions of Section 197 read with Schedule V to the Act, relating to Managerial Remuneration; and
- 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:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements; Refer Note 29 to the standalone financial statements;
 - ii. the Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
 - iii. there has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Act and the Rules made there under.

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E

(SUNIL SINGHI)

Partner

Membership No. 060854

UDIN :20060854AAAAAL2188

Place: Kolkata

Date: 26th June, 2020

ANNEXURE - A TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in paragraph-1 on other Legal and Regulatory Requirements of our Report of even date to the members of Sumedha Fiscal Services Limited on the Standalone Financial Statements for the year ended 31st March, 2020,

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.
- b) As explained to us, Fixed Assets have been physically verified by the management at regular intervals which, in our opinion is reasonable having regard to the size of the Company and the nature of the assets. As informed to us, no material discrepancies were noticed on such verification.
- 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 except an ownership flat having a cost of Rs 1,08,88,576/- at Noida.
- ii. The inventories have been physically verified during the year at reasonable intervals by the management. As informed to us, no material discrepancies were noticed on such physical verification.
- iii. According to the information and explanations given to us, the Company has granted unsecured loan during the year, to one Company covered in the register maintained under Section 189 of the Act. The Company has not granted any secured/ unsecured loans to Companies (other than the above), Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.

- a) In respect of the aforesaid loan, the terms and conditions under which such loan was granted is not prejudicial to the Company's interest.
 - b) In respect of aforesaid loan, the schedule of repayment of principal and payment of interest has been stipulated, and the party had repaid the principal amount, and interest thereon as stipulated.
 - c) In respect of the above loan, no amount is outstanding in the books of account.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, with respect to the loans given, investments made and guarantees provided.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the rules framed thereunder to the extent notified. Accordingly, clause 3(v) of the Order is not applicable.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Sub section 1 of Section 148 of the Act, for any of the services rendered by the Company. Accordingly, clause 3(vi) of the Order is not applicable.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company is generally regular in depositing undisputed applicable statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Cess and any other statutory dues to the appropriate authorities.
 - (b) There is no undisputed amount payable in respect of the above which were in arrears as on 31st March, 2020 for a period of more than six months from the date the same became payable.
 - (c) There are no dues outstanding on account of any disputes.
- viii. According to the information and explanations given to us, the Company has not taken any loans or borrowings from any financial institutions or banks or Government nor issued any debentures. Accordingly clause 3(viii) of the order is not applicable.
- ix. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loan during the year. Accordingly, clause 3 (ix) of the order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has paid /provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3 (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the books and records, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards.
- xiv. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has not made any preferential allotment/ private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3 (xiv) of the Order is not applicable.

- xv. According to the information and explanations given to us and based on our examination of the books and records, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, clause 3 (xv) of the Order is not applicable.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E

(SUNIL SINGHI)

Partner

Membership No. 060854

UDIN :20060854AAAAAL2188

Place: Kolkata

Date: 26th June, 2020

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph-2(f) on Other Legal and Regulatory Requirements of our Report of even date to the members of Sumedha Fiscal Services Limited on the Standalone Financial Statements for the year ended 31st March, 2020)

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

We have audited the internal financial controls with reference to financial statements of Sumedha Fiscal Services Limited ("the Company") as of 31st March, 2020 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles and including the Ind AS, 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 financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2020, based on the internal financial control & with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E

(SUNIL SINGHI)

Partner

Membership No. 060854

UDIN :20060854AAAAAL2188

Place: Kolkata

Date: 26th June, 2020

Balance Sheet as at 31st March, 2020

(₹ in '00)

Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019
I. ASSETS			
(1) Financial Assets			
a) Cash and Cash Equivalents	2	2,42,599.60	9,88,104.26
b) Bank Balance other than (a) above	3	2,02,998.74	1,49,045.59
c) Trade Receivables	4	4,82,890.33	3,93,469.61
d) Investments	5	8,66,083.33	9,34,583.69
e) Other Financial Assets	6	4,23,482.72	1,01,066.07
(2) Non financial Assets			
a) Inventories	7	3,79,272.46	7,00,438.12
b) Current tax Assets (Net)	8	1,33,740.93	23,801.71
c) Investment Property	9	4,127.75	4,237.07
d) Property, Plant and Equipment	10	10,95,380.88	9,14,640.84
e) Other Intangible Assets	11	4,537.31	3,185.53
f) Other Non-Financial Assets	12	87,284.84	1,12,847.11
Total Assets		39,22,398.89	43,25,419.60
II. LIABILITIES AND EQUITY			
(1) Financial Liabilities			
a) Borrowings (other than Debt Securities)	13	13,818.85	18,577.25
b) Other Financial Liabilities	14	34,835.99	49,404.74
(2) Non-Financial Liabilities			
a) Provisions	15	14,594.35	12,814.81
b) Deferred Tax Liabilities (Net)	16	79,623.41	1,02,588.02
c) Other Non-Financial Liabilities	17	1,32,542.23	35,423.20
(3) EQUITY			
a) Equity Share Capital	18	7,98,442.40	7,98,442.40
b) Other Equity	19	28,48,541.66	33,08,169.18
Total Liabilities and Equity		39,22,398.89	43,25,419.60
Significant Accounting Policies	1		

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.: 311017E

(SUNIL SINGHI)

Partner

Membership No. 060854

UDIN: 20060854AAAAAL2188

Place : Kolkata

Date : 26th June, 2020

Bijay Murmuria

Director

DIN: 00216534

Deb Kumar Sett

Company Secretary

Vijay Maheshwari

Director

DIN : 00216687

Girdhari Lal Dadhich

Chief Financial Officer

Statement of Profit and Loss for the year ended 31st March, 2020

(₹ in '00)

Particulars	Notes	For the year ended 31st March, 2020	For the year ended 31st March, 2019
INCOME			
I Revenue from Operations	20	17,82,887.03	18,08,725.74
II Other Income	21	72,553.41	48,144.05
III Total Income		18,55,440.44	18,56,869.79
EXPENSES			
a) Finance Costs	22	10,286.73	6,814.58
b) Purchase of Stock-in-Trade (Shares and Securities)		5,40,977.58	5,57,612.16
c) Changes in Inventories of Stock-in-Trade(Shares and Securities)	23	3,21,165.66	(1,88,860.17)
d) Employee Benefits Expense	24	3,52,624.87	3,67,994.99
e) Depreciation / Amortisation Expense		53,926.26	52,636.08
f) Other Expenses	25	9,64,749.26	5,09,952.78
V Total Expenses		22,43,730.36	13,06,150.42
VII Profit/(Loss) Before Tax		(3,88,289.92)	5,50,719.37
Tax Expenses			
a) Current Tax		-	1,39,500.00
b) Deferred Tax		(20,446.39)	1,719.91
c) Short / (Excess) Provision for Tax relating to earlier Years		(12,989.35)	(5,707.73)
VII Profit/(Loss) for the year		(3,54,854.18)	4,15,207.19
VIII Other Comprehensive Income:			
i. Items that will not be reclassified to Profit or Loss			
- Changes in fair value of FVOCI Equity Instruments		-	-
- Share of other Comprehensive Income of associates accounted for using the equity method		-	-
- Remeasurement of post-employment benefit obligations		(11,035.14)	927.40
ii. Income tax relating to items that will not be reclassified to Profit or Loss		2,518.22	(258.00)
iii. Items that will be reclassified to Profit or Loss		-	-
iv. Income tax relating to items that will be reclassified to Statement of Profit or Loss		-	-
Total Other Comprehensive Income		(8,516.92)	669.40
Total Comprehensive Income for the year (comprising profit/loss and Other Comprehensive Income for the year)		(3,63,371.10)	4,15,876.59
Earnings per Equity Share of face value of ₹ 10 each			
Basic (in ₹)		(4.44)	5.20
Diluted (in ₹)		(4.44)	5.20
Significant Accounting Policies	1		

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For V. SINGHI & ASSOCIATES

Chartered Accountants

Firm Registration No.: 311017E

(SUNIL SINGHI)

Partner

Membership No. 060854

UDIN: 20060854AAAAAL2188

Place : Kolkata

Date : 26th June, 2020

Bijay Murmuria

Director

DIN: 00216534

Deb Kumar Sett
Company Secretary

Vijay Maheshwari

Director

DIN : 00216687

Girdhari Lal Dadhich
Chief Financial Officer

Statement of Cash Flow for the year ended 31st March, 2020

(₹ in '00)

Particulars	For the year ended 31st March	
	2020	2019
A. Cash flows from operating activities		
Profit/(Loss) before taxation and after exceptional items	(3,88,289.92)	5,50,719.37
Adjustments for:		
Depreciation	53,926.26	52,636.08
Interest income	(16,896.60)	(24,049.92)
Dividend income	(440.08)	(673.72)
Interest paid	10,226.70	1,819.24
Rental Income	(4,200.00)	(4,200.00)
(Profit)/Loss on sale of fixed assets (net)	(1,285.28)	(344.09)
(Profit)/Loss on sale of Investments	(46,578.78)	(13,036.22)
Impairment Loss on Investments	70,199.98	-
Unrealised Loss/(Gain) on Financial Assets	2,760.53	27,634.86
Bad Debts and Sundry Balances Written Off	79,944.83	1,08,779.63
Other Comprehensive Income	(11,035.14)	927.40
Operating profit before working capital changes	(2,51,667.50)	7,00,212.63
Adjustments for :		
(Increase) / Decrease in Trade Receivables and other Assets	(4,55,951.24)	39,795.33
(Increase) / Decrease in Inventories	3,21,165.66	(1,88,860.17)
Increase / (Decrease) in Trade and Other Payables	84,426.67	(1,19,652.02)
Cash generated from Operations	(3,02,026.41)	4,31,495.77
Tax paid	(96,949.87)	(1,25,204.60)
Cash Flow from operating Activities	(3,98,976.28)	3,06,291.17
B. Cash flows from investing activities		
Purchase of Property, Plant & Equipment	(2,36,483.49)	(16,708.66)
Sale of Property, Plant & Equipment	1,860.01	828.04
Purchase of Investments	(13,97,500.00)	(4,70,461.07)
Sale of Investments	14,39,618.64	5,39,179.34
Investment in Term Deposits	(54,050.00)	2,37,289.16
Rental Income	4,200.00	4,200.00
Interest received	6,724.76	30,665.65
Dividend received	440.08	673.71
Net cash (used in) / from investing activities	(2,35,190.00)	3,25,666.17
C. Cash flows from financing activities		
Repayment of long term borrowings	(4,758.40)	(5,202.36)
Dividend and Dividend Distribution Tax	(94,928.10)	(96,256.42)
Amount transferred to IEPF	(1,425.18)	(436.66)
Interest paid	(10,226.70)	(1,819.24)
Net cash (used in) / from financing activities	(1,11,338.38)	(1,03,714.68)
Net increase in cash and cash equivalents	(7,45,504.66)	5,28,242.66
Cash and cash equivalents at the beginning of the year	9,88,104.26	4,59,861.60
Cash and cash equivalents at the end of the year	2,42,599.60	9,88,104.26

Notes:

- Components of cash and cash equivalents include cash, bank balances in current and deposit accounts as disclosed under note no. 2 of the Financial Statements.
- The above Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard 7 (Ind AS 7) on "Statement of Cash Flow".

This is the Standalone Financial Statements of Cash flows referred to in our report of even date attached.

For and on behalf of the Board of Directors

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 311017E

Bijay Murmuria
Director
DIN: 00216534

Vijay Maheshwari
Director
DIN : 00216687

(SUNIL SINGHI)
Partner
Membership No. 060854
UDIN: 20060854AAAAAL2188
Place : Kolkata
Date : 26th June, 2020

Deb Kumar Sett
Company Secretary

Girdhari Lal Dadhich
Chief Financial Officer

Statement of Changes in Equity for the year ended 31st March, 2020

A. Equity Share Capital

(₹ in '00)

Particulars	Amount
As at 31st March, 2018	7,98,442.40
Changes in Equity Share Capital	-
As at 31st March, 2019	7,98,442.40
Changes in Equity Share Capital	-
As at 31st March, 2020	7,98,442.40

B. Other Equity

(₹ in '00)

Particular	Reserves and Surplus			Other Comprehensive Income	Total
	Securities Premium Reserve	General Reserve	Retained Earnings		
	(₹)	(₹)	(₹)		
Balance at the beginning of the reporting year i.e. 1st April, 2018	2,57,201.64	9,265.45	27,15,435.11	6,646.81	29,88,549.01
Profit/(Loss) for the Year	-	-	4,15,207.19	-	4,15,207.19
Total Comprehensive Income for the year	-	-	-	669.40	669.40
Dividend Paid	-	-	(79,844.24)	-	(79,844.24)
Dividend Tax Paid	-	-	(16,412.18)	-	(16,412.18)
Balance at the end of the reporting year i.e. 31st March, 2019	2,57,201.64	9,265.45	30,34,385.88	7,316.21	33,08,169.18

Particular	Reserves and Surplus			Other Comprehensive Income	Total
	Securities Premium Reserve	General Reserve	Retained Earnings		
	(₹)	(₹)	(₹)		
Balance at the beginning of the reporting year i.e. 1st April, 2019	2,57,201.64	9,265.45	30,34,385.88	7,316.21	33,08,169.18
Profit/(Loss) for the Year	-	-	(3,54,854.18)	-	(3,54,854.18)
Total Comprehensive Income for the year	-	-	-	(8,516.92)	(8,516.92)
Dividend Paid	-	-	(79,844.24)	-	(79,844.24)
Dividend Tax Paid	-	-	(16,412.18)	-	(16,412.18)
Balance at the end of the reporting year i.e. 31st March, 2020	2,57,201.64	9,265.45	25,83,275.28	(1,200.71)	28,48,541.66

This is the Statement of Changes in Equity referred to in our report of even date

As per our report of even date attached

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 311017E

(SUNIL SINGHI)
Partner
Membership No. 060854
UDIN: 20060854AAAAAL2188
Place : Kolkata
Date : 26th June, 2020

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes

For and on behalf of the Board of Directors

Bijay Murmuria
Director
DIN: 00216534

Deb Kumar Sett
Company Secretary

Vijay Maheshwari
Director
DIN : 00216687

Girdhari Lal Dadhich
Chief Financial Officer

Notes forming part of the Financial Statement for the year ended 31st March, 2020

Corporate Information

The Company was incorporated in the year 1989 as a Public Limited Company under the provisions of the Companies Act, 1956 and domiciled in India. The Company is Category -I Merchant Banker registered with Securities and Exchange Board of India with PAN India presence. The Equity Shares of the Company are listed on two Stock Exchanges i.e. Bombay Stock Exchange and The Calcutta Stock Exchange Limited. The registered office of the Company is situated at 6A, Geetanjali, 8B Middleton Street, Kolkata – 700071, West Bengal, India.

- Information on other related party relationship of the Company is provided in Note 35

1. SIGNIFICANT ACCOUNTING POLICIES

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

1.1 Basis of Preparation

1.1.1 Compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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

These Financial Statements are prepared in Indian Rupees (INR) which is also the Company's functional currency.

The financial statements for the year ended 31st March, 2020 have been approved by the Board of Directors of the Company in their meeting held on 26th June, 2020.

1.1.2 Historical Cost Convention

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- i) certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value through the Statement of Profit and Loss and amortised cost;
- ii) defined benefits plan – plan assets measured at fair value;

1.1.3 Classification of Current and Non-Current

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Ind AS 1 – Presentation of Financial Statements and Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

1.2 Foreign Currency Translation

Foreign currency transactions are translated into Indian Rupee (INR) which is the functional currency (i.e. the currency of the primary economic environment in which the entity operates) using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit and Loss.

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

1.3 Use of Estimates

The Preparation of the financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affects the reported amount of assets and liabilities as at the Balance Sheet date, the reported amount of revenue and expenses for the periods and disclosure of contingent liabilities at the Balance Sheet date. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the financial statements. Actual results could differ from estimates.

1.4 Fair Value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

1.5 Property, Plant and Equipment

Freehold Land is carried at historical cost. All other items of property, plant and equipment are stated at carrying value less accumulated depreciation. The carrying value includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which the same are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013, which are also supported by technical evaluation. Item of Fixed Assets for which related actual cost do not exceed ₹ 5,000 are fully depreciated in the year of purchase. In respect of the following assets, useful lives as per Schedule II have been considered, as under:-

- Non-factory Buildings : 60 years
- Electrical Installations : 10 years
- Computers : 3 years
- Office Equipment : 5 years
- Furniture & Fixture : 10 years
- Motor Vehicles : 8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

1.6 Investment Property

Property that is held for long term rentals yields or for capital appreciation or both and that is not occupied by the group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance cost are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight line method over their estimated useful lives. Investment properties generally have a useful life of 60 years.

1.7 Intangible Assets

1.7.1 Computer Software

Costs associated with maintaining of software programmes are recognised as an expense as incurred. Costs of purchased software are recorded as intangible assets and amortised from the point at which the asset is available for use.

1.7.2 Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Computer Software : 3 years

1.8 Investments and other Financial Assets

1.8.1 Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- those measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

1.8.2 Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed as profit or loss.

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into the following categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

Equity Instruments

The Company subsequently measures all equity investments (except subsidiary and associates) at fair value through the Statement of Profit and Loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains or losses on specific equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses through the Statement of Profit and Loss.

1.8.3 Impairment of Financial Assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

1.8.4 De-recognition of Financial Assets

A financial asset is derecognised only when

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

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

1.9 Derivatives and Hedging Activities

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through the profit or loss and are included in other income/ expenses.

1.10 Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, othershort-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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

1.11 Basic Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of Equity Shares considered for deriving basic earnings per Equity Share.

The number of Equity Shares is adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.12 Trade Receivables

Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

1.13 Inventories

The Company makes trading in Equity Shares of companies listed over stock exchanges in India. Inventories of Equity Shares and securities are valued at fair value and the gain/ loss is recognised through the Statement of Profit and Loss.

1.13.1 Financial Liabilities

1.13.2 Initial recognition and measurement

The Company recognises all the financial liabilities on initial recognition at fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

1.13.3 Subsequent measurement

All the financial liabilities are classified as subsequently measured at amortised cost, except for those mentioned below.

1.13.4 Financial Liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

For liabilities designated as Fair Value through profit or loss, fair value gains/losses attributable to changes in own credit risks are recognized in Other Comprehensive Income. These gains/losses are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

1.13.5 Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

1.13.6 Trade and Other Payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

1.13.7 Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transactions cost) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that sum or all of the facility will be drawn down. In this case, the fees is deferred until the draw down occurs. To the

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

extent there is no evidence that it is probable that sum or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the Statement of Profit and Loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability of at least 12 months after the reporting period. Where there is a breach of a material provisions for a long-term loan agreement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

1.14 Provisions, Contingent Liabilities and Contingent Assets, legal or constructive

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

1.15 Employee Benefits

1.15.1 Short-term Employee Benefits

These are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

1.15.2 Other Long-term Employee Benefits (Unfunded)

The cost of providing long-term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

1.15.3 Post-employment Benefit & Plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenditure for the year.

In case of Defined Benefit Plans, the cost of providing the benefit is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

gains and losses are recognised in full in the Other Comprehensive Income for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, if any, and as reduced by the fair value of plan assets, where funded. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

1.15.4 Bonus Plans

The Company recognizes a liability and an expense for bonuses. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.16 Equity Index/Stock- Futures

Initial margin and additional margin paid, for entering into contracts for equity index/stock futures, which are released on final settlement/squaring-up of underlying contracts, are disclosed under Current Assets, Loans and Advances.

Equity index/stock futures are marked-to-market on a daily basis. Debit or credit balance disclosed under Current Assets, Loans and Advances or Current Liabilities, respectively represents the net amount paid or received on the basis of movement in the prices of index/stock futures till the Balance Sheet date.

As on the Balance Sheet date, Gain/Loss on open positions in index/stock futures are accounted for as follow:

- Profit and loss on hedged transactions are recognized on net basis. In respect of other transactions, credit balance being anticipated profit is ignored and no credit for the same is taken in the Statement of Profit and Loss. Debit balance being anticipated loss is adjusted in the Statement of Profit and Loss.
- On final settlement or squaring-up of contracts for equity index/stock futures, the profit and loss is calculated as the difference between settlement/squaring-up price and contract price. Accordingly, debit or credit balance pertaining to the settled/squared-up contract is recognised in the Statement of Profit and Loss.

1.17 Equity Index/Stock – Options

Initial margin and additional margin paid for entering into contracts for equity index/stock options, which are released on final settlement/squaring-up of underlying contracts, are disclosed under Current Assets, Loans and Advances.

As at the Balance Sheet date, the Statement of Profit and Loss on hedged transactions is recognized on net basis. In case of other transactions, in the case of long positions, provision is made for the amount by which the premium paid for those options exceeds the premium prevailing on the Balance Sheet date, and in the case of short positions, for the amount by which premium prevailing on the Balance Sheet date exceeds the premium received for those options. The premium paid or received as the case may be, after the aforesaid provision, is disclosed in Current Assets or Current Liabilities.

1.18 Impairment of Non-Financial Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher on an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.19 Segment Reporting

1.19.1 Identification of segment

The Company has identified that its operating segments are the primary segments. The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit and offering different products and serving different markets.

1.19.2 Allocation of common costs

Common allocable costs are inter-se allocated to segments based on the basis most relevant to the nature of the cost concerned. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, are included under the head unallocated expense/income.

1.20 Borrowing Costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to the Statement of Profit and Loss.

1.21 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.22 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment net of taxes or duties collected on behalf of the government.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and significant risk and reward incidental to services is transferred to the client.

The specific recognition criteria followed by the Company are described below:

1.22.1 Sale of Services

Timing of recognition: Revenue is recognised when no significant uncertainty as to its determination exists. The primary business of the Company is financial consultancy as Merchant banker and brokerage at NSE and BSE. The revenue in consultancy is recognised in terms of mandate and on completion of the assignment. The brokerage income is recognised when contract of sale/purchase of equity is completed.

Measurement of revenue: Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resultant increases or decreases in estimated revenues or costs are reflected in the Statement of Profit and Loss in the period in which the circumstances that give rise to the revision become known by management.

1.22.2 Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

1.22.3 Insurance and other Claims/refunds

Revenue, due to uncertainty in realisation is accounted for on acceptance / actual receipt basis.

1.22.4 Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

1.22.5 Dividend

Dividend is recognised when the right to receive the payment is established before the Balance Sheet date.

