

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF AMAR INVESTMENTS LIMITED,**

**Report on the Audit of the Financial Statements of Amar Investments Limited**

**Opinion**

We have audited the accompanying financial statements of **Amar Investments Limited** ("the Company"), which comprise the Balance Sheet as at **31<sup>st</sup> March 2020**, the statement of profit and loss and the cash flow statement for the year on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statement").

In our opinion and to the best of information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at **31<sup>st</sup> March 2020**, the loss and its cash flows for the year ended on that date.

**Basis of Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of the Chartered Accountants of India (ICAI) together with independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, 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 the basis for our audit opinion on the financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming of 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 matter   | How our audit addressed the key audit matters   |
|--|---|
| <p><b>A. Revenue Recognition</b></p> <p>Revenue for the company consists primarily of sale of securities / profit on sale of non-current investments.</p> <p>Revenue from the sale is recognized at the moment when performance obligation of the underlying securities has been completed.</p> <p>Profit on sale of non-current investments are accounted for net of brokerage in compliance of same consideration as that of securities.</p> <p>Further, the company focuses on revenue as a key performance measure. Therefore, revenue was our area of focus included whether the accruals were misstated and appropriately valued, and whether the significant transactions had been accurately recorded in Statement of Profit and Loss.</p> | <p><b>Our key procedures included the following:</b></p> <p>a) Assessed the appropriateness of the company's revenue recognition accounting policies, including those relating to discounts, incentives and rebates by comparing with the applicable accounting standards;</p> <p>b) Tested the operating effectiveness of the general IT control environment and key IT application controls over recognition of revenue, calculation of discounts, incentives and rebates;</p> <p>c) Performed test of details:</p> <p>i) In application of I&amp;AL norms meant for Non-Systematically (RBI) Directors, 2016.</p> <p>ii) Obtained supporting documents for sales transactions interest earning recorded either side of year end as well as credit notes issued after the year ended to determine whether revenue was recognized in the correct period.</p> <p>d) Performed focused analytical procedures:<br/>                     Compared the revenue for the current year with the prior year for variance/ trend analysis and where relevant, completed further inquiries and testing to corroborate the variances by considering both internal and external benchmarks, overlaying our understanding of industry; and</p> <p>e) Considered the appropriateness of the company's description of the accounting policy, disclosures related to revenue and expense recognition and whether these are adequately presented in the financial statement.</p> |



**B. Litigations and claims –provisions and contingent liabilities**

As disclosed in Notes detailing contingent liability and provision for contingencies, the company is involved in direct, indirect tax and other litigations ('litigations') that are pending with different statutory authorities.

Whether a liability is recognized or disclosed as a contingent liability in the financial statements is inherently judgmental and dependent on a number of significant assumptions and assessments.

The amounts involved are potentially significant and determining the amount, if any, to be recognized or disclosed in the financial statements, is inherently subjective.

**Our key procedures included the following:**

- Assessed the appropriateness of the company's accounting policies, including those relating to provision and contingent liability by comparing with the applicable accounting standards;
- Assessed the company's process for identification of the pending litigations and completeness for financial reporting and also for monitoring of significant developments in relation to such pending litigations;
- Engaged