1.23 Income Tax

The income tax expense or credit for the period is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets/liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiary and associate where in case of assets it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised and in case of liabilities the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

2. CASH AND CASH EQUIVALENTS

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
Cash on Hand	17,020.17	17,875.92
Balances with Banks	2,25,579.43	9,70,228.34
Total	2,42,599.60	9,88,104.26

3. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
Unclaimed Dividend	11,798.74	11,895.59
Fixed deposits with maturity for more than 3 months and less than 12 months*	1,91,200.00	1,37,150.00
Total	2,02,998.74	1,49,045.59

*Out of the total Deposits, Fixed Deposits Pledged with Banks amounting to Rs 1,91,200.00 in F.Y 2019-20 (Rs 1,37,150 in F.Y 2018-19)

4. TRADE RECEIVABLES

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
- Receivable Considered Good - Unsecured	4,82,890.33	3,93,469.61
Total	4,82,890.33	3,93,469.61

5. INVESTMENTS (Refer Note 5.1)

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
In Mutual Funds	5,04,561.75	5,22,297.17
In Debt Securities	0.01	50,700.00
In Equity Instruments (Quoted)	3,61,521.57	3,61,586.52
Total	8,66,083.33	9,34,583.69

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

5.1 INVESTMENTS

(₹ in '00)

Sl. No.	Description	As at 31st March, 2020		As at 31st March, 2019	
		Units	Amount	Units	Amount
	Investments measured at Fair Value Through Statement of Profit & Loss				
A	In Mutual Fund				
1	ICICI Prudential Flexible Income Growth	16,205	63,260.07	14,652	52,917.41
2	HDFC Charity Fund for Cancer Cure	10,000	1,004.70	10,000	1,000.80
3	HDFC Liquid Fund - Direct Plan Growth	8,959	3,50,012.04	10,518	3,86,880.41
4	Canara Robeco Medium Term Opportunities Fund Direct Growth Plan	-	-	40,000	6,112.72
5	Edelwis Mutual Fund Liquid Fund Retail Group Open Ended	8	182.28	8	171.54
6	Indiabulls Arbitrage Funds - Direct Plan - Monthly Dividend	-	-	10,768	1,134.46
7	Mirae Asset Short Tem Fund - Direct Growth	50,000	5,924.05	50,000	5,398.35
8	Reliance Money Manager Fund - Direct Growth Plan Growth Option	-	-	323	8,532.58
9	ICICI Prudential Short Term Fund-Growth	21,382	9,486.22	21,382	8,626.38
10	Canara Rebeco Capital Protection Oriented Fund - Series 8 - REG - Growth	50,000	5,819.40	50,000	5,552.45
11	Canara Rebeco Capital Protection Oriented Fund - Series 9 - REG - Growth	30,000	3,362.70	30,000	3,213.75
12	Canara Robeco Capital Protection Oriented Fund-Series 10- Reg.- Growth	30,000	3,158.79	30,000	3,029.91
13	Franklin India Ultra Short Bond Fund Super Inst Plan-Dir. Growth	1,96,277	54,277.55	1,17,723	31,059.81
14	Baroda Dynamic Equity Fund-Growth	79,990	7,911.01	79,990	8,454.94
15	UTI Equity Fund	200	162.94	200	211.66
	Total		5,04,561.75		5,22,297.17

Note: The Aggregate deemed cost of Investments is ₹4,90,678.15 as on 31st March, 2020 and ₹ 4,40,678.15/- as on 31st March, 2019.

Description	Face Value	As at 31st March, 2020		As at 31st March, 2019	
		No. of Shares/ Debentures/Units	Amount	No. of Shares/ Debentures/Units	Amount
B. Investments measured at Amortized Cost, Unquoted, fully paid up					
In Debentures of Others					
I Care Learning Pvt. Ltd	100	50,700	0.01	50,700	50,700.00
Total (B)			0.01		50,700.00
C. In Equity Shares measured at Carrying Value					
- of Subsidiary Company					
SFSL Commodity Trading Pvt Ltd.	10	8,68,065	1,45,219.50	8,68,065	1,45,219.50
In Equity Shares measured at Carrying Value					
- of Associates Company					
US Infotech Pvt. Ltd.	10	5,12,949	77,976.88	5,12,949	77,976.88
Brandshoots Ventures Pvt. Ltd.	10	5,44,400	54,440.00	5,44,400	54,440.00
Sumedha Management Solutions Pvt. Ltd	10	2,30,000	28,400.00	2,30,000	28,400.00
In Equity Shares measured at Fair value through the statement of Profit & Loss					
- of Others					
I Care Learning Pvt. Ltd	10	65,000	0.01	65,000	19,500.00
Total of Investments measured at Cost			3,06,036.39		3,25,536.38

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

5.1 INVESTMENTS (Contd.)

(₹ in '00)

Description	Face Value	As at 31st March, 2020		As at 31st March, 2019	
		No. of Shares/ Debentures/Units	Amount	No. of Shares/ Debentures/Units	Amount
Investments measured at Fair Value through Statement of Profit and Loss					
In Equity Shares					
Quoted, Fully Paid Up					
Aravali Securities & Finance Limited	10	200	7.92	200	7.92
Assam Brook Limited	10	3,625	567.31	3,625	567.31
APS Star Industries Limited	10	600	6.00	600	6.00
Bharat Wire Ropes Limited	10	2,114	236.77	2,114	1,206.04
Business Forms Limited	10	6,000	60.00	6,000	60.00
CDR Health Care Limited	10	2,200	166.76	2,200	166.76
Gujrat Inject (Kerala) Limited	10	900	9.00	900	9.00
HDFC SLIC	10	374	1650.65	374	1,415.59
Leafin India Limited	10	500	5.00	500	5.00
Maruti Cottex Limited	10	17,000	170.00	17,000	170.00
Madhya Bharat Papers Limited	10	500	5.00	500	5.00
MCC Investment and Leasing Co. Limited	10	400	10.00	400	10.00
Modern Denim Limited	10	700	7.00	700	7.00
Orkay Industries Limited	10	1,100	11.00	1,100	11.00
Opal Luxury Time Products Limited	10	1,000	800.00	1,000	799.50
Paam Pharmaceuticals (Delhi) Limited	10	252	2.52	252	2.52
Parakaram Technofeb Limited	10	1,200	12.00	1,200	12.00
Pioneer Financial Management Services Limited	10	1,000	10.00	1,000	10.00
Primax Fiscal Services Limited	10	800	17.60	800	17.60
Sanderson Industries Limited	10	2,65,850	0.01	2,65,850	2,658.50
Sen Pet India Limited	10	29,300	293.00	29,300	293.00
Skipper Limited	1	33,000	6138.00	33,000	22,572.00
State Bank of India	1	1,870	3681.10	1,870	5,998.03
Technology Plastics Limited	10	1000	10.00	1,000	10.00
Timbor Home Limited	10	1374	30.37	1,374	30.37
Investments in Portfolio Management Scheme					
Bajaj Finance Limited	2	74	1,639.69	-	-
Bal Krishna Industries Limited	2	159	1,258.70	-	-
Divi's Laboratories Limited	2	136	2,705.11	-	-
Dr. Lal Path Labs Ltd	10	165	2,312.81	-	-
HDFC Bank Ltd.	1	315	2,714.99	-	-
Honeywell Automation India Limited	10	9	2,330.15	-	-
ICICI Lombard General Insurance Co. Ltd	10	220	2,379.63	-	-
ICICI Bank Ltd	2	745	2,411.94	-	-
Indraprastha Gas Limited	2	605	2,347.10	-	-
Info Edge (India) Ltd	10	98	1,994.35	-	-
PI Industries	1	169	1,977.38	-	-
Reliance Industries Limited	10	189	2,104.99	-	-
Sanofi India Ltd	10	36	2,251.21	-	-
SRF Limited	10	75	2,087.48	-	-
Whirlpool of India Limited	10	108	1,964.41	-	-
Cash			9,098.23	-	-
Total of Investments measured at Fair Value Through Statement of Profit and Loss			55,485.18		36,050.14
Total Non Current Investments (C)			3,61,521.57		3,61,586.52
TOTAL (A+B+C)			8,66,083.32		9,34,583.69
Aggregate amount of quoted Investments and market value there of			55,485.18		36,050.14
Aggregate amount of unquoted Investments			3,06,036.39		3,25,536.38

Note: The Aggregate deemed cost of Investments is ₹4,90,678.15 as on 31st March, 2020 and ₹ 4,40,678.15/- as on 31st March, 2019.

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

6. OTHER FINANCIAL ASSETS

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
(Unsecured, Considered Good)		
Security Deposits		
- Security Deposits with Stock Exchange/ Clearing Member	1,43,350.00	94,500.00
- Security Deposits with Others	7,347.04	4,584.00
Accrued Interest	12,153.91	1,982.07
Advances		
- Related Parties	-	-
- Others	2,60,631.77	-
Total	4,23,482.72	1,01,066.07

7. INVENTORIES

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
Stock-in-Trade (At Fair Value)(Refer Note 7.1)		
In Equity Instruments (Quoted)	3,78,665.66	6,99,984.44
In Mutual Funds (Quoted)	606.80	453.68
Total	3,79,272.46	7,00,438.12

7.1 INVENTORIES

(₹ in '00)

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2020		As at 31st March, 2019	
			No. of Shares	Amount	No. of Shares	Amount
A	In Equity Instruments (Quoted)					
1	Akar Laminators Limited	10	500	4.25	500	4.25
2	Aditya Birla Capital Limited	10	5000	2087.50	5,000	4,860.00
3	Bajaj Holdings Limited	10	100	1798.55	-	-
4	Bank of Baroda	10	14020	7507.71	10,000	12,865.00
5	Bank of India	10	5000	1612.50	5,000	5,212.50
6	Bells Control Limited	10	50	5.00	50	5.00
7	Bharat Wire Ropes Limited	10	10000	1120.00	10,000	5,705.00
8	Vedanta Limited (formerly known as Cairn India Limited)	1	2500	1617.50	2,500	4,611.25
9	Canara Bank	10	5000	4525.00	-	-
10	Castrol India Limited	5	4000	3978.00	4,000	6,656.00
11	Chemcrown India Limited	10	28000	0.01	28,000	0.01
12	Core Education & Technologies Limited	2	11000	194.70	11,000	194.70
13	Daewoo Motors (India) Limited	10	100	6.71	100	6.71
14	EIH Limited	2	2000	1316.00	2,000	4,119.00
15	Emami Infra Limited	10	1500	420.75	1,500	1,723.50
16	Electrosteel Steels Limited	10	800	80.00	800	248.00
17	Essel Pro Pack Limited	10	-	0.00	30,000	34,995.00
18	Fortis Healthcare Limited	10	-	0.00	5,000	6,787.50
19	Glenmark Pharmaceuticals Limited	1	4000	8234.00	4,000	25,888.00
20	HFCL Limited	1	20000	1810.00	20,000	4,510.00
21	Himadri Chemicals & Industries Limited	1	5000	1472.50	5,000	5,815.00

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

7.1 INVENTORIES (Contd.)

(₹ in '00)

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2020		As at 31st March, 2019	
			No. of Shares	Amount	No. of Shares	Amount
A	In Equity Instruments (Quoted) (Contd.)					
22	Hindustan Copper Limited	5	2500	532.50	2,500	1,223.75
23	Hindustan National Glass Limited	2	29	8.02	29	23.87
24	HUDCO Limited	10	1000	200.00	1,000	449.00
25	IFB Industries Limited	10	6608	17603.71	4,608	45,063.94
26	Indiabulls Housing Finance Limited	2	1200	1161.00	-	-
27	Maruthi Cotex Limited	10	2000	0.01	2,000	0.01
28	Lords Chloro Alkali Limited (Formerly: Modi Alkalies & Chemicals Limited)	10	10	1.80	10	6.30
29	NBCC Limited	2	15000	2445.00	15,000	9,945.00
30	NACL Industries Limited	1	20000	4380.00	-	-
31	Orient Paper Limited	10	5000	725.00	5,000	1,750.00
32	Oriental Bank of Commerce	10	36000	15642.00	19,000	22,087.50
33	Padmini Technologies Limited	10	3200	0.01	3,200	0.01
34	Parakaram Technofab Limited	10	84400	0.01	84,400	0.01
35	PC Jewellers Limited	10	4000	458.00	6,000	4,932.00
36	Punjab National Bank	2	12000	3882.00	12,000	11,460.00
37	Punjab & Sindh Bank Limited	10	20000	2200.00	-	-
38	Reliance Industries Limited	10	12000	133650.00	12,000	1,63,590.00
39	RamKrishna Forging Limited	10	2000	3052.00	2,000	10,496.00
40	Sanderson Industries Limited	10	183400	0.01	1,83,400	0.01
41	Skipper Limited	1	20825	3873.45	20,825	14,244.29
42	MW Unitexx Limited	10	195	3.49	195	3.49
43	State Bank of India	1	44500	87598.25	64,500	2,06,883.75
44	Suditi Industries Limited	10	2000	168.20	2,000	519.00
45	Sun Pharmaceuticals Industries Limited	1	6800	23956.40	1,800	8,619.30
46	Suryodaya Allo - Metal Powders Limited	10	6500	201.50	6,500	201.50
47	Telephone Cables Limited	10	100	1.70	100	1.70
48	Texmaco Infrastructure & Holdings Limited.	1	8000	2476.00	8,000	4,536.00
49	Texmaco Rail & Engineering Limited.	1	16000	3120.00	16,000	11,040.00
50	Uco Bank	10	29000	2624.50	29,000	5,452.00
51	Union Bank of India	10	14000	4018.00	14,000	13,384.00
52	Vatsa Corporation Limited	1	100	0.01	100	0.01
53	Vimta Laboratories Limited	2	2000	1194.00	-	-
54	Viniyoga Clothex Limited	10	1800	0.01	1,800	0.01
55	Wockhardt Limited	5	6000	10359.00	6,000	26,580.00
56	ICICI Bank Limited	2	-	0.00	1,512	6,055.56
57	Vijaya Bank	10	-	0.00	10,000	4,605.00
58	Uttam Galva Steels Limited	10	-	0.00	25,000	2,625.00
59	YES Bank	10	35200	7902.40	-	-
60	Zee Entertainment Enterprises Limited	1	6000	7437.00	-	-
	Total			3,78,665.66		6,99,984.43

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

7.1 INVENTORIES (Contd.)

(₹ in '00)

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2020		As at 31st March, 2019	
			No. of Shares	Amount	No. of Shares	Amount
B	In Mutual Funds					
1	Reliance MF ETF (Goldbees)	100	1500	584.10	15	421.20
2	UTI Master Shares - Unit Scheme	10	100	22.70	100	32.48
	Total			606.80		453.68

8. CURRENT TAX ASSETS

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
Advance Tax (Net of Provisions)	1,33,740.93	23,801.71
(Provision of ₹ 1,39,500.00 as on 31.03.2020 and ₹ 3,92,907.49/- as on 31.03.2019)		
Total	1,33,740.93	23,801.71

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

9. INVESTMENT PROPERTY

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation			Net Block
	As at 1st April, 2018	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2019	Upto 31st March, 2018	Depriciation for the year	As at 31st March, 2019
Tangible Assets							
Buildings	4,565.03	-	-	4,565.03	218.64	109.32	4,237.07
Total	4,565.03	-	-	4,565.03	218.64	109.32	4,237.07

Description	Gross Block			Depreciation and Amortisation			Net Block
	As at 1st April, 2019	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2020	Upto 31st March, 2019	Depriciation for the year	As at 31st March, 2020
Tangible Assets							
Buildings	4,565.03	-	-	4,565.03	327.96	109.32	4,127.75
Total	4,565.03	-	-	4,565.03	327.96	109.32	4,127.75

(i) Amount recognised in Statement of Profit and Loss for investment property

Particulars	31st March, 2020	31st March, 2019
Rental Income	4,200.00	4,200.00
Direct operating expenses from property that generated rental income	42.91	45.27
Profit from investment properties before depreciation	4,157.09	4,154.73
Depreciation	109.32	109.32
Profit from investment properties	4,047.77	4,045.41

(ii) Fair value

The Company's Investment Property consists of a commercial property in India. The management has determined that the investment property consists of office - based on nature, characteristics and risks of property.

Reconciliation of Fair Value

Particulars	31st March, 2020	31st March, 2019
Market Value of Investment Property	74,750.00	74,750.00
	74,750.00	74,750.00

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

10. PROPERTY, PLANT AND EQUIPMENT

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2018	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2019	Upto 31st March, 2018	Depreciation for the year	Disposal during the year	Upto 31st March, 2019	As at 31st March, 2019
Tangible Assets									
Buildings*	7,93,732.50	-	-	7,93,732.50	24,849.63	13,927.73	-	38,777.36	7,54,955.14
Electrical Installation	942.86	40.44	-	983.30	439.68	115.20	-	554.88	428.42
Furnitures & Fixtures	41,430.46	495.34	-	41,925.80	14,630.87	7,225.16	-	21,856.03	20,069.77
Computers	19,838.66	3,772.32	-	23,610.98	6,716.19	4,270.63	-	10,986.82	12,624.16
Office Equipment	18,708.52	4,500.55	921.77	22,287.30	6,062.75	3,880.04	799.96	9,142.83	13,144.47
Vehicles	1,50,635.89	7,900.00	1,856.97	1,56,678.92	23,065.81	21,689.06	1,494.83	43,260.04	1,13,418.88
Total	10,25,288.89	16,708.65	2,778.74	10,39,218.80	75,764.93	51,107.84	2,294.79	1,24,577.97	9,14,640.84

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2019	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2020	Upto 31st March, 2019	Depreciation for the year	Disposal during the year	Upto 31st March, 2020	As at 31st March, 2020
Tangible Assets									
Buildings*	7,93,732.50	2,17,426.17	-	10,11,158.67	38,777.36	14,786.02	-	53,563.38	9,57,595.29
Electrical Installation	983.30	328.95	-	1,312.25	554.89	96.57	-	651.46	660.79
Furnitures & Fixtures	41,925.80	399.90	-	42,325.70	21,856.03	7,184.22	-	29,040.25	13,285.45
Computers	23,610.99	1,622.40	382.44	24,850.95	10,986.82	3,955.51	363.31	14,579.02	10,271.93
Office Equipment	22,287.30	4,956.99	2,808.00	24,436.29	9,142.83	4,395.60	2,618.07	10,920.36	13,515.93
Vehicles	1,56,678.92	8,566.93	6,940.55	1,58,305.30	43,260.04	21,568.65	6,574.88	58,253.81	1,00,051.49
Total	10,39,218.81	2,33,301.34	10,130.99	12,62,389.16	1,24,577.97	51,986.57	9,556.26	1,67,008.28	10,95,380.88

* Registration of Noida Flat is still pending.

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

11. OTHER INTANGIBLE ASSETS

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation			Net Block As at 31st March, 2019	
	As at 1st April, 2018	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2019	Upto 31st March, 2018	Depreci- ation for the year		Disposal during the year
Software	6,342.69	-	-	6,342.69	1,738.23	1,418.93	-	3,157.16
Total	6,342.69	-	-	6,342.69	1,738.23	1,418.93	-	3,157.16

Description	Gross Block			Depreciation and Amortisation			Net Block As at 31st March, 2020	
	As at 1st April, 2019	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2020	Upto 31st March, 2019	Depreci- ation for the year		Disposal during the year
Software	6,342.69	3,182.15	-	9,524.84	3,157.16	1,830.37	-	4,987.53
Total	6,342.69	3,182.15	-	9,524.84	3,157.16	1,830.37	-	4,987.53

12. OTHER NON-FINANCIAL ASSETS

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
(Unsecured, Considered Good)		
Capital Advances	62,560.05	62,560.05
Prepaid Expenses	6,039.50	4,474.95
Others	18,685.29	45,812.11
Total	87,284.84	1,12,847.11

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

13. BORROWINGS

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
Term Loan from Non - Banking Financial Company - Refer Additional Information below	13,818.85	18,577.25
Total	13,818.85	18,577.25
Additional Information		
A. Daimler Financial Services Private Limited		
(i) Secured by hypothecation of the vehicle purchased there against		
(ii) Rate of interest is 8.50%		
Vehicle Loan - Repayable in 30 monthly instalments of ₹ 51,294/- and final instalment would be due on 13th September, 2022	8,639.74	13,818.85
Amount due to be paid within one year	5,179.11	4,758.40

14. OTHER FINANCIAL LIABILITIES

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
Unclaimed Dividend	11,798.74	11,895.59
Payable for Expense	23,037.25	37,509.15
Total	34,835.99	49,404.74

15. PROVISIONS

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
Provisions for Employee Benefits*	14,594.35	12,814.81
Total	14,594.35	12,814.81

* The provision for employee benefit includes Leave Encashment

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

16. DEFERRED TAX LIABILITIES (NET)

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
Deferred Tax Liabilities		
The balances comprises temporary differences attributable to:		
i) Property, Plant and Equipment and Other Intangible Assets	92,852.84	1,09,194.16
ii) Items allowed for tax purpose on payment	-	-
Deferred Tax Liabilities (A)	92,852.84	1,09,194.16
Deferred Tax Assets		
The balances comprises temporary differences attributable to:		
i) Items allowed for tax purpose on payment	2,301.78	924.85
ii) Long Term Capital Loss	5,834.44	5,675.32
iii) Financial Assets at Fair Value through Profit and Loss	5,093.21	5.97
Deferred Tax Assets (B)	13,229.43	6,606.14
Net Deferred Tax Liabilities (A-B)	79,623.41	1,02,588.02

17. OTHER NON FINANCIAL LIABILITIES

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
Outstanding Liabilities [^]	92,347.35	6,316.32
Statutory Dues	40,194.88	29,106.88
Total	1,32,542.23	35,423.20

[^]Includes advances from customers of ₹ 92,127.88/- (Previous Year ₹ 6,269.32/-)

18. EQUITY SHARE CAPITAL

(₹ in '00)

Description	As at 31st March, 2020		As at 31st March, 2019	
	Number	Amount	Number	Amount
Authorised:				
Equity Shares of ₹ 10 each	1,00,00,000	10,00,000.00	1,00,00,000	10,00,000.00
Issued, Subscribed & Paid up:				
Equity Shares of ₹ 10 each fully paid up	79,84,424	7,98,442.40	79,84,424	7,98,442.40
Total	79,84,424	7,98,442.40	79,84,424	7,98,442.40

18.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year.

(₹ in '00)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	79,84,424	7,98,442.40	79,84,424	7,98,442.40
Shares outstanding at the end of the year	79,84,424	7,98,442.40	79,84,424	7,98,442.40

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

18. EQUITY SHARE CAPITAL (Contd.)

18.2 Rights, preferences and restrictions attached to shares

The Company has only one class of issued shares i.e. Equity Shares having face value of ₹ 10 per share. Each holder of Equity Shares is entitled to vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

18.3 The details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Vijay Maheshwari	1669220	20.91	1669220	20.91
US Infotech Pvt Ltd	1115566	13.97	1115566	13.97
Total	2784786	34.88	2784786	34.88

18.4 Particulars of each class of shares held by holding, ultimate holding, subsidiaries or associates of the holding company

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
US Infotech Pvt Ltd	11,15,566	13.97	11,15,566	13.97
Total	11,15,566	13.97	11,15,566	13.97

19. OTHER EQUITY

(₹ in '00)

Description	As at 31st March, 2020		As at 31st March, 2019	
Securities Premium Reserve				
As per last Financial Statement		2,57,201.64		2,57,201.64
General Reserve				
As per last Financial Statement		9,265.45		9,265.45
Retained Earnings				
As per last Financial Statement	30,34,385.88		27,15,435.11	
Add: Profit/(Loss) for the year	(3,54,854.18)		4,15,207.19	
Less: Appropriations	-		-	
Dividend on Equity Shares [Dividend per Share (Previous year Re. 1/-)]	79,844.24		79,844.24	-
Tax on Dividend	16,412.18	25,83,275.28	16,412.18	30,34,385.88
Other Comprehensive Income (OCI)				
As per last Financial Statement	7,316.21		6,646.81	
Add: Movement in OCI (Net) during the year	(8,516.92)		669.40	
Total Other Comprehensive Income		(1,200.71)		7,316.21
Total		28,48,541.66		33,08,169.18

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

19. OTHER EQUITY (Contd.)

Nature and Purpose of Other Equity

a) Securities Premium Reserve

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

b) General Reserve

General Reserve is created and utilised in compliance with the provisions of the Companies Act, 2013.

c) Retained Earnings

Retained Earnings represents accumulated profits earned by the Company and remaining undistributed as on date.

20. REVENUE FROM OPERATIONS

(₹ in '00)

Description	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Fee and Commission Income* (TDS as on 31.03.2020 is ₹ 1,20,780.62/- and as on 31.03.2019 ₹ 1,10,497.01/-)	11,85,761.73	11,22,607.92
Sales of Stock-in-Trade - Shares and Securities	5,58,276.13	4,28,181.11
Sale of services	31,145.22	1,31,442.21
Net gain on intraday trading of Shares and Securities	7,703.94	1,762.67
Net gain on derivative transaction	-	1,24,731.83
Total	17,82,887.02	18,08,725.74

*includes fees received from Related Party (Sumedha Management Solutions Pvt Ltd) amounting to ₹188 Lakhs during the year. (P.Y Amounting to Rs 148 Lakhs during the year)

21. OTHER INCOME

(₹ in '00)

Description	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest income from Financial Assets		
- Fixed Deposits (TDS as on 31.03.2020 ₹1,655.00/- and as on 31.03.2019 ₹ 2,319.84/-)	16,896.60	23,127.89
- Loan to Related Party (TDS as on 31.03.2020 Nil and TDS as on 31.03.2019 ₹78.84/-)	-	788.33
- IFSD	-	133.69
Interest on IT Refund	-	3,471.54
Dividend Income (on Inventories)	2,598.66	2,217.83
Rent (TDS as on 31.03.2020 ₹ 420.00/- and as on 31.03.2019 ₹ 420.00/-)	4,200.00	4,200.00
Profit on Sale of Mutual Funds & Investments	46,578.78	13,036.21
Profit on Sale of Fixed Assets	1,285.28	344.09
Dividend Income (on Investments)	440.08	673.72
Miscellaneous Income	554.01	150.75
Total	72,553.41	48,144.05

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

22. FINANCE COSTS

(₹ in '00)

Description	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest Cost on Financial Liabilities		
- On Fixed Loans	1,320.46	1,819.23
- Others	8,906.24	-
Other Borrowing Cost	-	4,839.55
Bank Charges	60.03	155.80
Total	10,286.73	6,814.58

23. CHANGES IN INVENTORIES OF STOCK-IN-TRADE

(₹ in '00)

Description	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Stock - in - Trade (at the end of the year)	3,79,272.46	7,00,438.12
Stock - in - Trade (at the beginning of the year)	7,00,438.12	5,11,577.95
Total	3,21,165.66	(1,88,860.17)

24. EMPLOYEE BENEFITS EXPENSE

(₹ in '00)

Description	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries and Wages	3,16,528.35	3,37,755.95
Contribution to Provident Fund and Other Funds	26,054.79	20,796.15
Staff Welfare Expenses	10,041.73	9,442.89
Total	3,52,624.87	3,67,994.99

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

25. OTHER EXPENSES

(₹ in '00)

Description	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Advertisement & Business Promotion	28,900.68	35,982.39
Bad Debts and Sundry Balances written off	79,944.83	1,08,779.63
Impairment Loss on Investments	70,199.98	-
Car Expenses	30,712.10	26,999.92
Charity and Donation	2,429.05	5,699.10
Communication Expenses	7,389.79	8,751.52
Computer Expenses	2,394.19	2,563.03
Commission	6,000.00	7,500.00
Electricity	9,644.35	11,616.63
Insurance	4,291.07	3,336.54
Net Loss on Derivative Transactions	4,80,369.95	-
Office Maintenance	17,388.93	15,408.21
Professional Charges	76,447.65	94,655.50
Auditor's Remuneration*	5,225.00	4,080.00
Printing & Stationery	4,499.39	6,269.99
Rates and Taxes	2,758.12	7,065.64
Repairs & Maintenance	6,257.45	2,192.24
Rent	23,400.00	23,400.00
Retainership Fees	14,300.00	12,000.00
Travelling & Conveyance	42,004.37	50,265.13
VSAT Charges	108.82	1,385.70
Net Loss on Fair Value Changes	2,760.53	27,634.86
Miscellaneous Expenses	47,323.01	54,366.75
Total	9,64,749.26	5,09,952.78

*** AUDITOR'S REMUNERATION**

- Statutory Audit	2,250.00	1,700.00
- Tax Audit	1,000.00	750.00
- Limited Review	750.00	450.00
- Certification and Other Services	1,225.00	1,180.00
Total	5,225.00	4,080.00

26. EARNINGS PER SHARE

(i) Reconciliation of earning used in calculating earnings per share:

(₹ in '00)

Numerator		For the year ended 31st March, 2020	For the year ended 31st March, 2019
(a)	Profit/(Loss) for the year (₹) (for basic EPS)(₹)	(3,54,85,418)	4,15,20,719
(b)	Less: Effect of dilutive potential ordinary shares	-	-
(c)	Net Profit/(Loss) for diluted earnings per share (₹)	(3,54,85,418)	4,15,20,719

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

26. EARNINGS PER SHARE (Contd.)

(ii) Reconciliation of basic and diluted shares used in computing earnings per share: (₹ in '00)

Denominator		For the year ended 31st March, 2020	For the year ended 31st March, 2019
(a)	Weighted average number of Equity Shares (for basic EPS)	79,84,424	79,84,424
(b)	Less: Effect of dilutive potential ordinary shares	-	-
(c)	Number of weighted average equity shares considered for dilutive earnings per share	79,84,424	79,84,424

(iii) Earnings Per Share (₹) (₹ in '00)

Particulars		For the year ended 31st March, 2020	For the year ended 31st March, 2019
(a)	- Basic	(4.44)	5.20
(b)	- Diluted	(4.44)	5.20

27. OPEN INTEREST IN EQUITY INDEX/STOCK FUTURES AS AT 31ST MARCH, 2020

(₹ in '00)

Sl. No	Name of the future	Series of future	Number of contracts	Number of units per lot
1	Bank of Baroda	30th April, 2020	5	5,400
2	Canara Bank	30th April, 2020	41	2,600
3	ICICI Bank	30th April, 2020	20	1,375
4	Reliance Ind. Ltd	30th April, 2020	80	500
5	State Bank of India	30th April, 2020	14	3,000
6	Indus Ind Bank	30th April, 2020	50	400
7	Yes Bank	30th April, 2020	3	8,800

OPEN INTEREST IN EQUITY INDEX/STOCK FUTURES AS AT 31ST MARCH, 2019

(₹ in '00)

Sl. No	Name of the future	Series of future	Number of contracts	Number of units per lot
1	Bank of Baroda	25th April, 2019	5	4000
2	Canara Bank	25th April, 2019	22	2000
3	Oriental Bank of Commerce	25th April, 2019	1	7000
4	Reliance Ind. Ltd.	25th April, 2019	30	500
5	State Bank Of India	25th April, 2019	3	3000

28. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in '00)

Denominator		As at 31st March, 2020	As at 31st March, 2019
(A)	Capital Commitments		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	8,000.00

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

29. INCOME TAX EXPENSE

(a) Major Components of income tax expense for the year ended 31st March 2020 and 31st March, 2019:

(₹ in '00)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Current Income Tax	-	1,39,500.00
Adjustment in respect of income tax of previous year	(12,989.35)	(5,707.73)
Total Current Tax Expense	12,989.35	1,33,792.27
<i>Deferred Tax</i>		
(Decrease)/Increase in Deferred Tax Liabilities	(16,341.32)	(4,888.12)
Decrease/(Increase) in Deferred Tax Assets	(6,623.29)	6,866.03
Transferred to OCI	2,518.22	(258.00)
Deferred Tax	(20,446.39)	1,719.91
<i>Income Tax expense is attributable to:</i>		
Profit from continued operation	(5,789.54)	1,35,512.18
Profit from discontinued operation	-	-
Total	(5,789.54)	1,35,512.18

(b) Deferred Tax related to items recognized in OCI during the year:

(₹ in '00)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Tax on Gain/(Loss) on FVTPL financial assets	2,518.22	(258.00)
Income Tax charged to OCI	2,518.22	(258.00)

(c) Reconciliation of tax expense and the accumulated profit multiplied by India's domestic rate:

(₹ in '00)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Profit/(loss) before tax from Continuing Operations	(3,88,289.92)	5,50,719.36
Profit/(loss) before tax from discontinuing Operations	-	-
Indian tax rate	22.88%	27.82%
Tax at the Indian rates	-	1,53,210.12
Tax at the Indian rates:	-	1,53,210.12
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Expenses disallowed/considered separately	(28,946.84)	53,489.61
Expenses Allowed	48,051.00	(77,551.96)
Donation	(305.70)	(792.74)
Rental Income (net of Municipal Tax and Rebate)	732.44	788.59
Tax on Normal Rate (A)	-	1,29,143.62
Tax on Special Income at Normal Rate (B)	-	9881.17
Total Tax Expenses (A)+(B)	-	1,39,024.79
Rounded off to	-	1,39,500.00
Income Tax expense	-	1,39,500.00

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

30. EXPENDITURE/ EARNINGS IN FOREIGN CURRENCY

(₹ in '00)

Particulars	For the year ended	
	31st March, 2020 Amount	31st March, 2019 Amount
A. Expenditure in Foreign Currency		
Travelling	6,865.70	10,003.26
Total	6,865.70	10,003.26

(₹ in '00)

Particulars	For the year ended	
	31st March, 2020 Amount	31st March, 2019 Amount
B. Earnings in Foreign currency		
Consultancy Fees	10,086.07	7,617.39
Total	10,086.07	7,617.39

31. DUES TO MICRO AND SMALL ENTERPRISES

The Company has no dues to Micro and Small Enterprises as at 31st March, 2020 and 31st March, 2019 in the Financial Statements based on the information received and available with the Company.

32. BALANCE CONFIRMATION

Outstanding balances of Trade Receivables, Loans and Advances are subject to confirmation from the respective parties and consequential adjustments arising from reconciliation if any. The management, however, is of the view that there will be no material discrepancies in this regard.

33. EMPLOYEE BENEFITS

A. Defined Benefit Plans

Defined Benefit Plans expose the Company to actuarial risk such as: Interest Rate Risk, Liquidity Risk, Salary Escalation Risk and Demographic Risk.

- Interest Rate Risk:** The Plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liquidity (as shown in financial statements)
- Liquidity Risk:** This is the risk that the Company is not able to meet the short-term benefit payouts. This may arise due to non-availability of enough cash/ cash equivalents to meet the liabilities or holding of illiquid assets not being sold in time.
- Salary Escalation Risk:** The Present Value of the above benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine present value of obligation will have a bearing on the plan's liability.
- Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

GRATUITY PLANS

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less favorable than The Provisions of Gratuity Act, 1972. The above Scheme is funded.

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

33. EMPLOYEE BENEFITS (Contd.)

(a) Change in Defined Contribution Plans (DCP) over the year ended 31st March, 2020.

(₹ in '00)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Contribution to Employee's Provident Fund	7,836.09	6,493.69
Contribution to Employee's Family Pension Fund	4,170.70	5,495.04
Total	12,006.79	11,988.73

(b) Change in Defined Benefit Obligations (DOB) over the year ended 31st March, 2020

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31ST March 2020	For the year ended 31ST March 2019	For the year ended 31ST March 2020	For the year ended 31ST March 2019
Present Value of DBO at the Beginning of Year	54,950.84	50,118.91	12,814.81	17,181.32
Current Service Cost	4,002.51	3,934.22	1,459.11	1,527.33
Interest Cost	4,176.26	3,859.16	973.92	1,322.96
Curtailement Cost/(Credit)	-	-	-	-
Settlement Cost/(Credit)	-	-	-	-
Employee Contribution	-	-	-	-
Past Service Cost	-	-	-	-
Acquisitions	-	-	-	-
Re-measurement (or Actuarial (gains/Losses) arising from:				
- Change in demographic assumptions	(27.58)	-	(5.29)	-
- Change in financial assumptions	5916.08	475.54	1,317.24	114.42
- Experience variance (i.e. Actual experience vs. assumptions)	4022.73	(1,961.80)	5,675.30	359.70
- Others	-	-	-	-
Benefits paid	(11,584.33)	(1,475.19)	(7,640.74)	(7,690.92)
Present Value of DBO at the end of Year	61,456.51	54,950.84	14,594.35	12,814.81

(c) Change in Fair Value of Assets

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31ST March 2020	For the year ended 31ST March 2019	For the year ended 31ST March 2020	For the year ended 31ST March 2019
Plan Assets at beginning of period	63,589.78	54,235.53	-	-
Investment Income	4,832.82	4,176.14	-	-
Return on Plan Assets, Excluding amount recognized in Net Interest Expense	(1,123.91)	(558.87)	-	-
Actual Company contributions	8,605.19	7,212.17	7,640.74	7,690.92
Fund Transferred	-	-	-	-
Employee Contributions	-	-	-	-
Benefits paid	(11,584.33)	(1,475.19)	(7,640.74)	(7,690.92)
Plan assets at the end of period	64,319.55	63,589.78	-	-

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

33. EMPLOYEE BENEFITS (Contd.)

(d) Funded Status

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31ST March 2020	For the year ended 31ST March 2019	For the year ended 31ST March 2020	For the year ended 31ST March 2019
Defined Benefit Obligation	61,456.51	54,950.84	14,594.35	12,814.81
Fair Value of Plan Assets	64,319.55	63,589.78	-	-
Unrecognized Past Service Cost	-	-	-	-
Effects of Asset Ceiling	-	-	-	-
Net Defined Benefit Asset/(Liability)	2,863.04	8,638.94	(14,594.35)	(12,814.81)

(e) Reconciliation of Net Balance Sheet position

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31ST March 2020	For the year ended 31ST March 2019	For the year ended 31ST March 2020	For the year ended 31ST March 2019
Net asset/(Liability) recognized in balance sheet at the beginning of period	8,638.94	4,116.62	(12,814.81)	(17,181.32)
Expense recognized in Income Statement	3,345.95	3,617.24	9,420.28	3,324.41
Expense recognized in Other Comprehensive Income	11,035.14	(927.39)	-	-
Employer contributions	8,605.19	7,212.17	7,640.74	7,690.92
Net Acquisitions/Business Combinations	-	-	-	-
Net asset/(Liability) recognized in balance sheet at end of the period	2,863.04	8,638.94	(14,594.35)	(12,814.81)

(f) Expense recognized during the year 2019-20

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31ST March 2020	For the year ended 31ST March 2019	For the year ended 31ST March 2020	For the year ended 31ST March 2019
Current Service Cost	4,002.51	3,934.22	1,459.11	1,527.33
Past Service Cost Plan Amendment	-	-	-	-
Curtailement cost/(credit)	-	-	-	-
Settlement cost/(credit)	-	-	-	-
Expected return on Plan Assets	-	-	-	-
Net Actuarial Losses/(Gains)	-	-	6,987.25	474.12
Net Interest on Net Defined Benefit Liability/(assets)	(656.56)	(316.98)	973.92	1,322.96
Expense recognized in the Statement of Profit and Loss	3,345.95	3,617.24	9,420.28	3,324.41

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

33. EMPLOYEE BENEFITS (Contd.)

(g) Other Comprehensive Income

(₹ in '00)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Actuarial (gains)/losses due to:		
- Change in demographic assumptions	(27.58)	-
- Change in financial assumptions	5916.08	475.54
- Experience variance (i.e. Actual experience vs. assumptions)	4022.73	(1,961.80)
- Others	-	-
Return on Plan Assets, excluding amount recognized in net interest expense	1,123.91	558.87
Re measurement (or Actuarial (gain)/Loss) arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognized in other Comprehensive Income	11,035.14	(927.39)

(h) Principal Actuarial Assumptions

(₹ in '00)

Financial Assumptions	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Discount Rate	6.60% p.a.	7.60% p.a.
Rate of Increase in Salaries	6.50% p.a.	6.50% p.a.

(₹ in '00)

Demographic Assumptions	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rate of Availment of Leave	0.00 % p.a.	0.00 % p.a.
Rate of Encashment of Leave	0.00 % p.a.	0.00 % p.a.
Mortality Rate (% of IALM 06-08)	100% p.a.	100% p.a.
Normal Retirement Age	62 Years	62 Years
Attribution Rates, based on age (% p.a.)		
- For all ages	2.00	2.00

(i) Division of defined Benefit Obligation (Current/Non-Current) at the end of the year.

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31ST March 2020	For the year ended 31ST March 2019	For the year ended 31ST March 2020	For the year ended 31ST March 2019
Current Defined Benefit Obligation	5,976.97	11,295.81	4,265.96	4,131.18
Non-Current Defined Benefit Obligation	55,479.54	43,655.03	10,328.39	8,683.63
Total Defined Benefit Obligation	61,456.51	54,950.84	14,594.35	12,814.81

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

33. EMPLOYEE BENEFITS (Contd.)

(j) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The Sensitivity Analysis below have determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period while holding all other assumptions constant. The result of sensitivity analysis is given below:

(₹ in '00)

Particulars	Gratuity (Funded)				Leave Encashment (Unfunded)			
	For the year ended 31ST March 2020		For the year ended 31ST March 2019		For the year ended 31ST March 2020		For the year ended 31ST March 2019	
	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	68,458.41	55,540.43	60,163.69	50,521.64	16,179.29	13,277.11	14,084.74	11,757.95
Salary Growth Rate (-/+ 1%)	56,769.75	66,824.73	51,134.19	59,435.61	13,196.34	16,254.56	11,683.36	14,157.80
Attrition Rate (-/+ 50%)	61,096.86	61,787.37	54,222.86	55,609.72	14,539.97	14,641.84	12,669.74	12,941.63
Mortality Rate (-/+ 10%)	61,309.87	61,599.56	54,730.09	55,166.28	14,584.48	14,603.81	12,787.64	12,841.15

(k) Methodology for Defined Benefit Obligation

The Projected Unit Credit (PUC) actuarial method has been used to assess the Present Value of Defined Benefit Obligations and the related Current Service Cost and where applicable Past Service Cost.

(₹ in '00)

Expected Cash Flows over the next (valued on undiscounted basis)	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31ST March 2020	For the year ended 31ST March 2019	For the year ended 31ST March 2020	For the year ended 31ST March 2019
1 Year	5,976.97	11,295.81	4,265.96	4,131.18
2-5 Years	11,543.91	10,201.97	1,442.92	1,308.54
6-10 Years	28,929.77	30,142.49	2,718.04	3,608.45
More Than 10 Years	97,903.64	82,357.46	25,832.67	24,515.86

(l) Plan Assets Information

Major categories of Plan Assets as percentage of Total Plan Assets.

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31ST March 2020	For the year ended 31ST March 2019	For the year ended 31ST March 2020	For the year ended 31ST March 2019
Funds Managed by Insurer	100%	100%	-	-

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

34. RELATED PARTY TRANSACTIONS.

A. As per Indian Accounting Standard-24- 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India, the names of the related parties are given below:

B. List of related parties with whom the Company has transacted during the year

Subsidiary Company	SFSL Commodity Trading Private Limited.
Associates	US Infotech Private Limited Brandshoots Ventures Private Limited Sumedha Management Solutions Private Limited
Key Managerial Personnel	Mr. Bhawani Shankar Rathi (Whole Time Director) Mr. Vijay Maheshwari (Director) Mr. Bijay Murmuria (Director) Mrs. Garima Maheshwari (Director)
Enterprise/Firm owned or significantly influenced by Key Managerial Personnel	Superb Estate Services Private Limited M/s Maheshwari & Associates

C. Transaction with related parties during the year and year end outstanding balance thereof are as follows: (₹ in '00)

Sl. No.	Nature of Transactions	Associates	Subsidiary	Enterprise owned or significantly influenced by Key Managerial Personnel	Key Management Personnel	Total
i	Managerial Remuneration	-	-	-	32,745.00	32,745.00
		-	-	-	(25,148.67)	(25,148.67)
ii	Rent paid	-	9,000.00	2,400.00	6,000.00	17,400.00
		-	(9,000.00)	(2,400.00)	(6,000.00)	(17,400.00)
iii	Portfolio management fees received	-	-	-	1,022.51	1,022.51
		-	-	-	(759.04)	(759.04)
iv	Guarantee commission paid	-	-	-	-	-
		-	-	-	(2,500.00)	(2,500.00)
v	Dividend Paid	11,155.66	-	2,186.00	21,834.10	35,175.76
		(11,155.66)	-	(2,186.00)	(21,834.10)	(35,175.76)
vi	Loan Given	-	-	-	-	-
		-	(17,000.00)	-	-	(17,000.00)
vii	Loan Received back	-	-	-	-	-
		-	(17,000.00)	-	-	(17,000.00)
viii	Interest received	-	-	-	-	-
		-	(709.49)	-	-	(709.49)
ix	Rent received	-	-	4,200.00	-	4,200.00
		-	-	(4,200.00)	-	(4,200.00)
X	Consultancy Fees Received	1,88,000.00	-	-	-	1,88,000.00
		(1,48,000.00)	-	-	-	(1,48,000.00)
xi	Investment in Equity Shares	-	-	-	-	-
		(23,400.00)	-	-	-	(23,400.00)
xii	Outstanding balances at the end of the Financial Year					
(a)	Investment in Equity shares	1,60,816.88	1,45,219.50	-	-	3,06,036.38
		(1,60,816.88)	(1,45,219.50)	-	-	(3,06,036.38)

Note: (i) The above transactions do not include reimbursement of expenses made / received during the year.
(ii) Previous year figures are in the bracket.

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

34. RELATED PARTY TRANSACTIONS. (Contd.)

D. Disclosure in Respect of Material Related Party Transactions during the year.

(₹ in '00)

Particulars	2020	2019
Managerial Remuneration		
Mr. Bhawani Shankar Rathi	32,745.00	25,148.67
Rent paid		
SFSL Commodity Trading Pvt. Limited	9,000.00	9,000.00
Superb Estate Services Pvt. Limited	2,400.00	2,400.00
Mr. Vijay Maheshwari	6,000.00	6,000.00
Portfolio management fees received		
Mr. Vijay Maheshwari	416.62	420.34
Mrs. Garima Maheshwari	605.89	338.70
Guarantee Commission paid		
Mr. Vijay Maheshwari	-	1,250.00
Mr. Bijay Murmuria	-	1,250.00
Dividend paid		
Mr. Bijay Murmuria	3,699.20	3,699.20
Mr. Bhawani Shankar Rathi	1,192.70	1,192.70
Mr. Vijay Maheshwari	16,692.20	16,692.20
Mrs. Garima Maheshwari	250.00	250.00
US Infotech (P) Limited.	11,155.66	11,155.66
Superb Estate Services Pvt. Limited.	2,186.00	2,186.00
Loan Given		
SFSL Commodity Trading Pvt. Limited	-	17,000.00
Loan received back		
SFSL Commodity Trading Pvt. Limited	-	17,000.00
Interest Received (net of TDS)		
SFSL Commodity Trading Pvt. Limited	-	709.49
Investment in Equity shares		
Sumedha Management Solutions Pvt Ltd	-	23,400.00
Rent received		
Maheshwari & Associates	4,200.00	4,200.00
Consultancy Fee Received		
Sumedha Management Solutions Pvt. Ltd.	1,88,000.00	1,48,000.00

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

35. CAPITAL RISK MANAGEMENT

The Company aim to manage its capital efficiently so as 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 balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confident and to sustain future development and growth of its business.

The Company will take appropriate steps in order to maintain or if necessary adjust its capital structure.

36. INTEREST IN SUBSIDIARY AND ASSOCIATES

Name	% Equity Interest	
	Mar-2020	Mar-2019
Subsidiary		
SFSL Commodity Trading Private Limited	99.98%	99.98%
Associates		
US Infotech Private Limited*	23.77%	23.77%
Brandshoots Ventures Private Limited	31.84%	31.84%
Sumedha Management Solutions Private Limited	24.73%	24.73%

37. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT

A. Accounting classification for Fair Values

(i) Following table shows carrying amount and Fair Values of Financial Liabilities and Financial Assets: (₹ in '00)

Financial Assets	As at 31st March, 2020			As at 31st March, 2019		
	Carrying Value	Amortized Cost	FVTPL	Carrying Value	Amortized Cost	FVTPL
Investments in Subsidiaries						
Unquoted Instruments	1,45,219.50	-	-	1,45,219.50	-	-
Investments in Associates						
Quoted Instruments	-	-	-	-	-	-
Unquoted Instruments	1,60,816.88	-	-	1,60,816.88	-	-
Investments in Equity Instruments						
Quoted Equity Instruments	-	-	13,907.00	-	-	36,050.14
Unquoted Equity Instruments	-	-	1.00	-	-	19,500.00
Investments in Debt Instruments						
Mutual Funds	-	-	5,04,562.00	-	-	5,22,297.17
Debentures						
- Quoted	-	-	-	-	-	-
- Unquoted	-	1.00	-	-	50,700.00	-
Trade Receivables	4,82,890.33	-	-	3,93,469.61	-	-
Cash on Hand	17,020.17	-	-	17,875.92	-	-
Balances with Bank	2,25,579.43	-	-	9,70,228.34	-	-
Balances with Bank other than Cash & cash Equivalents	2,02,998.74	-	-	1,49,045.59	-	-
Other Financial Assets	4,23,482.72	-	-	1,01,066.07	-	-

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

37. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

A. Accounting classification for Fair Values (Contd.)

(i) Following table shows carrying amount and Fair Values of Financial Liabilities and Financial Assets: (Contd.)

(₹ in '00)

Financial Liabilities	As at 31st March, 2020			As at 31st March, 2019		
	Carrying Value	Amortized Cost	FVTPL	Carrying Value	Amortized Cost	FVTPL
Borrowings	8,639.74	-	-	13,818.85	-	-
Other Financial Liabilities*	40,015.10	-	-	54,163.14	-	-

*Fair Values for these Financial Instruments have not been disclosed because their carrying amounts are reasonable approximation of their fair values.

(ii) Finance Income and Finance Cost instrument category wise classification

(₹ in '00)

Financial Income and Financial Cost	For the Year ended 31st March, 2020			For the Year ended 31st March, 2019		
	Carrying Value	Amortized Cost	FVTPL	Carrying Value	Amortized Cost	FVTPL
Income						
- Interest income	16,896.60	-	-	27,521.45	-	-
- Dividend Income	-	-	3,038.74	-	-	2,891.55
Expenses						
- Interest Expense	-	10,226.70	-	-	1,819.23	-

B. Fair Value Hierarchy

The following table shows the details of financial assets and financial liabilities including their levels in the fair value hierarchy:

(i) Financial assets and financial liabilities measured at fair value – recurring fair value measurements:

(₹ in '00)

Financial Assets	As at 31st March, 2020			As at 31st March, 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments in Equity Instruments						
Quoted Equity Instruments	13,907.00	-	-	36,050.14	-	-
Unquoted Equity Instruments	1.00	-	-	19,500.00	-	-
Investments in Debt Instruments						
Mutual Funds	5,04,562.00	-	-	5,22,297.17	-	-
Debentures						
- Quoted	-	-	-	-	-	-
- Unquoted	-	-	1.00	-	-	50,700.00

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

37. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

B. Fair Value Hierarchy (Contd.)

(ii) Fair value disclosure of financial assets and financial liabilities measured at carrying value:

(₹ in '00)

Financial Assets	For the Year ended 31st March, 2020			For the Year ended 31st March, 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Borrowings	-	8,639.74	-	-	13,818.85	-
- Other Financial Liabilities	-	40,015.10	-	-	54,163.14	-

Level 1-hierarchy includes financial instruments valued using quoted market prices. Listed equity instruments and traded debt instruments which are traded in the stock exchanges are valued using the closing price at the reporting date. Mutual funds are valued using the closing NAV.

Level 2-hierarchy includes financial instruments that are not traded in active market. This includes OTC derivatives and debt instruments valued using observable market data such as yield etc. of similar instruments traded in active market. All derivatives are reported at discounted values hence are included in level 2. Borrowings have been fair valued using market rate prevailing as on the reporting date.

Level 3-if one or more significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments and certain debt instruments which are valued using assumptions from market participants.

(iii) Fair Value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in level 3 items for the period 31st March 2020 and 31st March 2019.

(₹ in '00)

	Subsidiary- Unquoted	Associates- Unquoted	Unquoted Equity Instruments	Unquoted Debt Instruments
As at 31/03/2019	1,45,219.50	16,016.88	19,500.00	50,700.00
Acquisitions	-	-	-	-
Sales	-	-	-	-
Gains/(Losses) recognized in Statement of Profit and Loss	-	-	-	(50,699.00)
As at 31/03/2020	1,45,219.50	16,016.88	19,500.00	1.00

(iv) Valuation techniques used for valuation of instruments categorised as level 3.

For valuation of investments in equity shares of associates which are unquoted, peer comparison has been performed wherever available. Valuation has been primarily done based on the cost approach where in the net worth of the Company is considered and price to book multiple is used to arrive at the fair value. In cases where income approach was feasible valuation has been arrived using the earnings capitalisation method. For inputs that are not observable for these instruments, certain assumptions are made based on available information. The most significant of these assumptions are the discount rate and credit spreads used in the valuation process. For valuation of investments in debt securities categorised as level 3, market polls which represent indicative yields are used as assumptions by market participants when pricing the asset.

(v) Financial Instrument - Financial Risk Management.

The Company's activity exposes it to various risk such as market risk, liquidity risk and credit risks. This section explains the risks which the Company is exposed to and how it manages the risks.

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

37. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

B. Fair Value Hierarchy (Contd.)

(v) Financial Instrument - Financial Risk Management. (Contd.)

a. Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange risk rates, interest rates and equity prices which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company's main business activity financial consulting has no or limited entry barrier. Entry of Banks and large consulting firms has increased competition.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on financial liabilities such as long-term borrowings.

The Company is also exposed to interest rate risk on its financial assets that include fixed deposits.

Impact of increase/decrease in the benchmark interest rates on the Company's equity and the Statement of Profit and Loss for the year is given below:

Interest Rate Risk	Change in Rate	31st March, 2020		31st March, 2019	
		Change in statement of Profit and Loss	Change in Other components of equity	Change in statement of Profit and Loss	Change in Other components of equity
Interest Rate	50 bps	-	-	-	-
- Borrowings	-	9 %	-	9 %	-
- Other Financial Assets	-	8 %	-	8 %	-

(ii) Price Risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the Balance Sheet as fair value through Profit or Loss. The majority of the Company's equity investments are publicly traded.

Sensitivity analysis- Equity price risk

The table below summarises the impact of increase/decrease of the market price of the listed instruments on the Company's equity and profit for the period. The analysis is based on the assumption that market price had increased by 2% or decreased by 2%.

(₹ in '00)

Particulars	Impact on Profit or Loss		Impact on other components of equity	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
Market Price increases by 2 %	278.14	721	-	-
Market Price decreases by 2 %	(278.14)	(721)	-	-

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

37. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

B. Fair Value Hierarchy (Contd.)

(v) Financial Instrument - Financial Risk Management. (Contd.)

b. Liquidity Risk

The Company determines its liquidity requirements in the short, medium and long term. This is done by drawing up cash forecast for short and medium term requirements and strategic financing plans for long term needs.

The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalents position. This is generally carried out in accordance with practice and limits set by the Company.

(i) Maturity Analysis

The Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities and net settled derivative financial instruments. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(₹ in '00)

	Less than 1 Year	1 Year to 2 year	2 Year to 5 Years	More than 5 Years	Total
Contractual maturities of financial liabilities as at 31/03/2020					
Non- Derivatives					
Borrowings	-	-	13,818.85	-	13,818.85
Other Financial Liabilities	34,835.99	-	-	-	34,835.99

(₹ in '00)

	Less than 1 Year	1 Year to 2 year	2 Year to 5 Years	More than 5 Years	Total
Contractual maturities of financial liabilities as at 31/03/2019					
Non- Derivatives					
Borrowings	4,758.40	5,179.11	8,639.74	-	18,577.25
Other Financial Liabilities	49,404.74	-	-	-	49,404.74

c. Credit Risk

Credit risks is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation, and arises principally from the Company's receivables from customers, stock exchanges and clearing members. The carrying amount of financial assets represents the maximum credit exposure. Security deposits with stock exchanges and clearing members mainly represents the margin money to cover the regular trading exposure in stock exchanges backed by margin collected from clients and has very insignificant credit risk.

The Company exposure to credit risk is influenced mainly by the individual characteristics of each client. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry.

Notes forming part of the Financial Statement for the year ended 31st March, 2020 (Contd.)

37. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

B. Fair Value Hierarchy (Contd.)

(v) Financial Instrument - Financial Risk Management. (Contd.)

Financial assets are written off when there is no expectation of recovery such as debtors failing to engage in a repayment plan with the Company. Where loans and receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where necessary, the Company has adopted the policy of creating expected credit loss where recoveries are made, these are organised as expense in the Statement of Profit and Loss.

Impairment losses/ (reversals) on financial assets recognized in profit or loss were as follows:

(₹ in '00)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Impairment Loss on trade receivables	47,621.95	1,08,779.63

38) The Board of Directors has recommended a dividend at the rate of Re.0.60/- per share (face value Rs10/-) (previous year Re. 1/-) for the year ended 31st March,2020,subject to approval of the shareholders at the ensuing Annual General Meeting.

As per requirements of Ind AS, the Company is not required to provide for proposed dividend declared after the Balance Sheet date. Consequently, no provision has been made in respect of the aforesaid dividend proposed by the Board of Directors for the year ended 31st March, 2020. Had the company continued with the creation of the provision of the proposed dividend as at the Balance Sheet date, its surplus in the Statement of Profit and Loss would have been lower by Rs 47.90 lacs (Previous Year ₹ 79.84 Lacs) on account of dividend and ₹ lacs (Previous Year ₹ 16.41Lacs) on account of Dividend Tax and the short term provision would have been higher by the said amount of ₹47.90 lacs (Previous Year ₹ 96.25lacs).

39) During the year, Unclaimed Dividend amounting to ₹1,42,518/- relating to financial year 2011-12 has been transferred to IEPF Account as per section 124(5) of the Companies Act, 2013.

40) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

41) Figures have been rounded off to nearest Hundred.

Signature to notes 1 to 41

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.: 311017E

(SUNIL SINGHI)

Partner

Membership No. 060854

UDIN: 20060854AAAAAL2188

Place : Kolkata

Date : 26th June, 2020

For and on behalf of the Board of Directors

Bijay Murmuria

Director

DIN: 00216534

Deb Kumar Sett

Company Secretary

Vijay Maheshwari

Director

DIN : 00216687

Girdhari Lal Dadhich

Chief Financial Officer

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 (As on 31st March, 2020)

Part A: Subsidiary

1.	Sl. No.	1
2.	Name of the Subsidiary	SFSL Commodity Trading Pvt. Ltd.
3.	The date since when subsidiary was acquired	28 March, 2000
4.	Reporting period for the Subsidiary concerned, if different from the holding company's reporting period	01 April, 2019 to 31 March, 2020
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable
6.	Share Capital	₹ 86,82,650
7.	Reserves & Surplus	₹ 1,08,85,975
8.	Total Assets	₹ 1,96,67,959
9.	Total Liabilities	₹ 1,96,67,959
10.	Investments	₹ 45,25,359
11.	Turnover	₹ 19,31,159
12.	Profit before Taxation	₹ 15,17,357
13.	Provision for Taxation	₹ 2,43,871
14.	Profit after Taxation	₹ 12,73,486
15.	Proposed Dividend	Nil
16.	% of Shareholding	99.98

- Notes:**
1. There is no subsidiary which is yet to commence operations.
 2. There is no subsidiary which has been liquidated or sold during the year.

Part B: Associates and Joint Ventures

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

Name of Associates / Joint Ventures		US Infotech Pvt. Ltd.*	Brandshoots Ventures (P) Ltd.	Sumedha Management Solutions (P) Ltd.
1.	Latest Audited Balance Sheet Date	31-Mar-20	31-Mar-20	31-Mar-20
2.	Date on which the Associate or Joint Venture was associated or acquired	30-Mar-06	27-Jan-17	27-Sep-18
3.	Shares of Associate / Joint Ventures held by the company on the year end			
	No.	5,12,948	5,44,400	2,30,000
	Amount of Investment in Associates / Joint Venture	₹ 77,97,688	₹ 54,44,000	₹ 28,40,000
	Extend of Holding %	43.36	31.84	24.73
4.	Description of how there is significant influence	Share Ownership	Share Ownership	Share Ownership
5.	Reason why the Associate/ Joint Venture is not consolidated	-	-	-
6.	Networth attributable to shareholding as per latest audited Balance Sheet	₹ 2,87,63,446	₹ 1,27,52,400	₹ 93,80,844
7.	Profit / Loss for the year	₹ (40,05,365)	₹ (7,16,842)	₹ 1,61,21,072
	i. Considered in Consolidation	₹ (17,36,726)	₹ (2,28,242)	₹ 39,86,741
	ii. Not considered in Consolidation	₹ (22,68,639)	₹ (4,88,600)	₹ 1,21,34,331

- Notes:**
1. There is no associates or joint ventures which is yet to commence operations.
 2. There is no associates or joint ventures which has been liquidated or sold during the year.

For and on behalf of the Board of Directors

Bijay Murmura
Director
DIN: 00216534

Vijay Maheshwari
Director
DIN : 00216687

Place : Kolkata
Date : 26th June, 2020

Deb Kumar Sett
Company Secretary

Girdhari Lal Dadhich
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Members of **Sumedha Fiscal Services Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Sumedha Fiscal Services Limited (hereinafter referred to as "the Holding Company") and its Subsidiary (collectively referred to as "the Group") and its Associates, comprising of the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity for the year ended on that date and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group and its associates as at 31st March, 2020, consolidated loss (financial performance including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated 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 opinion on the consolidated financial statements.

Key Audit Matters

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

Key Audit Matters	Response to Key Audit Matters
<p>Property, Plant and Equipment</p> <p>There are areas where management judgement impacts the carrying value of property, plant and equipment, intangible assets, investment property and their respective depreciation rates. We do not consider this management judgement to be of high risk of significant misstatement or to be subject to significant level of judgment. However, due to their materiality in the context of the Balance Sheet of the Holding Company, this is considered to be an area which had the significant effect on the overall audit strategy and allocation of resources in planning and completing our audit.</p>	<p>We assessed the controls in place over the Property, Plant & Equipment, evaluated the appropriateness of capitalisation process, performed tests of details on costs capitalised, the timeliness of the capitalisation of the assets and the de-recognition criteria for assets retired from active use.</p> <p>In performing these procedures, we reviewed the judgements made by management including the nature of underlying costs capitalised; determination of realizable value of the assets retired from active use; the appropriateness of assets lives applied in the calculation of depreciation; and the useful lives of assets prescribed in Schedule II to the Act and as per significant accounting policies of the Holding Company.</p>

Information Other than the Consolidated 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 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 financial statements and our Auditor's Report thereon

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available 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, we conclude, based on the work we have performed, on the other information obtained prior to the date of Auditor's Report, that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated Changes in Equity and consolidated Cash Flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its Associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its associates are responsible for assessing the ability of the Group and its associates 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 associates are also responsible for overseeing the financial reporting process of the Group and its associates.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group and its associates has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remains responsible for the direction, supervision and performance of the audits carried out by them we remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

We did not audit the financial statements of the subsidiary included in the consolidated financial statements of the Holding Company, whose financial statements reflect total assets of ₹ 1,96,67,959 /- and net assets of ₹ 1,95,68,625/- as at 31st March, 2020, total revenues of ₹ 19,31,159/- and net cash outflows/(inflows) amounting to (₹ 2,25,914/-) for the year ended on that date, as considered in the financial statements of the Holding Company. The consolidated financial statements also include the Group's share of net profit of ₹ 56,51,275/- and Other Comprehensive Income of Rs 7,96,516/- for the year ended 31st March, 2020, as considered in the consolidated financial statements, in respect of 3 associates whose financial statements / financial information are unaudited.

The financial statements of Subsidiary have been audited by other auditor whose report has been furnished to us by the Holding Company's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

The financial statement's/ financial information of 3 Associate Companies are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements , in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid associates, is based solely on such unaudited financial statements/ financial information.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

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

- a. we have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- b. in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports (of the other auditors);
- c. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), 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 financial statements.
- d. in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e. on the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 and taken on record by the Board of Directors of the Holding Company and the report of the Statutory Auditor of Subsidiary and the information from Associates , none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31st 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 with reference to consolidated financial statements of the Holding Company, its subsidiary company and associate companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A";
- g. with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid/provided by the Holding Company, its subsidiary company and its associates incorporated in India, on the basis of report of the other statutory auditor, and the information from the Associates during the year is in accordance with the provisions of Section 197 of the Act, and
- 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:
 - i. the consolidated financial statements disclose the impact if any of pending litigations on its consolidated financial position of the Group and its associates; Refer Note 29 to the consolidated financial statements;
 - ii. the Group has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
 - iii. there has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary company and its associates incorporated in India in accordance with the relevant provisions of the Act and the Rules made there under.

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E

(SUNIL SINGHI)
Partner

Membership No. 060854
UDIN:20060854AAAAAM3293

Place: Kolkata
Date: 26th June, 2020

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph-1(f) on Other Legal and Regulatory Requirements of our Report of even date to the members of Sumedha Fiscal Services Limited on the Consolidated Financial Statements for the year ended 31st March, 2020)

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 financial statements as of and for the year ended 31st March, 2020, we have audited the internal financial controls with reference to consolidated financial statements of Sumedha Fiscal Services Limited (“the Holding Company”) and its subsidiary company (collectively referred to as “the Group”) and its associate companies, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company its subsidiary company and its associate companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Companies 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 (“ the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Group and its associates, which are companies incorporated in India, 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 Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing issued by ICAI, and prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company’s internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal

financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 with reference to consolidated financial statements

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary company and its associate companies which are incorporated in India, have in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31st March, 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal controls 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 under section 143(3) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to subsidiary Company is based on the corresponding report of the auditor of such Company, and of associate companies incorporated in India are based on the financial information certified by the management.

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E

(SUNIL SINGHI)
Partner

Place: Kolkata
Date: 26th June, 2020

Membership No. 060854
UDIN:20060854AAAAAM3293

Consolidated Balance Sheet as at 31st March, 2020

(₹ in '00)

Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019
I. ASSETS			
(1) Financial Assets			
a) Cash and Cash Equivalents	2	2,51,902.05	9,95,147.56
b) Bank Balances other than (a) above	3	2,02,998.74	1,57,545.59
c) Trade Receivables	4	4,82,890.33	3,93,469.61
d) Loans	5	-	1,28,064.96
e) Investments	6	9,10,523.53	8,93,108.94
f) Other Financial Assets	7	5,41,428.47	1,13,967.82
(2) Non financial Assets			
a) Inventories	8	3,79,272.46	7,00,438.12
b) Current tax Assets (Net)	9	1,33,057.56	23,878.90
c) Investment Property	10	23,541.73	24,141.05
d) Property, Plant and Equipment	11	10,95,481.73	9,14,746.42
e) Other Intangible Assets	12	4,537.31	3,185.53
f) Other Non-Financial Assets	13	87,284.84	1,12,863.29
Total Assets		41,12,918.75	44,60,557.79
II. LIABILITIES AND EQUITY			
(1) Financial Liabilities			
a) Borrowings (other than Debt Securities)	14	13,818.85	18,577.25
b) Other Financial Liabilities	15	35,010.99	50,673.75
(2) Non-Financial Liabilities			
a) Provisions	16	14,594.35	12,814.81
b) Deferred Tax Liabilities (Net)	17	74,965.13	97,857.69
c) Other Non-Financial Liabilities	18	1,32,677.23	35,598.70
(3) EQUITY			
a) Equity Share Capital	19	7,98,442.40	7,98,442.40
b) Other Equity	20	30,43,374.82	34,46,559.44
c) Minority Interest		34.99	33.75
Total Liabilities and Equity		41,12,918.75	44,60,557.79
Significant Accounting Policies	1		

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.: 311017E

(SUNIL SINGHI)

Partner

Membership No. 060854

UDIN:20060854AAAAAM3293

Place : Kolkata

Date : 26th June, 2020

Bijay Murmura

Director

DIN: 00216534

Deb Kumar Sett
Company Secretary

Vijay Maheshwari

Director

DIN : 00216687

Girdhari Lal Dadhich
Chief Financial Officer

Consolidated Statement of Profit and Loss for the year ended 31st March, 2020

(₹ in '00)

Particulars	Notes	For the year ended 31st March, 2020	For the year ended 31st March, 2019
INCOME			
I Revenue from Operations	21	17,83,887.02	18,08,725.74
II Other Income	22	81,865.00	56,529.51
III Total Income		18,65,752.02	18,65,255.25
IV EXPENSES			
a) Finance Costs	23	10,287.73	6,815.58
b) Purchase of Stock-in-Trade (Shares and Securities)		5,40,977.58	5,57,612.17
c) Changes in Inventories of Stock-in-Trade (Shares and Securities)	24	3,21,165.66	(1,88,860.17)
d) Employee Benefits Expense	25	3,54,670.37	3,73,315.17
e) Depreciation / Amortisation Expense		54,420.98	53,135.51
f) Other Expenses	26	9,57,345.84	5,03,470.67
V Total Expenses		22,38,868.16	13,05,488.93
VII Profit/(Loss) Before Share of Profit of Associates		(3,73,116.14)	5,59,766.32
Share of Profit before tax of associates accounted for using equity method		56,512.75	34,034.06
Profit/(Loss) after share of Profit of Associates but before Tax Expense		(3,16,603.39)	5,93,800.38
Tax Expenses			
a) Current Tax		2,367.08	1,41,241.54
b) Deferred Tax		(21,071.11)	8,158.73
c) Short / (Excess) Provision for Tax relating to earlier Years		(12,989.75)	(5,707.73)
d) MAT credit utilisation u/s 115JAA		696.77	43.59
VII Profit/(Loss) for the year		(2,85,606.38)	4,50,064.25
VIII Other Comprehensive Income:			
i. Items that will not be reclassified to Profit or Loss			
- Changes in fair value of FVOCI Equity Instruments		-	-
- Share of other Comprehensive Income of associates accounted for using the equity method		(12,803.66)	(7,490.31)
- Remeasurement of post-employment benefit obligations		(11,035.14)	927.40
ii. Income tax relating to items that will not be reclassified to Profit or Loss		2,518.22	(258.00)
iii. Items that will be reclassified to Profit or Loss		-	-
iv. Income tax relating to items that will be reclassified to Statement of Profit or Loss		-	-
Total Other Comprehensive Income		(21,320.58)	(6,820.91)
Total Comprehensive Income for the year (comprising profit/ (loss) and Other Comprehensive Income for the year)		(3,06,926.97)	4,43,243.34
Profit is attributable to :			
Equity Shareholders of the Parent		(2,85,607.62)	4,50,064.08
Non Controlling Interest		1.23	0.17
Other Comprehensive Income is attributable to:			
Equity Shareholders of the Parent		(21,320.58)	(6,820.91)
Non Controlling Interest		-	-
Total Comprehensive Income is attributable to:			
Equity Shareholders of the Parent		(3,06,928.20)	4,43,243.17
Non Controlling Interest		1.23	0.17
Earnings per Equity Share of face value of ₹ 10 each			
(Not Annualised)			
Basic (in ₹)		(3.58)	5.64
Diluted (in ₹)		(3.58)	5.64
Significant Accounting Policies	1		

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For **V. SINGHI & ASSOCIATES**

Chartered Accountants
Firm Registration No.: 311017E

(SUNIL SINGHI)

Partner
Membership No. 060854
UDIN:20060854AAAAAM3293

Place : Kolkata
Date : 26th June, 2020

Bijay Murmuria
Director
DIN: 00216534

Deb Kumar Sett
Company Secretary

Vijay Maheshwari
Director
DIN : 00216687

Girdhari Lal Dadhich
Chief Financial Officer

Consolidated Statement of Cash Flow for the year ended 31st March, 2020

(₹ in '00)

Particulars	For the year ended 31st March	
	2020	2019
A. Cash flows from operating activities		
Profit before taxation and after exceptional items	(3,16,603.40)	5,93,800.38
Adjustments for :		
Depreciation	54,420.98	53,135.51
Share of Profit of Associates	(56,512.75)	(34,034.06)
Interest income	(25,002.34)	(32,345.50)
Dividend income	(440.08)	(673.72)
Interest paid	10,226.70	1,819.24
Rental Income	(4,200.00)	(4,200.00)
(Profit)/Loss on sale of fixed assets (net)	(1,285.28)	(344.09)
(Profit)/Loss on sale of Investments	(46,578.78)	(13,036.21)
Impairment Loss on Investments	70,199.98	-
Unrealised Gain on Financial Assets	1,554.68	27,634.86
Sundry Balances Written Off	79,944.83	1,08,779.63
Other Comprehensive Income	(11,035.14)	927.40
Operating profit before working capital changes	(2,45,310.60)	7,01,463.44
Adjustments for:		
(Increase) / Decrease in other Non-Current Financial Assets	10,119.21	-
(Increase) / Decrease in other Non-Current Assets	4,394.23	-
(Increase) / Decrease in Trade Receivables	(4,55,951.45)	43,991.76
(Increase) / Decrease in Inventories	3,21,165.66	(1,88,860.17)
(Increase) / Decrease in Other Current Assets	16,417.96	-
Increase / (Decrease) in Trade and Other Payables	84,426.67	(1,18,517.68)
Increase / (Decrease) in Other Current Liabilities	(451.00)	-
Cash generated from Operations	(2,65,189.32)	4,38,077.35
Direct taxes paid	(98,633.56)	(1,25,887.43)
Cash Flow from operating Activities	(3,63,822.88)	3,12,189.92
B. Cash flows from investing activities		
Purchase of Property, Plant & Equipment	(2,36,483.49)	(16,708.66)
Sale of Property, Plant & Equipment	1,860.03	828.04
Purchase of Investments	(13,97,500.00)	(4,70,461.07)
sale of Investments	13,98,618.63	5,39,179.32
Investment in Term Deposits	(54,050.00)	2,37,289.16
Loan given	-	(22,683.92)
Rental Income	4,200.00	4,200.00
Interest received	14,830.50	38,951.09
Dividend received	440.08	673.72
Net cash (used in) / from investing activities	(2,68,084.25)	3,11,267.68
C. Cash flows from financing activities		
Proceeds/(Repayment) of long term borrowings	(4,758.40)	(5,202.36)
Dividend and Dividend Distribution Tax	(94,928.10)	(96,256.42)
Amount Transferred to IEPF	(1,425.18)	(436.66)
Interest paid	(10,226.70)	(1,819.24)
Net cash (used in) / from financing activities	(1,11,338.38)	(1,03,714.68)
Net increase in cash and cash equivalents	(7,43,245.51)	5,19,742.92
Cash and cash equivalents at the beginning of the year	9,95,147.56	4,75,404.64
Cash and cash equivalents at the end of the year	2,51,902.05	9,95,147.56

Notes:

- Components of cash and cash equivalents include cash, bank balances in current and deposit accounts as disclosed under note no. 2 and 3 of the Consolidated Financial Statements.
- The above Statements of Consolidated Financial Statements has been prepared under the indirect method as set out in Indian Accounting Standard 7 (Ind AS 7) on "Statement of Cash Flows".

This is the Consolidated Financial Statements of Cash flows referred to in our report of even date attached.

For and on behalf of the Board of Directors

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 311017E

Bijay Murmuria
Director
DIN: 00216534

Vijay Maheshwari
Director
DIN : 00216687

(SUNIL SINGHI)
Partner
Membership No. 060854
UDIN:20060854AAAAAM3293
Place : Kolkata
Date : 26th June, 2020

Deb Kumar Sett
Company Secretary

Girdhari Lal Dadhich
Chief Financial Officer

Consolidated Statement of Changes in Equity for the year ended 31st March, 2020

A. Equity Share Capital

(₹ in '00)

Particulars	Amount
As at 31st April, 2018	7,98,442.40
Changes in Equity Share Capital	-
As at 31st March 2019	7,98,442.40
Changes in Equity Share Capital	-
As at 31st March, 2020	7,98,442.40

B. Other Equity

(₹ in '00)

Particular	Reserves and Surplus				Other Comprehensive Income	Total
	Securities Premium Reserve	Capital reserve on Consolidation	General Reserve	Retained Earnings		
Balance at the beginning of the reporting year i.e. 1st April, 2018	2,57,201.64	-	9,265.45	28,42,936.61	(11,378.54)	30,98,025.16
Profit/(Loss) during the Year	-	1,547.53	-	-	-	1,547.53
Total Comprehensive Income for the year	-	-	-	4,50,064.08	(6,820.91)	4,43,243.17
Dividend Paid	-	-	-	(79,844.24)	-	(79,844.24)
Dividend Tax Paid	-	-	-	(16,412.18)	-	(16,412.18)
Balance at the end of the reporting year i.e. 31st March, 2019	2,57,201.64	1,547.53	9,265.45	31,96,744.27	(18,199.45)	34,46,559.44

Particular	Reserves and Surplus				Other Comprehensive Income	Total
	Securities Premium Reserve	Capital reserve on Consolidation	General Reserve	Retained Earnings		
Balance at the beginning of the reporting year i.e. 1st April, 2019	2,57,201.64	1,547.53	9,265.45	31,96,744.27	(18,199.45)	34,46,559.44
Profit/(Loss) for the Year	-	-	-	(2,85,607.62)	-	(2,85,607.62)
Total Comprehensive Income for the year	-	-	-	-	(21,320.58)	(21,320.58)
Dividend Paid	-	-	-	(79,844.24)	-	(79,844.24)
Dividend Tax Paid	-	-	-	(16,412.18)	-	(16,412.18)
Balance at the end of the reporting year i.e. 31st March, 2020	2,57,201.64	1,547.53	9,265.45	28,14,880.24	(39,520.03)	30,43,374.81

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

For and on behalf of the Board of Directors

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 311017E

Bijay Murmuria
Director
DIN: 00216534

Vijay Maheshwari
Director
DIN : 00216687

(SUNIL SINGHI)
Partner
Membership No. 060854
UDIN:20060854AAAAAM3293
Place : Kolkata
Date : 26th June, 2020

Deb Kumar Sett
Company Secretary

Girdhari Lal Dadhich
Chief Financial Officer

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020

1. SIGNIFICANT ACCOUNTING POLICIES

Corporate Information

The Consolidated Financial Statements comprise Financial Statements of Sumedha Fiscal Services Limited (“hereinafter referred to as the Holding Company”), and its subsidiary (collectively referred to as the Group) and its associates for the year ended 31st March, 2020.

The Company was incorporated in the year 1989 as a Public Limited Company under the provisions of the Companies Act, 1956 and domiciled in India. The Company is Category -I Merchant Banker registered with Securities and Exchange Board of India with PAN India presence. The Equity Shares of the Company are listed on two stock Exchanges i.e. Bombay Stock Exchange and The Calcutta Stock Exchange Limited. The registered office of the Company is situated at 6A, Geetanjali, 8B Middleton Street, Kolkata – 700071, West Bengal, India.

- Information on other related party relationship of the Company is provided in Note 35.

The Consolidated Financial Statements were approved for issue in accordance with a resolution of the Board of Directors on 26th June, 2020.

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

1.1 Basis of Preparation/Consolidation

1.1.1 Compliance with Ind AS

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and the provisions of the Companies Act, 2013 (‘the Act’) (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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

These consolidated financial Statements are prepared in Indian Rupees (INR) which is also the Company’s functional currency.

The financial statements for the year ended 31st March, 2020 have been approved by the Board of Directors of the Company in their meeting held on 26th June, 2020.

1.1.2 Basis of Consolidation:

1.1.2.1 Subsidiary:

The Consolidated Financial Statements comprise the Financial Statements of Sumedha Fiscal Services Limited and its subsidiary as at 31st March 2020. The control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if it has:

- Power over the investee
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

there are changes to one or more of the three elements of control listed above. The Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The 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 parent company, i.e., year ended on 31 March, 2020. The following consolidation procedure is followed:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with its subsidiary. 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.
- (b) Offset (eliminate) the carrying amount of the parent's investment in subsidiary and the parent's portion of equity of the subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) 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 intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Change in the Group's ownership interests in existing subsidiaries

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary,
- Derecognises the carrying amount of any non-controlling interests,
- Derecognises the cumulative translation differences recorded in equity,
- Recognises the fair value of the consideration received,
- Recognises the fair value of any investment retained,
- Recognises any surplus or deficit in profit or loss,
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

1.1.2.2 Investment in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investment in its associate is accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associates since the acquisition date. Goodwill relating to the associates is included in the carrying amount of the investment and is not tested for impairment individually.

The Statement of Profit and Loss reflects the Group's share of the results of operations of the associates. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associates, the Group recognises its share of any changes, when applicable, in the Statement of Changes in Equity. Unrealised gains and losses resulting from transactions between the Group and the associates are eliminated to the extent of the interest in the associates.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity then discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The financial statements of the associate is prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the Profit as 'Share of Profit of an Associate' in the Statement of Profit and Loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised as profit or loss.

1.1.3 Historical Cost Convention

These consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- i) certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value through the Statement of Profit and Loss at amortised cost;
- ii) defined benefit plans – plan assets measured at fair value;

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

1.2 Foreign Currency Translation

Foreign currency transactions are translated into Indian Rupee (INR) which is the functional currency (i.e. the currency of the primary economic environment in which the entity operates) using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit and Loss.

1.3 Use of Estimates

The Preparation of Consolidated Financial Statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affects the reported amount of assets and liabilities as at the Balance Sheet date, the reported amount of revenue and expenses for the periods and disclosure of contingent liabilities at the Balance Sheet date. The estimates and assumptions used in the consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the financial statements. Actual results could differ from estimates.

1.4 Fair Value measurement

The Group measures financial instruments at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

1.5 Property, Plant and Equipment

Freehold Land is carried at historical cost. All other items of property, plant and equipment are stated at Carrying Value less accumulated deprecia

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which the same are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Act which are also supported by technical

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

evaluation. Item of Property, Plant and Equipment for which related actual cost do not exceed ₹ 5,000 are fully depreciated in the year of purchase. In respect of the following assets, useful lives as per Schedule II to the Act have been considered, as under:-

- Non-factory Buildings : 60 years
- Electrical Installations : 10 years
- Computers : 3 years
- Office Equipment : 5 years
- Furniture & Fixture : 10 years
- Motor Vehicles : 8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

1.6 Investment Property

Property that is held for long term rentals yields or for capital appreciation or both and that is not occupied by the group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance cost are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight line method over their estimated useful lives. Investment properties generally have a useful life of 60 years.

1.7 Intangible Assets

1.7.1 Computer Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Costs of purchased software are recorded as intangible assets and amortised from the point at which the asset is available for use.

1.7.2 Amortisation methods and periods

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

- Computer Software : 3 years

1.8 Investments and other Financial Assets

1.8.1 Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- those measured at amortised cost

The classification depends on the Group's business model for managing the financial assets and the contractual terms of cash flows.

1.8.2 Measurement

At initial recognition, the Group measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed as profit or loss.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

Debt Instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into the following categories:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity Instruments

The Holding Company subsequently measures all equity investments (except subsidiary and associates) at fair value through the Statement of Profit and Loss. However, where the Holding Company's management makes an irrevocable choice on initial recognition to present fair value gains or losses on specific equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses through the Statement of Profit and Loss.

1.8.3 Impairment of Financial Assets

The Group measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

1.8.4 De-recognition of Financial Assets

A financial asset is derecognised only when

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

Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset.

1.9 Derivatives and Hedging Activities

The Holding Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through the profit or loss and are included in other income/expenses.

1.10 Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

1.11 Basic Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of Equity Shares considered for deriving basic earnings per Equity Share.

The number of Equity Shares is adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.12 Trade Receivables

Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

1.13 Inventories

The Holding Company makes trading in Equity Shares of companies listed over stock exchanges in India. Inventories of Equity Shares and securities are valued at fair value and the gain/ loss is recognised through the Statement of Profit and Loss.

1.13.1 Financial liabilities

1.13.2 Initial recognition and measurement

The Group recognises all the financial liabilities on initial recognition at fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

1.13.3 Subsequent measurement

All the financial liabilities are classified and subsequently measured at amortised cost, except for those mentioned below.

1.13.4 Financial Liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

For liabilities designated as Fair Value through profit or loss, fair value gains/losses attributable to changes in own credit risks are recognized in Other Comprehensive Income. These gains/losses are not subsequently transferred to the Statement of Profit and Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

1.13.5 Financial Guarantee Contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs. Subsequently, the liability is measured at the higher of the

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

1.13.6 Trade and Other Payables:

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

1.13.7 Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transactions cost) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that sum or all of the facility will be drawn down. In this case, the fees is deferred until the draw down occurs. To the extent there is no evidence that it is probable that sum or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the Statement of Profit and Loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability to at least 12 months after the reporting period. Where there is a breach of a material provision for a long-term loan agreement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

1.14 Provisions, Contingent Liabilities and Contingent Assets, legal or constructive

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

1.15 Employee Benefits

1.15.1 Short-term Employee Benefits

These are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

1.15.2 Other Long-term Employee Benefits (Unfunded)

The cost of providing long-term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Long term employee benefits obligation recognised in the Balance Sheet represents the present value of related obligation.

1.15.3 Post-employment Benefits & Plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenditure for the year.

In case of Defined Benefit Plans, the cost of providing the benefit is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Other Comprehensive Income for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, if any, and as reduced by the fair value of plan assets, where funded. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

1.15.4 Bonus plans

The Holding Company recognizes a liability and an expense for bonuses. The Holding Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.16 Equity Index/Stock- Futures

Initial margin and additional margin paid, for entering into contracts for equity index/stock futures, which are released on final settlement/squaring-up of underlying contracts, are disclosed under Current Assets, Loans and Advances.

Equity index/stock futures are marked-to-market on a daily basis. Debit or credit balance disclosed under Current Assets, Loans and Advances or Current Liabilities, respectively represents the net amount paid or received on the basis of movement in the prices of index/stock futures till the Balance Sheet date.

As on the Balance Sheet date, Gain/Loss on open positions in index/stock futures are accounted for as follow:

- Profit and loss on hedged transactions are recognized on net basis. In respect of other transactions, credit balance being anticipated profit is ignored and no credit for the same is taken in the Statement of Profit and Loss. Debit balance being anticipated loss is adjusted in the Statement of Profit and Loss.
- On final settlement or squaring-up of contracts for equity index/stock futures, the profit or loss is calculated as the difference between settlement/squaring-up price and contract price. Accordingly, debit or credit balance pertaining to the settled/squared-up contract is recognised in the Statement of Profit and Loss.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

1.17 Equity index/stock – Options

Initial margin and additional margin paid for entering into contracts for equity index/stock options, which are released on final settlement/squaring-up of underlying contracts, are disclosed under Current Assets, Loans and Advances.

As at the Balance Sheet date, the Statement of Profit and Loss on hedged transactions is recognized on net basis. In case of other transactions, in the case of long positions, provision is made for the amount by which the premium paid for those options exceeds the premium prevailing on the Balance Sheet date, and in the case of short positions, for the amount by which premium prevailing on the Balance Sheet date exceeds the premium received for those options. The premium paid or received as the case may be, after the aforesaid provision, is disclosed in Current Assets or Current Liabilities

1.18 Impairment of Non-Financial Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher on an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.19 Segment Reporting

1.19.1 Identification of segment

The Holding Company has identified that its operating segments are the primary segments. The Holding Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit and offering different products and serving different markets.

1.19.2 Allocation of common costs

Common allocable costs are inter-se allocated to segments based on the basis most relevant to the nature of the cost concerned. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, are included under the head unallocated expense / income.

1.20 Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to the Statement of Profit and Loss.

1.21 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.22 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment net of taxes or duties collected on behalf of the government.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and significant risk and reward incidental to services is transferred to the client.

The specific recognition criteria followed by the Group are described below:

1.22.1 Sale of Services

Timing of recognition: Revenue is recognised when no significant uncertainty as to its determination exists. The primary business of the Holding Company is financial consultancy as Merchant banker and brokerage at NSE and BSE. The revenue in consultancy is recognised in terms of mandate and on completion of the assignment. The brokerage income is recognised when contract of sale/ purchase of equity is completed.

Measurement of revenue: Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resultant increases or decreases in estimated revenues or costs are reflected in the Statement of Profit and Loss in the period in which the circumstances that give rise to the revision become known by management.

1.22.2 Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

1.22.3 Insurance and other claims / refunds

Revenue, due to uncertainty in realisation is accounted for on acceptance / actual receipt basis.

1.22.4 Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

1.22.5 Dividend

Dividend is recognised when the right to receive the payment is established before the Balance Sheet date.

1.23 Income Tax

The income tax expense or credit for the period is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets/liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiary and associates where in case of assets it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised and in case of liabilities the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

2. CASH AND CASH EQUIVALENTS

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
Cash on Hand	17,040.07	18,416.02
Balances with Banks	2,34,861.98	9,76,731.54
Total	2,51,902.05	9,95,147.56

3. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
Unclaimed Dividend	11,798.74	11,895.59
Fixed deposits with maturity for more than 3 months and less than 12 months*	1,91,200.00	1,45,650.00
Total	2,02,998.74	1,57,545.59

*Out of the total Deposits, Fixed Deposits Pledged with Banks amounting to Rs 1,91,200.00 in F.Y 2019-20 (Rs 1,37,150 in F.Y 2018-19)

4. TRADE RECEIVABLES

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
– Receivable Considered Good - Unsecured	4,82,890.33	3,93,469.61
Total	4,82,890.33	3,93,469.61

5. LOANS

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
(Unsecured, at Amortised Cost)		
– Related Parties	-	1,08,927.36
– Others	-	19,137.60
Total	-	1,28,064.96

6. INVESTMENTS (Refer Note 6.1)

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
In Mutual Funds	5,46,767.61	5,22,297.17
In Debt Securities	0.01	50,700.00
In Equity Instruments	3,63,755.91	3,20,111.77
Total	9,10,523.53	8,93,108.94

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

6.1 INVESTMENTS

(₹ in '00)

Sl. No.	Description	As at 31st March, 2020		As at 31st March, 2019	
		Units	Amount	Units	Amount
Investments measured at Fair Value Through Statement of Profit & Loss					
In Mutual Fund					
1	ICICI Prudential Flexible Income Growth	16,205	63,260.07	14,652	52,917.41
2	HDFC Charity Fund for Cancer Cure	10,000	1,004.70	10,000	1,000.80
3	HDFC Liquid Fund - Direct Plan Growth	10,046	3,92,217.90	10,518	3,86,880.41
4	Canara Robeco Medium Term Opportunities Fund Direct Growth Plan	-	-	40,000	6,112.72
5	Edelwis Mutual Fund Liquid Fund Retail Group Open Ended	8	182.28	8	171.54
6	Indiabulls Arbitrage Funds - Direct Plan - Monthly Dividend	-	-	10,768	1,134.46
7	Mirae Asset Short Tem Fund - Direct Growth	50,000	5,924.05	50,000	5,398.35
8	Reliance Money Manager Fund - Direct Growth Plan Growth Option	-	-	323	8,532.58
9	ICICI Prudential Short Term Fund-Growth	21,382	9,486.22	21,382	8,626.38
10	Canara Rebeco Capital Protection Oriented Fund - Series 8 - REG - Growth	50,000	5,819.40	50,000	5,552.45
11	Canara Rebeco Capital Protection Oriented Fund - Series 9 - REG - Growth	30,000	3,362.70	30000	3,213.75
12	Canara Robeco Capital Protection Oriented Fund-Series 10- Reg.- Growth	30,000	3,158.79	30000	3,029.91
13	Franklin India Ultra Short Bond Fund Suoper Inst Plan-Dir. Growth	1,96,277	54,277.55	1,17,723	31,059.81
14	Baroda Dynamic Equity Fund-Growth	79,990	7,911.01	79,990	8,454.94
15	UTI Equity Fund	200	162.94	200	211.66
Total (A)			5,46,767.61		5,22,297.17

Note: The aggregate deemed cost of investments is ₹5,08,668.81 as on 31st March 2020 ₹ 4,93,927.01/- as on 31st March 2019)

Description	Face Value	As at 31st March, 2020		As at 31st March, 2019	
		No. of Shares/ Debentures/Units	Amount	No. of Shares/ Debentures/Units	Amount
Investments measured at Amortized Cost, Unquoted, fully paid up					
In Debentures of Others					
I Care Learning Pvt. Ltd	100	50,700	0.01	50,700	50,700.00
TOTAL (B)			0.01		50,700.00
In Equity Shares measured at Carrying Value					
- of Associates Company					
US Infotech Pvt. Ltd.	10	5,98,047	1,53,709.96	5,98,047	1,61,490.74
Brandshoots Ventures Pvt. Ltd.	10	5,44,400	45,653.65	5,44,400	49,082.92
Sumedha Management Solutions Pvt. Ltd	10	2,30,000	1,08,862.75	2,30,000	53,943.61
In Equity Shares measured at Fair value through Profit & Loss					
- of Others					
I Care Learning Pvt. Ltd	10	65,000	0.01	65,000	19,500.00
Seasoft Solutions Pvt Ltd	10	34,120	44.36	34,120	44.36
Total of Investments measured at Cost			3,08,270.73		2,84,061.63

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

6.1 INVESTMENTS (Contd.)

(₹ in '00)

Description	Face Value	As at 31st March, 2020		As at 31st March, 2019	
		No. of Shares/ Debentures/Units	Amount	No. of Shares/ Debentures/Units	Amount
Investments measured at Fair Value through Statement of Profit and Loss					
In Equity Shares					
Quoted, Fully Paid Up					
Aravali Securities & Finance Limited	10	200	7.92	200	7.92
Assam Brook Limited	10	3,625	567.31	3,625	567.31
APS Star Industries Limited	10	600	6.00	600	6.00
Bharat Wire Ropes Limited	10	2,114	236.77	2,114	1,206.04
Business Forms Limited	10	6,000	60.00	6,000	60.00
CDR Health Care Limited	10	2,200	166.76	2,200	166.76
Gujrat Inject (Kerala) Limited	10	900	9.00	900	9.00
HDFC SLIC	10	374	1,650.65	374	1,415.59
Leafin India Limited	10	500	5.00	500	5.00
Maruti Cottex Limited	10	17,000	170.00	17,000	170.00
Madhya Bharat Papers Limited	10	500	5.00	500	5.00
MCC Investment and Leasing Co. Limited	10	400	10.00	400	10.00
Modern Denim Limited	10	700	7.00	700	7.00
Orkay Industries Limited	10	1,100	11.00	1,100	11.00
Opal Luxury Time Products Limited	10	1,000	800.00	1,000	799.50
Paam Pharmaceuticals (Delhi) Limited	10	252	2.52	252	2.52
Parakaram Technofeb Limited	10	1,200	12.00	1,200	12.00
Pioneer Financial Management Services Limited	10	1,000	10.00	1,000	10.00
Primax Fiscal Services Limited	10	800	17.60	800	17.60
Sanderson Industries Limited	10	2,65,850	0.01	2,65,850	2,658.50
Sen Pet India Limited	10	29,300	293.00	29,300	293.00
Skipper Limited	1	33,000	6,138.00	33,000	22,572.00
State Bank of India	1	1,870	3,681.10	1,870	5,998.03
Technology Plastics Limited	10	1000	10.00	1,000	10.00
Timbor Home Limited	10	1374	30.37	1,374	30.37
Investments in Portfolio Management Scheme					
Bajaj Finance Limited	2	74	1,639.69	-	-
Bal Krishna Industries Limited	2	159	1,258.71	-	-
Divi's Laboratories Limited	2	136	2,705.10	-	-
Dr. Lal Path Labs Ltd	10	165	2,312.81	-	-
HDFC Bank Ltd.	1	315	2,714.99	-	-
Honeywell Automation India Limited	10	9	2,330.15	-	-
ICICI Lombard General Insurance Co. Ltd	10	220	2,379.63	-	-
ICICI Bank Ltd	2	745	2,411.94	-	-
Indraprastha Gas Limited	2	605	2,347.10	-	-
Info Edge (India) Ltd	10	98	1,994.35	-	-
PI Industries	1	169	1,977.38	-	-
Reliance Industries Limited	10	189	2,104.99	-	-
Sanofi India Ltd	10	36	2,251.21	-	-
SRF Limited	10	75	2,087.48	-	-
Whirlpool of India Limited	10	108	1,964.41	-	-
Cash	10		9,098.23	-	-
Total of Investments measured at Fair Value Through Statement of Profit & Loss			55,485.18		36,050.14
Total Non Current Investments (C)			3,63,755.91		3,20,111.77
TOTAL(A+B+C)			9,10,523.53		8,93,108.94
Aggregate amount of quoted Investments and market value there of			55,485.18		36,050.14
Aggregate amount of unquoted Investments			3,08,270.73		2,84,061.63

Note: The Aggregate deemed cost of Investments is ₹4,90,67,815 as on 31st March, 2020 and ₹ 4,40,67,815/- as on 31st March, 2019.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

7. OTHER FINANCIAL ASSETS

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
(Unsecured, Considered Good)		
Security Deposits		
– Security Deposits with Stock Exchange/Clearing Member	1,43,350.00	99,500.00
– Security Deposits with Others	7,347.04	4,584.00
Advances	3,78,577.52	-
Accrued Interest	12,153.91	2,383.82
Margin held with Multi Commodity Exchange	-	7,500.00
Total	5,41,428.47	1,13,967.82

8. INVENTORIES

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
Stock-in-Trade (At Fair Value) (Refer Note 8.1)		
In Equity Instruments (Quoted)	3,78,665.66	6,99,984.43
In Mutual Funds (Quoted)	606.80	453.68
Total	3,79,272.46	7,00,438.12

8.1 INVENTORIES

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2020		As at 31st March, 2019	
			No. of Shares	Amount	No. of Shares	Amount
A	In Equity Instruments (Quoted)					
1	Akar Laminators Limited	10	500	4.25	500	4.25
2	Aditya Birla Capital Limited	10	5000	2087.50	5,000	4,860.00
3	Bajaj Holdings Limited	10	100	1798.55	-	-
4	Bank of Baroda	10	14020	7507.71	1 0,000	12,865.00
5	Bank of India	10	5000	1612.50	5,000	5,212.50
6	Bells Control Limited	10	50	5.00	50	5.00
7	Bharat Wire Ropes Limited	10	10000	1120.00	10,000	5,705.00
8	Vedanta Limited (formerly known as Cairn India Limited)	1	2500	1617.50	2,500	4,611.25
9	CANARA BANK	10	5000	4525.00	-	-
10	Castrol India Limited	5	4000	3978.00	4,000	6,656.00
11	Chemcrown India Limited	10	28000	0.01	28,000	0.01
12	Core Education & Technologies Limited	2	11000	194.70	11,000	194.70
13	Daewoo Motors (India) Limited	10	100	6.71	100	6.71
14	EIH Limited	2	2000	1316.00	2,000	4,119.00
15	Emami Infra Limited	10	1500	420.75	1,500	1,723.50
16	Electrosteel Steels Limited	10	800	80.00	800	248.00
17	Essel Pro Pack Limited	10	-	0.00	30,000	34,995.00
18	Fortis Healthcare Limited	10	-	0.00	5,000	6,787.50
19	Glenmark Pharmaceuticals Limited	1	4000	8234.00	4,000	25,888.00
20	HFCL Limited	1	20000	1810.00	20,000	4,510.00
21	Himadri Chemicals & Industries Limited	1	5000	1472.50	5,000	5,815.00
22	Hindustan Copper Limited	5	2500	532.50	2,500	1,223.75

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

8.1 INVENTORIES (Contd.)

(₹ in '00)

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2020		As at 31st March, 2019	
			No. of Shares	Amount	No. of Shares	Amount
A	In Equity Instruments (Quoted) (Contd.)					
23	Hindustan National Glass Limited	2	29	8.02	29	23.87
24	HUDCO Limited	10	1000	200.00	1,000	449.00
25	IFB Industries Limited	10	6608	17603.71	4,608	45,063.94
26	Indiabulls Housing Finance Limited	2	1200	1161.00	-	-
27	Maruthi Cotex Limited	10	2000	0.01	2,000	0.01
28	Lords Chloro Alkali Limited (Formerly: Modi Alkalies & Chemicals Limited)	10	10	1.80	10	6.30
29	NBCC Limited	2	15000	2445.00	15,000	9,945.00
30	NACL Industries Limited	1	20000	4380.00	-	-
31	Orient Paper Limited	10	5000	725.00	5,000	1,750.00
32	Oriental Bank of Commerce	10	36000	15642.00	19,000	22,087.50
33	Padmini Technologies Limited	10	3200	0.01	3,200	0.01
34	Parakaram Technofab Limited	10	84400	0.01	84,400	0.01
35	PC Jewellers Limited	10	4000	458.00	6,000	4,932.00
36	Punjab National Bank	2	12000	3882.00	12,000	11,460.00
37	Punjab & Sind Bank limited	10	20000	2200.00	-	-
38	Reliance Industries Limited	10	12000	133650.00	12,000	1,63,590.00
39	RamKrishna Forging Limited	10	2000	3052.00	2,000	10,496.00
40	Sanderson Industries Limited	10	183400	0.01	1,83,400	0.01
41	Skipper Limited	1	20825	3873.45	20,825	14,244.30
42	MW Unitexx Limited	10	195	3.49	195	3.49
43	State Bank of India	1	44500	87598.25	64,500	2,06,883.75
44	Suditi Industries Limited	10	2000	168.20	2,000	519.00
45	Sun Pharmaceuticals Industries Limited	1	6800	23956.40	1,800	8,619.30
46	Suryodaya Allo - Metal Powders Limited	10	6500	201.50	6,500	201.50
47	Telephone Cables Limited	10	100	1.70	100	1.70
48	Texmaco Infrastructure & Holdings Limited.	1	8000	2476.00	8,000	4,536.00
49	Texmaco Rail & Engineering Limited.	1	16000	3120.00	16,000	11,040.00
50	Uco Bank	10	29000	2624.50	29,000	5,452.00
51	Union Bank of India	10	14000	4018.00	14,000	13,384.00
52	Vatsa Corporation Limited	1	100	0.01	100	0.01
53	Vimta Laboratories Ltd	2	2000	1194.00	-	-
54	Viniyoga Clothex Limited	10	1800	0.01	1,800	0.01
55	Wockhardt Limited	5	6000	10359.00	6,000	26,580.00
56	ICICI Bank Limited	2	-	0.00	1,512	6,055.56
57	Vijaya Bank	10	-	0.00	10,000	4,605.00
58	Uttam Galva Steels Limited	10	-	0.00	25,000	2,625.00
59	YES Bank	10	35200	7902.40	-	-
60	ZEE ENTERTAINMENT LTD	1	6000	7437.00	-	-
	Total			3,78,665.66		6,99,984.43

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

8.1 INVENTORIES (Contd.)

(₹ in '00)

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2020		As at 31st March, 2019	
			No. of Shares	Amount	No. of Shares	Amount
C	In Mutual Funds					
1	Reliance MF ETF (Goldbees)	100	1500	584.1	15	421.20
2	UTI Master Shares - Unit Scheme	10	100	22.7	100	32.48
	Total			606.80		453.68
	Total Inventories			3,79,272.46		7,00,438.12

9. CURRENT TAX ASSETS

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
Advance Tax (Net of Provisions)	1,33,057.56	23,878.90
Provision of ₹ 1,41,867.08/- (31.03.2019 ₹ 3,96,315.60)		
Total	1,33,057.56	23,878.90

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

10. INVESTMENT PROPERTY

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2018	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2019	Upto 31st March, 2018	Depreciation for the year	Disposal during the year	Upto 31st March, 2019	As at 31st March, 2019
Tangible Assets									
Buildings	25,939.01	-	-	25,939.01	1,198.64	599.32	-	1,797.96	24,141.05
Total	25,939.01	-	-	25,939.01	1,198.64	599.32	-	1,797.96	24,141.05

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2019	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2020	Upto 31st March, 2019	Depreciation for the year	Disposal during the year	Upto 31st March, 2020	As at 31st March, 2020
Tangible Assets									
Buildings	25,939.01	-	-	25,939.01	1,797.96	599.32	-	2,397.28	23,541.73
Total	25,939.01	-	-	25,939.01	1,797.96	599.32	-	2,397.28	23,541.73

(i) Amount recognised in Statement of Profit and Loss for investment property

Particulars	31st March, 2020	31st March, 2019
Rental Income	4,200.00	4,200.00
Direct operating expenses from property that generated rental income	42.91	45.27
Profit from investment properties before depreciation	4,157.09	4,154.73
Depreciation	599.32	599.32
Profit from investment properties	3,557.77	3,555.41

(ii) Fair value

The Company's Investment Property consists of a commercial property in India. The management has determined that the investment property consists of office - based on nature, characteristics and risks of property.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

11. PROPERTY, PLANT AND EQUIPMENT

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2018	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2019	Upto 31st March, 2018	Depreciation for the year		Disposal during the year	Upto 31st March, 2019
Tangible Assets									
Buildings*	7,93,732.50	-	-	7,93,732.50	24,849.63	13,927.73	-	38,777.36	7,54,955.14
Electrical Installation	942.86	40.44	-	983.30	439.68	115.20	-	554.88	428.42
Furnitures & Fixtures	41,430.46	495.34	-	41,925.80	14,630.87	7,225.16	-	21,856.03	20,069.77
Computers	19,942.48	3,772.33	-	23,714.81	6,772.71	4,275.35	-	11,048.06	12,666.75
Office Equipment	18,776.23	4,500.55	921.77	22,355.01	6,062.75	3,884.76	799.96	9,147.55	13,207.46
Vehicles	1,50,635.89	7,900.00	1,856.97	1,56,678.92	23,065.81	21,689.06	1,494.83	43,260.04	1,13,418.88
Total	10,25,460.42	16,708.66	2,778.74	10,39,390.33	75,821.45	51,117.26	2,294.79	1,24,643.92	9,14,746.42
Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2019	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2020	Upto 31st March, 2019	Depreciation for the year		Disposal during the year	Upto 31st March, 2020
Tangible Assets									
Buildings*	7,93,732.50	2,17,426.17	-	10,11,158.67	38,777.36	14,786.02	-	53,563.38	9,57,595.29
Electrical Installation	983.30	328.95	-	1,312.25	554.89	96.57	-	651.46	660.79
Furnitures & Fixtures	41,925.80	399.90	-	42,325.70	21,856.03	7,184.22	-	29,040.25	13,285.45
Computers	23,714.81	1,622.40	382.44	24,954.77	11,048.06	3,955.51	363.31	14,640.26	10,314.51
Office Equipment	22,355.01	4,956.99	2,808.00	24,504.00	9,147.55	4,400.32	2,618.07	10,929.80	13,574.20
Vehicles	1,56,678.92	8,566.93	6,940.55	1,58,305.30	43,260.04	21,568.65	6,574.88	58,253.81	1,00,051.49
Total	10,39,390.34	2,33,301.34	10,130.99	12,62,560.69	1,24,643.93	51,991.29	9,556.26	1,67,078.96	10,95,481.73

* Registration of Noida Flat is still pending.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)
12. OTHER INTANGIBLE ASSETS

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2018	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2019	Upto 31st March, 2018	Depreciation for the year	Disposal during the year	Upto 31st March, 2019	As at 31st March, 2019
Software	6,342.69	-	-	6,342.69	1,738.23	1,418.93	-	3,157.16	3,185.53
Total	6,342.69	-	-	6,342.69	1,738.23	1,418.93	-	3,157.16	3,185.53
Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2019	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2020	Upto 31st March, 2019	Depreciation for the year	Disposal during the year	Upto 31st March, 2020	As at 31st March, 2020
Software	6,342.69	3,182.15	-	9,524.84	3,157.16	1,830.37	-	4,987.53	4,537.31
Total	6,342.69	3,182.15	-	9,524.84	3,157.16	1,830.37	-	4,987.53	4,537.31

13. OTHER NON-FINANCIAL ASSETS

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
(Unsecured, Considered Good)		
Capital Advances	62,560.05	62,560.05
Prepaid Expenses	6,039.50	4,474.95
Balance with Government Authorities	-	16.20
Others	18,685.29	45,812.09
Total	87,284.84	1,12,863.29

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

14. BORROWINGS

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
Term Loan from Non - Banking Financial Company - Refer Additional Information below	13,818.85	18,577.25
Total	13,818.85	18,577.25
Additional Information		
A. Daimler Financial Services Private Limited		
(i) Secured by hypothecation of the corresponding vehicle		
(ii) Rate of interest is 8.50%		
Vehicle Loan - Repayable in 48 monthly instalments of ₹ 51,294/- and final instalment would be due on 13th September, 2022	8,639.74	13,818.85
Amount due to be paid within one year is	5,179.11	4,758.40

15. OTHER FINANCIAL LIABILITIES

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
Unclaimed Dividend	11,798.74	11,895.59
Payable for Expense	23,212.25	37,647.82
Cheques Overdrawn	-	1,130.34
Total	35,010.99	50,673.75

16. PROVISIONS

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
For Employee Benefits (Leave Encashment)*	14,594.35	12,814.81
Total	14,594.35	12,814.81

*The provision for employee benefit includes Leave Encashment

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

17. DEFERRED TAX LIABILITIES (NET)

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
Deferred Tax Liabilities		
The balances comprises temporary differences attributable to:		
i) Property, Plant and Equipment and Other Intangible Assets	91,168.33	1,07,700.85
ii) Items allowed for tax purpose on payment	-	-
Deferred Tax Liabilities (A)	91,168.33	1,07,700.85
Deferred Tax Assets		
The balances comprises temporary differences attributable to:		
i) Items allowed for tax purpose on payment	2,301.79	924.85
ii) Long Term Capital Loss	8,198.36	7,605.73
iii) Financial Assets at Fair Value through Profit and Loss	5,093.21	5.97
iv) MAT Credit Entitlement	609.84	1,306.61
Deferred Tax Assets (B)	16,203.20	9,843.16
Net Deferred Tax Liabilities (A-B)	74,965.13	97,857.69

18. OTHER NON FINANCIAL LIABILITIES

(₹ in '00)

Description	As at 31st March, 2020	As at 31st March, 2019
Outstanding Liabilities [^]	92,347.35	6,316.32
Statutory Dues	40,329.88	29,282.38
Total	1,32,677.23	35,598.70

[^]Includes advances from customers of ₹ 92,127.88/- (Previous Year ₹ 6,269.32/-)

19. EQUITY SHARE CAPITAL

(₹ in '00)

Description	As at 31st March, 2020		As at 31st March, 2019	
	Number	Amount	Number	Amount
Authorised:				
Equity Shares of ₹ 10 each	1,00,00,000	10,00,000.00	1,00,00,000	10,00,000.00
Issued, Subscribed & Paid up:				
Equity Shares of ₹ 10 each fully paid up	79,84,424	7,98,442.40	79,84,424	7,98,442.40
Total	79,84,424	7,98,442.40	79,84,424	7,98,442.40

19.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year.

(₹ in '00)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	79,84,424	7,98,442.40	79,84,424	7,98,442.40
Shares outstanding at the end of the year	79,84,424	7,98,442.40	79,84,424	7,98,442.40

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

19. EQUITY SHARE CAPITAL (Contd.)

19.2 Rights, preferences and restrictions attached to shares

The Company has only one class of issued shares i.e. Equity Shares having face value of ₹ 10 per share. Each holder of Equity Shares is entitled to vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

The details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Vijay Maheshwari	1669220	20.91%	1669220	20.91%
US Infotech Pvt Ltd	1115566	13.97%	1115566	13.97%
Total	2784786	34.88%	2784786	34.88%

19.3 Particulars of each class of shares held by holding, ultimate holding, subsidiaries or associates of the holding company

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
US Infotech Pvt Ltd	11,15,566	13.97%	11,15,566	13.97%
Total	11,15,566	13.97%	11,15,566	13.97%

20. OTHER EQUITY

(₹ in '00)

Description	As at 31st March, 2020		As at 31st March, 2019	
Securities Premium Reserve				
As per last Financial Statement		2,57,201.64		2,57,201.64
General Reserve				
As per last Financial Statement		9,265.45		9,265.45
Retained Earnings				
As per last Financial Statement	31,96,744.27		28,42,936.61	
Add: Profit for the year	(2,85,607.62)		4,50,064.08	
Less: Appropriations	-		-	
Transferred to General Reserve	-		-	
Dividend on Equity Shares [Dividend per Share (Previous year ₹ 1/-)]	(79,844.24)		(79,844.24)	
Tax on Dividend	(16,412.18)	28,14,880.23	(16,412.18)	31,96,744.27
Capital Reserve on Consolidation				
Created during the year		1,547.53		1,547.53
Other Comprehensive Income (OCI)				
As per last Financial Statement	(18,199.45)		(11,378.54)	
Add: Movement in OCI (Net) during the year	(21,320.58)		(6,820.91)	
Total Other Comprehensive Income		(39,520.03)		(18,199.45)
Total		30,43,374.82		34,46,559.44

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

20. OTHER EQUITY (Contd.)

Nature and Purpose of Other Equity

a) Securities Premium Reserve

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is available for utilisation in accordance with the provisions of the Act.

b) General Reserve

General Reserve is created and utilised in compliance with the provisions of the Act.

c) Retained Earnings

Retained Earnings represents accumulated profits earned by the Company and remaining undistributed as on date.

21. REVENUE FROM OPERATIONS

(₹ in '00)

Description	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Fees and Commission Income* (TDS as on 31.03.2020 is ₹ 1,20,780.62/- and as on 31.03.2019 ₹1,10,497.01/-)	11,85,761.73	11,22,607.92
Sales of Stock-in-Trade - Shares and Securities	5,58,276.13	4,28,181.11
Sales of Service	32,145.22	1,31,442.21
Net gain on intraday trading of Shares and Securities	7,703.94	1,762.67
Net gain on derivative transaction	-	1,24,731.83
Total	17,83,887.02	18,08,725.74

22. OTHER INCOME

(₹ in '00)

Description	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest income from Financial Assets		
- Fixed Deposits (TDS as on 31.03.2020 ₹1,65,887.30/- and as on 31.03.2019 ₹ 2,39,749.70/-)	17,168.74	23,922.77
- IFSD	-	133.69
- Others TDS as on 31.03.2020 ₹ 77,982/- (and as on 31.03.2019- ₹ 82,891/-)	7,833.60	8,289.04
Interest on IT Refund	-	3,561.41
Dividend Income (on Inventories)	2,598.66	2,217.83
Rent (TDS as on 31.03.2020 Rs 420.00/- and as on 31.03.2019 Rs 420.00/-)	4,200.00	4,200.00
Net Gain on Fair Value Changes	1,205.85	-
Profit on Sale of Mutual Funds & Investments	46,578.78	13,036.22
Profit on Sale of Fixed Assets	1,285.28	344.08
Dividend (on Investments)	440.08	673.72
Miscellaneous Income	554.01	150.75
Total	81,865.00	56,529.51

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

23. FINANCE COSTS

(₹ in '00)

Description	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest Cost on Financial Liabilities		
- On Fixed Loans	1,320.46	1,819.23
- Others	8,906.24	-
Other Borrowing Cost	-	4,839.55
Bank Charges	61.03	156.80
Total	10,287.73	6,815.58

24. CHANGES IN INVENTORIES OF STOCK-IN-TRADE

(₹ in '00)

Description	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Stock - in - Trade (at the end of the year)	3,79,272.46	7,00,438.12
Stock - in - Trade (at the beginning of the year)	7,00,438.12	5,11,577.95
Total	(3,21,165.66)	(1,88,860.17)

25. EMPLOYEE BENEFITS EXPENSE

(₹ in '00)

Description	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries and Wages	3,18,573.85	3,43,076.13
Contribution to Provident Fund and Other Funds	26,054.79	20,796.15
Staff Welfare Expenses	10,041.73	9,442.89
Total	3,54,670.37	3,73,315.17

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

26. OTHER EXPENSES

(₹ in '00)

Description	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Advertisement & Business Promotion	28,900.68	35,982.39
Sundry Balances written off	79,944.83	1,08,779.63
Impairment Loss	70,199.98	-
Car Expenses	30,712.10	26,999.92
Charity and Donation	2,429.05	5,699.10
Communication Expenses	7,389.79	8,751.52
Computer Expenses	2,394.19	2,563.03
Commission	6,000.00	7,500.00
Electricity	9,644.35	11,616.63
Insurance	4,291.07	3,366.04
Net Loss on Derivative Transaction	4,80,369.95	-
Office Maintenance	17,388.93	15,408.21
Professional Charges	76,517.65	94,665.50
Auditor's Remuneration*	5,500.00	4,445.00
Printing & Stationery	4,499.39	6,269.99
Rates and Taxes	2,895.56	7,207.05
Repairs & Maintenance	6,257.45	2,192.24
Rent	14,400.00	14,400.00
Retainership Fees	14,300.00	12,000.00
Travelling & Conveyance	42,239.57	50,998.58
VSAT Charges	108.82	1,385.70
Net Loss on Fair Value Changes	2,760.53	27,634.86
Miscellaneous Expenses	48,201.95	55,605.28
Total	9,57,345.84	5,03,470.67

*** AUDITOR'S REMUNERATION**

- Statutory Audit	2,525.00	2,065.00
- Tax Audit	1,000.00	750.00
- Limited Review	750.00	450.00
- Certification and Other Services	1,225.00	1,180.00
Total	5,500.00	4,445.00

27. EARNINGS PER SHARE

(i) Reconciliation of earning used in calculating earnings per share:

(₹ in '00)

Numerator	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(a) Profit/(Loss) for the year (₹) (for basic EPS)	(2,85,606.38)	4,50,064.25
(b) Less: Effect of dilutive potential ordinary shares	-	-
(c) Net Profit/(Loss) for diluted earnings per share	(2,85,606.38)	4,50,064.25

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

27. EARNINGS PER SHARE (Contd.)

(ii) Reconciliation of basic and diluted shares used in computing earnings per share:

(₹ in '00)

Denominator		For the year ended 31st March, 2020	For the year ended 31st March, 2019
(a)	Weighted average number of Equity Shares (for basic EPS)	79,84,424	79,84,424
(b)	Less: Effect of dilutive potential ordinary shares	-	-
(c)	Number of weighted average equity shares considered for dilutive earnings per share	79,84,424	79,84,424

(iii) Earnings Per Share (₹)

(₹ in '00)

Particulars		For the year ended 31st March, 2020	For the year ended 31st March, 2019
(a)	- Basic	(3.58)	5.64
(b)	- Diluted	(3.58)	5.64

28. OPEN INTEREST IN EQUITY INDEX/STOCK FUTURES AS AT 31ST MARCH, 2020.

(₹ in '00)

Sl. No	Name of the future	Series of future	Number of contracts	Number of units per lot
1	Bank of Baroda	30th April,2020	5	5400
2	Canara Bank	30th April,2020	41	2600
3	ICICI Bank	30th April,2020	20	1375
4	Reliance Ind. Ltd.	30th April,2020	80	500
5	State Bank Of India	30th April,2020	14	3000
6	Indus Ind Bank	30th April,2020	50	400
7	Yes Bank	30th April,2020	3	8,800

OPEN INTEREST IN EQUITY INDEX/STOCK FUTURES AS AT 31ST MARCH, 2019

(₹ in '00)

Sl. No	Name of the future	Series of future	Number of contracts	Number of units per lot
1	Bank of Baroda	25th April, 2019	5	4000
2	Canara Bank	25th April, 2019	22	2000
3	Oriental Bank of Commerce	25th April, 2019	1	7000
4	Reliance Ind. Ltd.	25th April, 2019	30	500
5	State Bank Of India	25th April, 2019	3	3000

29. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in '00)

Denominator		For the year ended 31st March, 2020	For the year ended 31st March, 2019
(A)	Capital Commitments		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) in respect of the Holding Company.	-	8,000.00

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

30. INCOME TAX EXPENSE

(a) Major Components of income tax expense for the year ended 31st March 2020 and 31st March, 2019:

(₹ in '00)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Current Income Tax	2,367.08	1,41,241.54
Adjustment in respect of income tax of previous year	(12,989.75)	(5,707.73)
MAT Credit Utilisation u/s 115JA	696.77	43.59
Total Current Tax Expense	(9,925.90)	1,35,577.40
<i>Deferred Tax</i>		
(Decrease)/Increase in Deferred Tax Liabilities	(16,532.52)	1,922.87
Decrease/(Increase) in Deferred Tax Assets	(6,360.03)	6537.45
Transferred to OCI	2,518.22	(258.00)
MAT Credit Utilisation u/s 115JA	(696.77)	(43.59)
Deferred Tax	(21,071.10)	8,158.73
<i>Income Tax expense is attributable to:</i>		
Profit from continued operation	(29,603.46)	1,43,736.13
Profit from discontinued operation	-	-
Total	(29,603.46)	1,43,736.13

(b) Deferred Tax related to items recognized in OCI during the year:

(₹ in '00)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Tax on Gain/(Loss) on FVTPL financial assets	2,518.22	(258.00)
Income Tax charged to OCI	2,518.22	(258.00)

(c) Reconciliation of tax expense of the Group and the accumulated profit multiplied by India's domestic rate:

(₹ in '00)

Particulars	For the Year ended 31st March, 2020		
	Standalone	Subsidiary	Consolidated
Profit/(loss) before tax	(3,88,289.92)	15,173.71	(3,73,116.15)
Less: Share of profit of Associates	-	-	56,512.75
Add: 1/5th of Transition Amount	-	0.25	0.25
Profit/(loss) before tax from Continuing Operations	(3,88,289.92)	15,173.46	(4,29,628.65)
Profit/(loss) before tax from Dis-continuing Operations	-	-	-
Indian tax rate	25.17%	26.00%	-
Tax at the Indian rates	-	683.39	683.39
Tax at the Indian rates:	-	683.39	683.39
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:			
Expenses disallowed/ considered separately	(28,946.84)	-	(28,946.84)
Expenses Allowed	48,051.00	-	48,051.00
Donation	(305.70)	-	(305.70)
Rental Income (net of Municipal Tax and Rebate)	732.44	-	732.44
Tax on Normal Rate(A)	-	683.39	683.39
Tax on Special Income at Normal Rate(B)	-	-	-
Total Tax Expense(A)+(B)	-	683.39	683.39
Rounded off to	-	683.39	683.39
Income Tax expense	-	683.39	683.39

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

31. EXPENDITURE/EARNINGS IN FOREIGN CURRENCY

(₹ in '00)

Particulars	For the year ended	
	31st March, 2020 Amount	31st March, 2019 Amount
A. Expenditure in Foreign Currency		
Travelling	6,865.70	10,003.26
Total	6,865.70	10,003.26

(₹ in '00)

Particulars	For the year ended	
	31st March, 2020 Amount	31st March, 2019 Amount
B. Earnings in Foreign currency		
Consultancy Fees	10,086.07	7,617.39
Total	10,086.07	7,617.39

32. DUES TO MICRO AND SMALL ENTERPRISES

The Group has no dues to Micro and Small Enterprises as at 31st March, 2020 and 31st March, 2019 in the Financial Statements based on the information received and available with the Company.

33. BALANCE CONFIRMATION

Outstanding balances of Trade Receivables, Loans and Advances of the Group are subject to confirmation from the respective parties and consequential adjustments arising from reconciliation if any. The management of the Holding Company and its Subsidiary, however, are of the view that there will be no material discrepancies in this regard.

34. EMPLOYEE BENEFITS

A. Defined Benefit Plans

Defined Benefit Plans expose the Holding Company to actuarial risk such as: Interest Rate Risk, Liquidity Risk, Salary Escalation Risk and Demographic Risk.

- i. Interest Rate Risk:** The Plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liquidity (as shown in financial statements)
- ii. Liquidity Risk:** This is the risk that the Company is not able to meet the short-term benefit payouts. This may arise due to non-availability of enough cash/ cash equivalents to meet the liabilities or holding of illiquid assets not being sold in time.
- iii. Salary Escalation Risk:** The Present Value of the above benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine present value of obligation will have a bearing on the plan's liability.
- iv. Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

34. EMPLOYEE BENEFITS (Contd.)

A. Defined Benefit Plans (Contd.)

Gratuity Plans

The Holding Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less favorable than The Provisions of Gratuity Act, 1972. The above Scheme is funded.

(a) Change in Defined Contribution Plans (DCP) over the year ended 31st March, 2020.

(₹ in '00)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Contribution to Employee's Provident Fund	7836.09	6,493.69
Contribution to Employee's Family Pension Fund	4170.70	5,495.04
Total	12,006.79	11,988.73

(b) Change in Defined Benefit Obligations (DOB) over the year ended 31st March, 2020.

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31ST March 2020	For the year ended 31ST March 2019	For the year ended 31ST March 2020	For the year ended 31ST March 2019
Present Value of DBO at the Beginning of Year	54,950.84	50,118.91	12,814.81	17,181.32
Current Service Cost	4,002.51	3,934.22	1,459.11	1,527.33
Interest Cost	4,176.26	3,859.16	973.92	1,322.96
Curtailement Cost/(Credit)	-	-	-	-
Settlement Cost/(Credit)	-	-	-	-
Employee Contribution	-	-	-	-
Past Service Cost	-	-	-	-
Acquisitions	-	-	-	-
Re-measurement (or Actuarial (gains/Losses) arising from:				
- Change in demographic assumptions	(27.58)	-	(5.29)	-
- Change in financial assumptions	5916.08	475.54	1,317.24	114.42
- Experience variance (i.e. Actual experience vs. assumptions)	4022.73	(1,961.80)	5,675.30	359.70
- Others	-	-	-	-
Benefits paid	(11,584.33)	(1,475.19)	(7,640.74)	(7,690.92)
Present Value of DBO at the end of Year	61,456.51	54,950.84	14,594.35	12,814.81

(c) Change in Fair Value of Assets

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31ST March 2020	For the year ended 31ST March 2019	For the year ended 31ST March 2020	For the year ended 31ST March 2019
Plan Assets at beginning of period	63,589.78	54,235.53	-	-
Investment Income	4,832.82	4,176.14	-	-
Return on Plan Assets, Excluding amount recognized in Net Interest Expense	(1,123.91)	(558.87)	-	-
Actual Company contributions	8,605.19	7,212.17	7,640.74	7,690.92
Fund Transferred	-	-	-	-
Employee Contributions	-	-	-	-
Benefits paid	(11,584.33)	(1,475.19)	(7,640.74)	(7,690.92)
Plan assets at the end of the year	64,319.55	63,589.78	-	-

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

34. EMPLOYEE BENEFITS (Contd.)

(d) Funded Status

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31ST March 2020	For the year ended 31ST March 2019	For the year ended 31ST March 2020	For the year ended 31ST March 2019
Defined Benefit Obligation	61,456.51	54,950.84	14,594.35	12,814.81
Fair Value of Plan Assets	64,319.55	63,589.78	-	-
Unrecognized Past Service Cost	-	-	-	-
Effects of Asset Ceiling	-	-	-	-
Net Defined Benefit Asset/(Liability)	2,863.04	8,638.94	(14,594.35)	(12,814.81)

(e) Reconciliation of Net Balance Sheet position

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31ST March 2020	For the year ended 31ST March 2019	For the year ended 31ST March 2020	For the year ended 31ST March 2019
Net asset/(Liability) recognized in balance sheet at the beginning of period	8,638.94	4,116.62	(12,814.81)	(17,181.32)
Expense recognized in Income Statement	3,345.95	3,617.24	9,420.28	3,324.41
Expense recognized in Other Comprehensive Income	11,035.14	(927.39)	-	-
Employer contributions	8,605.19	7,212.17	7,640.74	7,690.92
Net Acquisitions/Business Combinations	-	-	-	-
Net asset/(Liability) recognized in balance sheet at end of the period	2,863.04	8,638.94	(14,594.35)	(12,814.81)

(f) Expense recognized during the year 2019-20

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31ST March 2020	For the year ended 31ST March 2019	For the year ended 31ST March 2020	For the year ended 31ST March 2019
Current Service Cost	4,002.51	3,934.22	1,459.11	1,527.33
Past Service Cost Plan Amendment	-	-	-	-
Curtailment cost/(credit)	-	-	-	-
Settlement cost/(credit)	-	-	-	-
Expected return on Plan Assets	-	-	-	-
Net Actuarial Losses/(Gains)	-	-	6,987.25	474.12
Net Interest on Net Defined Benefit Liability/(assets)	(656.56)	(316.98)	973.92	1,322.96
Expense recognized in the Statement of Profit and Loss	3,345.95	3,617.24	9,420.28	3,324.41

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

34. EMPLOYEE BENEFITS (Contd.)

(g) Other Comprehensive Income

(₹ in '00)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Actuarial (gains)/losses due to:		
- Change in demographic assumptions	(27.58)	-
- Change in financial assumptions	5916.08	475.54
- Experience variance (i.e. Actual experience vs. assumptions)	4022.73	(1,961.80)
- Others	-	-
Return on Plan Assets, excluding amount recognized in net interest expense	1,123.91	558.87
Re measurement (or Actuarial (gain)/Loss) arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognized in other Comprehensive Income	11,035.14	(927.39)

(h) Principal Actuarial Assumptions

(₹ in '00)

Financial Assumptions	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Discount Rate	6.60% p.a.	7.60% p.a.
Rate of Increase in Salaries	6.50% p.a.	6.50% p.a.

(₹ in '00)

Demographic Assumptions	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rate of Availment of Leave	0.00 % p.a.	0.00 % p.a.
Rate of Encashment of Leave	0.00 % p.a.	0.00 % p.a.
Mortality Rate (% of IALM 06-08)	100% p.a.	100% p.a.
Normal Retirement Age	62 Years	62 Years
Attribution Rates, based on age (% p.a.)		
- For all ages	2.00	2.00

(i) Division of defined Benefit Obligation (Current/Non-Current) at the end of the year.

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2020	For the year ended 31st March 2019
Current Defined Benefit Obligation	5,976.97	11,295.81	4,265.96	4,131.18
Non-Current Defined Benefit Obligation	55,479.54	43,655.03	10,328.39	8,683.63
Total Defined Benefit Obligation	61,456.51	54,950.84	14,594.35	12,814.81

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

34. EMPLOYEE BENEFITS (Contd.)

(j) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The Sensitivity Analysis below have determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period while holding all other assumptions constant. The result of sensitivity analysis is given below:

(₹ in '00)

Particulars	Gratuity (Funded)				Leave Encashment (Unfunded)			
	For the year ended 31st March 2020		For the year ended 31st March 2019		For the year ended 31st March 2020		For the year ended 31st March 2019	
	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	68,458.41	55,540.43	60,163.69	50,521.64	16,179.29	13,277.11	14,084.74	11,757.95
Salary Growth Rate (-/+ 1%)	56,769.75	66,824.73	51,134.19	59,435.61	13,196.34	16,254.56	11,683.36	14,157.80
Attrition Rate (-/+ 50%)	61,096.86	61,787.37	54,222.86	55,609.72	14,539.97	14,641.84	12,669.74	12,941.63
Mortality Rate (-/+ 10%)	61,309.87	61,599.56	54,730.09	55,166.28	14,584.48	14,603.81	12,787.64	12,841.15

(k) Methodology for Defined Benefit Obligation

The Projected Unit Credit (PUC) actuarial method has been used to assess the Present Value of Defined Benefit Obligations and the related Current Service Cost and where applicable Past Service Cost.

(₹ in '00)

Expected Cash Flows over the next (valued on undiscounted basis)	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2020	For the year ended 31st March 2019
1 Year	5,976.97	11,295.81	4,265.96	4,131.18
2-5 Years	11,543.91	10,201.97	1,442.92	1,308.54
6-10 Years	28,929.77	30,142.49	2,718.04	3,608.45
More Than 10 Years	97,903.64	82,357.46	25,832.67	24,515.86

(l) Plan Assets Information

Major categories of Plan Assets as percentage of Total Plan Assets.

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2020	For the year ended 31st March 2019
Funds Managed by Insurer	100%	100%	-	-

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

35. RELATED PARTY TRANSACTIONS.

A. As per Indian Accounting Standard-24 - 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India, the names of the related parties are given below:

B. List of related parties with whom the Company has transacted during the year

Associates	US Infotech Private Limited Brandshoots Ventures Private Limited Sumedha Management Solutions Private Limited
Key Managerial Personnel	Mr. Bhawani Shankar Rathi (Whole Time Director) Mr. Vijay Maheshwari (Director) Mr. Bijay Murmuria (Director) Mrs. Garima Maheshwari (Director) Mr. Parshant Shekhar Panda (Director)
Enterprise/ Firm owned or significantly influenced by Key Managerial Personnel	Superb Estate Services Private Limited M/s. Maheshwari & Associates (Chartered Accountants)

C. Transaction with related parties during the year and year end outstanding balance thereof are as follows:

(₹ in '00)

Sl. No.	Nature of Transactions	Associates	Enterprise owned or significantly influenced by Key Managerial Personnel	Key Management Personnel	Total
i	Managerial Remuneration	-	-	32,745.00	32,745.00
		-	-	(25,148.67)	(25,148.67)
ii	Rent paid	-	2,400.00	6,000.00	8,400.00
		-	(2,400.00)	(6,000.00)	(8,400.00)
iii	Portfolio management fees received	-	-	1,022.51	1,022.51
		-	-	(759.04)	(759.04)
iv	Guarantee commission paid	-	-	-	-
		-	-	(2,500.00)	(2,500.00)
v	Dividend Paid	11,155.66	2,186.00	21,834.10	35,175.76
		(11,155.66)	(2,186.00)	(21,834.10)	(35,175.76)
vi	Loan given	-	-	-	-
		-	(24,500.00)	-	(24,500.00)
vii	Loan received back	-	-	-	-
		-	(4,500.00)	-	(4,500.00)
viii	Interest received	-	-	-	-
		-	(1,260.77)	-	(1,260.77)
ix	Rent received	-	4,200.00	-	4,200.00
		-	(4,200.00)	-	(4,200.00)
x	Consultancy Fees Received	1,88,000.00	-	-	1,88,000.00
		(1,48,000.00)	-	-	(1,48,000.00)
xi	Investment in Equity Shares	-	-	-	-
		23,400.00)	-	-	(23,400.00)

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

35. RELATED PARTY TRANSACTIONS. (Contd.)

C. Transaction with related parties during the year and year end outstanding balance thereof are as follows: (Contd.)

(₹ in '00)

Sl. No.	Nature of Transactions	Associates	Enterprise owned or significantly influenced by Key Managerial Personnel	Key Management Personnel	Total
xii	Outstanding balances at the end of the Financial Year				
(a)	<i>Investment in Equity shares</i>				
	US Infotech Pvt. Ltd.	-	-	-	-
		(1,61,490.74)	-	-	(1,61,490.74)
	Brandshoots Ventures Pvt. Ltd.	-	-	-	-
		(49,082.92)	-	-	(49,082.92)
	Sumedha Management Solutions Pvt. Ltd	-	-	-	-
		(53,943.61)	-	-	(53,943.61)

Note: (i) The above transactions do not include reimbursement of expenses made/received during the year.

(ii) Previous year figures are in the bracket.

D. Disclosure in Respect of Material Related Party Transactions during the year

(₹ in '00)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Managerial Remuneration		
Mr. Bhawani Shankar Rathi	32,745.00	25,148.67
Rent paid		
Superb Estate Services Pvt. Limited	2,400.00	2,400.00
Mr. Vijay Maheshwari	6,000.00	6,000.00
Portfolio management fees received		
Mr. Vijay Maheshwari	416.62	420.34
Mrs. Garima Maheshwari	605.89	338.70
Guarantee Commission paid		
Mr. Vijay Maheshwari	-	1,250.00
Mr. BijayMurmuria	-	1,250.00
Dividend paid		
Mr. Bijay Murmuria	3,699.20	3,699.20
Mr. Bhawani Shankar Rathi	1,192.70	1,192.70
Mr. Vijay Maheshwari	16,692.20	16,692.20
Mrs. Garima Maheshwari	250.00	250.00
US Infotech (P) Limited.	11,155.66	11,155.66
Superb Estate Services Pvt. Limited	2,186.00	2,186.00
Investment in Equity shares		
Sumedha Management Solutions Pvt. Ltd.	-	23,400.00
Loan Given		
U.S. Infotech Private Limited	-	24,500.00
Loan received back		
U.S. Infotech Private Limited	-	4,500.00
Interest Received (net of TDS)		
U.S. Infotech Private Limited	-	1,260.77
Rent received		
Maheshwari & Asssociates	4,200.00	4,200.00
Consultancy Fees Received		
Sumedha Management Solutions Pvt. Ltd.	1,88,000.00	1,48,000.00

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

36. CAPITAL RISK MANAGEMNT

The Group aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to the shareholders.

The capital structure of the Group is based on management's judgement of the Group balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confident and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain or if necessary adjust its capital structure.

37. INTEREST IN SUBSIDIARY AND ASSOCIATES

Name	% Equity Interest	
	Mar-2020	Mar-2019
A SUBSIDIARY		
1 SFSL Commodity Trading Private Limited	99.98%	99.98%
B ASSOCIATES		
1 US Infotech Private Limited*	27.71%	27.71%
2 Brandshoots Ventures Private Limited	31.84%	31.84%
3 Sumedha Management Solutions Private Limited	24.73%	24.73%

* Refer Note No. 00

38. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT

A. Accounting classification for Fair Values

(i) Following table shows carrying amount and Fair Values of Financial Liabilities and Financial Assets: (₹ in '00)

Financial Assets	As at 31st March, 2020			As at 31st March, 2019		
	Carrying Value	Amortized Cost	FVTPL	Carrying Value	Amortized Cost	FVTPL
Investments in Associates						
Quoted Instruments	-	-	-	-	-	-
Unquoted Instruments	3,08,226.36	-	-	2,64,517.27	-	-
Investments in Equity Instruments						
Quoted Equity Instruments	-	-	13,907.00	-	-	36,050.14
Unquoted Equity Instruments	-	-	44.37	-	-	19,544.36
Investments in Debt Instruments						
Mutual Funds	-	-	5,46,767.61	-	-	5,22,297.17
Debentures						
- Unquoted	-	1.00	-	-	50,700.00	-
Trade Receivables	4,82,890.33	-	-	3,93,469.61	-	-
Loans	-	-	-	-	1,28,064.96	-
Cash on Hand	17,040.07	-	-	18,416.02	-	-
Balances with Bank	2,34,861.98	-	-	9,76,731.54	-	-
Balances with Bank other than Cash & cash Equivalents	2,02,998.74	-	-	1,57,545.59	-	-
Other Financial Assets	5,41,428.47	-	-	1,13,967.82	-	-

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

38. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

A. Accounting classification for Fair Values (Contd.)

(i) Following table shows carrying amount and Fair Values of Financial Liabilities and Financial Assets: (Contd.)

(₹ in '00)

Financial Liabilities	As at 31st March, 2020			As at 31st March, 2019		
	Carrying Value	Amortized Cost	FVTPL	Carrying Value	Amortized Cost	FVTPL
Borrowings	-	13,818.85	-	-	18,577.25	-
Trade Payables*	-	-	-	-	-	-
Other Financial Liabilities*	35,010.99	-	-	50,673.75	-	-

*Fair Values for these Financial Instruments have not been disclosed because their carrying amounts are reasonable approximation of their fair values.

(ii) Finance Income and Finance Cost instrument category wise classification of the Group

(₹ in '00)

Financial Income and Financial Cost	For the Year ended 31st March, 2020			For the Year ended 31st March, 2019		
	Carrying Value	Amortized Cost	FVTPL	Carrying Value	Amortized Cost	FVTPL
Income						
- Interest income	25,002.34	-	-	35,906.91	-	-
- Dividend Income	-	-	3,038.74	-	-	2,891.55
Expenses						
- Interest Expense	-	10,226.70	-	-	1,819.24	-

B. Fair Value Hierarchy

The following table shows the details of financial assets and financial liabilities including their levels in the fair value hierarchy:

(i) Financial assets and financial liabilities measured at fair value – recurring fair value measurements of the Group:

(₹ in '00)

Financial Assets	As at 31st March, 2020			As at 31st March, 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments in Equity Instruments						
Quoted Equity Instruments	13,907.00	-	-	36,050.14	-	-
Unquoted Equity Instruments	44.37	-	-	19,544.36	-	-
Investments in Debt Instruments						
Mutual Funds	5,46,767.61	-	-	5,22,297.17	-	-
Debentures						
- Unquoted	-	-	1.00	-	-	50,700.00
Loans	-	-	-	-	-	1,28,064.96
Other Financial Assets	-	-	5,41,428.47	-	-	1,13,967.82

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

38. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

B. Fair Value Hierarchy (Contd.)

(ii) Fair value disclosure of financial assets and financial liabilities measured at carrying value of the Group:

(₹ in '00)

Financial Assets	For the Year ended 31st March, 2020			For the Year ended 31st March, 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Borrowings	-	-	13,818.85	-	-	18,577.25
Other Financial Liability	-	-	35,010.99	-	-	50,673.75

Level 1 hierarchy includes financial instruments valued using quoted market prices. Listed equity instruments and traded debt instruments which are traded in the stock exchanges are valued using the closing price at the reporting date. Mutual funds are valued using the closing NAV.

Level 2 hierarchy includes financial instruments that are not traded in active market. This includes OTC derivatives and debt instruments valued using observable market data such as yield etc. of similar instruments traded in active market. All derivatives are reported at discounted values hence are included in level 2. Borrowings have been fair valued using market rate prevailing as on the reporting date.

Level 3 if one or more significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments and certain debt instruments which are valued using assumptions from market participants.

(iii) Fair Value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in level 3 items for the year ended 31st March 2020 and 31st March 2019.

(₹ in '00)

	Associates- Unquoted	Unquoted Equity Instruments	Unquoted Debt Instruments
As at 31/03/2019	2,64,517.27	19,544.36	50,700.00
Acquisitions	-	-	-
Transferred to Group of Associates	-	-	-
Sales	-	-	-
Gains/(Losses) recognized in the statement of Profit and Loss	-	-	(50,699.00)
As at 31/03/2020	2,64,517.27	19,544.36	1.00

(iv) Valuation techniques used for valuation of instruments categorised as level 3.

For valuation of investments in equity shares and associates which are unquoted, peer comparison has been performed wherever available. Valuation has been primarily done based on the cost approach where in the net worth of the Company is considered and price to book multiple is used to arrive at the fair value. In cases where income approach was feasible valuation has been arrived using the earnings capitalisation method. For inputs that are not observable for these instruments, certain assumptions are made based on available information. The most significant of these assumptions are the discount rate and credit spreads used in the valuation process. For valuation of investments in debt securities categorised as level 3, market polls which represent indicative yields are used as assumptions by market participants when pricing the asset.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

38. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

B. Fair Value Hierarchy (Contd.)

(v) Financial Instrument - Financial Risk Management.

The Group's activity exposes it to various risk such as market risk, liquidity risk and credit risks. This section explains the risks which the Group is exposed to and how it manages the risks.

a. Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange risk rates, interest rates and equity prices which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Holding Company's main business activity financial consulting has no or limited entry barrier. Entry of Banks and large consulting firms has increased competition.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk on financial liabilities such as long-term borrowings.

The Group is also exposed to interest rate risk on its financial assets that include fixed deposits.

Impact of increase/decrease in the benchmark interest rates on the Holding Company's equity and the Statement of Profit and Loss for the year is given below:

Interest Rate Risk	Change in Rate	31st March, 2020		31st March, 2019	
		Change in statement of Profit/Loss	Change in Other components of equity	Change in statement of Profit/Loss	Change in Other components of equity
Interest Rate	50 bps	-	-	-	-
- Borrowings	-	9 %	-	9 %	-
- Other Financial Assets	-	8 %	-	8 %	-

(ii) Price Risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the Balance Sheet as fair value through Profit or Loss. The majority of the Group's equity investments are publicly traded.

Sensitivity analysis - Equity price risk

The table below summarises the impact of increase/decrease of the market price of the listed instruments on the Group's equity and profit for the period. The analysis is based on the assumption that market price had increased by 2% or decreased by 2%.

(₹ in '00)

Particulars	Impact on Profit or Loss		Impact on other components of equity	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
Market Price increases by 2%	278.14	721.00	-	-
Market Price decreases by 2%	(278.14)	(721.00)	-	-

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

38. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

B. Fair Value Hierarchy (Contd.)

(v) Financial Instrument - Financial Risk Management. (Contd.)

(b) Liquidity Risk

The Group determines its liquidity requirements in the short, medium and long term. This is done by drawing up cash forecast for short and medium term requirements and strategic financing plans for long term needs.

The Group manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. This is generally carried out in accordance with practice and limits set by the Group.

(i) Maturity Analysis

The Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities and net settled derivative financial instruments. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(₹ in '00)

	Less than 1 Year	1 Year to 2 years	2 Years to 5 Years	More than 5 Years	Total
Contractual maturities of financial liabilities as at 31/03/2020					
Borrowings	-	-	13,818.85	-	13,818.85
Other Financial Liabilities	35,010.99	-	-	-	35,010.99
	Less than 1 Year	1 Year to 2 years	2 Years to 5 Years	More than 5 Years	Total
Contractual maturities of financial liabilities as at 31/03/2019					
Borrowings	4,758.40	5,179.11	8,639.74	-	18,577.25
Other Financial Liabilities	50,673.75	-	-	-	50,673.75

(c) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligation, and arises principally from the Group's receivables from customers, stock exchanges and clearing members. The carrying amount of financial assets represents the maximum credit exposure. Security deposits with stock exchanges and clearing members mainly represents the margin money to cover the regular trading exposure in stock exchanges backed by margin collected from clients and has very insignificant credit risk.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each client. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry.

Financial assets are written off when there is no expectation of recovery such as debtors failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where necessary, the Group has adopted the policy of creating expected credit loss where recoveries are made, these are organised as expense in the Statement of Profit and Loss.

Impairment losses/ (reversals) on financial assets recognized in profit or loss are as follow:

(₹ in '00)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Impairment Loss on trade receivables	47,621.95	1,08,779.63

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

39. The subsidiary company of Sumedha Fiscal Services Limited considered in the consolidated financial statements is as under:

Name of the company	Country of incorporation	Voting Power
SFSL Commodity Trading Pvt Ltd	India	99.98%

Associates of Sumedha Fiscal Services Limited

(₹ in '00)

Name of the company	% of shares held	Original cost of investment	Capital Reserve	Accumulated Profit/(Loss)	Carrying amount of investments
US Infotech Private Limited	27.71%	1,61,490.74	-	(7,780.78)	1,53,709.96
Brandshoots Ventures Private Limited	31.84%	49,082.92	-	(3,429.27)	45,653.65
Sumedha Management Solutions Pvt. Ltd.	24.73%	53,943.61	-	54,919.14	1,08,862.75

40. Additional Information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary and Associates:

Name of the entity	Share in Net Assets		Share in Profit and Loss	
	As % of consolidated net assets	Amount (₹)	As % of consolidated Profit or Loss	Amount (₹)
Parent				
Sumedha Fiscal Services Limited	87.07	33,44,952.90	119.63	(3,67,174.61)
Subsidiary				
SFSI Commodity Trading Private Limited	4.91	1,88,672.93	(1.22)	3,734.86
Associate				
US Infotech Private Limited	4.00	1,53,709.96	(1.64)	5,022.88
Brandshoots Ventures Private Limited	1.19	45,653.65	1.12	(3429.27)
Sumedha Management Solutions Pvt Ltd	2.83	1,08,862.75	(17.89)	54,919.17
Total	100.00	38,41,852.19	100.00	(3,06,926.96)
a) Transferred to OCI		-		(21,320.58)
b) Minority Interest		34.99		(1.23)
		38,41,817.20		(2,85,606.38)

41. The Board of Directors has recommended a dividend at the rate of Re. 0.60 /- per share (face value Rs 10/) (previous year Re. 1/-) for the year ended 31st March,2020 ,subject to approval of the shareholders at the ensuing Annual General Meeting.

As per requirements of Ind AS, the Company is not required to provide for proposed dividend declared after the Balance Sheet date. Consequently, no provision has been made in respect of the aforesaid dividend proposed by the Board of Directors for the year ended 31st March, 2020 Had the company continued with the creation of the provision of the proposed dividend as at the Balance Sheet date, its Loss in the Statement of Profit and

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2020 (Contd.)

Loss would have been increased by Rs 47.90 lacs (Previous Year Profit of ₹ 79.84 Lacs) on account of dividend and ₹ lacs (Previous Year ₹ 16.41 Lacs) on account of Dividend Tax and the provision would have been higher by the said amount of ₹47.90 lacs (Previous Year ₹ 96.25lacs).

- 42.** During the year, unclaimed dividend amounting to ₹1,42,518/- relating to financial year 2011-12 has been transferred to IEPF Account as per section 124(5) of the Companies Act, 2013.
- 43.** Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.
- 44.** Figures have been rounded off to nearest Hundred.

Signature to Notes 1 to 44

For and on behalf of the Board of Directors

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.: 311017E

(SUNIL SINGHI)

Partner

Membership No. 060854

UDIN:20060854AAAAAM3293

Place : Kolkata

Date : 26th June, 2020

Bijay Murmuria

Director

DIN: 00216534

Vijay Maheshwari

Director

DIN : 00216687

Deb Kumar Sett

Company Secretary

Girdhari Lal Dadhich

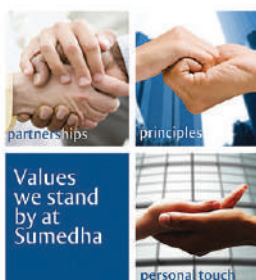
Chief Financial Officer

NOTE

A series of horizontal dotted lines for writing notes.

VALUES

That little addition
which changes the dynamics
of everything ...



...be it in the way you conduct your business, nurture relationships or in your day to day interactions.

At Sumedha, we understand why this little addition is so critical for growth and maintaining long lasting relationships.

Since our inception more than a decade ago, we have nurtured these values. We today take so much pride in maintaining transparency in our dealings, of going that extra mile to ensure greater success for you and standing by you through thick and thin.

Bring that little 'S' in your business with Sumedha and experience the change yourself.

FINANCIAL HIGHLIGHTS

₹ in lakhs unless specified otherwise

Details	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Income From Operations	1782.89	1808.73	2067.65	1569.37	1094.00	1704.60	1,314.96	1,201.31
Other Income	72.55	48.14	95.96	127.21	80.28	101.39	66.15	70.82
Total Income	1855.44	1856.87	2163.61	1696.58	1174.28	1805.99	1,381.11	1,272.13
Profit before Interest, Depreciation, Amortisation and Tax	-324.09	610.16	500.07	561.65	202.18	442.27	528.06	277.87
Profit before Interest & Tax	-378.01	557.53	450.20	517.57	154.60	367.22	488.91	237.48
Profit before Tax	-388.29	550.72	444.65	511.28	153.33	363.12	484.35	231.45
Profit after tax	-354.85	415.21	353.14	355.71	95.66	248.22	344.47	162.13
Net Fixed Assets	1104.05	914.64	949.52	817.45	808.48	835.63	898.52	922.91
Share Capital	798.44	798.44	798.44	798.44	798.44	798.44	798.44	798.44
Reserves & Surplus*	2848.54	3308.17	2988.55	2728.51	2419.54	2270.36	2,098.79	1,829.02
Networth	3646.98	4106.61	3786.99	3526.95	3217.98	3068.80	2,897.23	2,627.46
Total Borrowings	13.82	18.57	23.78	4.05	10.04	7.92	47.43	43.26
Earnings per Share (in Rupee)	-4.44	5.20	4.42	4.46	1.20	3.11	4.31	1.90
Dividend per Share (in Rupee)	0.60	1.00	1.00	1.00	0.50	0.80	0.80	0.50
Book Value per Share (in Rupee)	45.68	51.43	47.43	44.17	40.30	38.55	36.40	33.03
EBITDS/Turnover (%)	-17.47	32.86	23.11	33.10	17.22	24.49	38.23	21.84
Profit before Tax/ Turnover (%)	-20.93	29.66	20.55	30.14	13.06	20.11	35.07	18.19
Return on Capital Employed (%)	-12.42	17.62	14.23	16.36	4.91	11.80	16.14	8.48
Return on Networth (%)	-9.73	10.11	9.33	10.09	2.97	8.09	11.89	6.17

* Excluding Revaluation Reserve

Note: Figures for 2018-19, to 2015-16 are after adjustment of impact due to applicability of the Indian Accounting Standards, 2015 (as amended).



Values
we stand
by at
Sumedha



SUMEDHA

adding values to value

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ANNEXURE - VII

Statement showing Particulars of top ten employees pursuant to Section 197(12) of the Companies Act, 2013 and Rules 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended):

Sl. No.	Name	Designation/ Nature of Employment	Remuneration Received during the year (₹)	Qualification	Experience in years	Age in years	Date of commencement of employment	Last employment held before joining the Company
1.	Mr. Bhawani Shankar Rath	Wholetime Director (KMP)	32,74,500	B.Com (Hons.), FCA, MBF from ICAI	31	54	01-Apr-1994	None
2.	Mr. Ajay Kumar Laddha	Vice President – Investment Banking	27,50,000	B. Com, ACA, ICWAI	16	47	19-Jan-2004	The Hindustan Times Ltd., Kolkata as Accounts Executive
3.	Mrs. Sidhi Dalmia	Vice President – Investment Banking	26,00,000	B.Com, MBA	8	32	03-Jul-2018	Bennett Coleman and Company Limited as Senior Manager - Brand Capital
4.	Mr. Krishna K Kabra	President – Investment Banking	24,00,000	ACA	25	55	15-Jan-2009	Development Credit Bank, Surat Branch as Associate Vice President
5.	Mr. M. S. Prashant	Vice President – Investment Banking	19,00,000	LLB, M.Com, CAIIB-1	33	65	23-Oct-2008	Blend Financial Services Pvt. Ltd. as Branch Head
6.	Mr. Nikhil Dujari	Vice President – Investment Banking	15,00,000	B.Com, M.Sc. Financial Management	15	41	01-Feb-2008	Atherstone Institute of Research Ltd. as Manager – Business Communication
7.	Mr. Debjit Adak	Head – Portfolio Management Services	14,00,000	B.Sc., PGDBA	17	42	20-Aug-2010	BMA Wealth Creator Ltd. as Assistant Vice President - Research
8.	Mr. Tanay Kumar Mukhopadhyay	Assistant Vice President – Investment Banking	12,00,000	B.Sc., CAIIB	45	67	01-Apr-2013	State Bank of India as Deputy General Manager
9.	Mr. Deb Kumar Sett	Company Secretary & Compliance Officer (KMP)	8,85,000	BA, B.Com, LLB (Inter), ACS	37	66	12-May-1995	Magma Leasing Ltd. as Company Secretary
10.	Mr. Rajendra Prashad Sharma	Assistant Vice President – Investment Banking	8,60,000	B.Com, CA (Inter)	45	72	08-May-1995	Vishva Vishal Engineering Ltd. as Manager (Finance)

Notes:

- 1) All appointments are/were contractual in accordance with terms and conditions as per company rules.
- 2) None of aforesaid employees is a relative of any Director or Manager of the Company.

Place : Kolkata
Date : 26th June, 2020

For and on behalf of the Board
Ratan Lal Gagar
Chairman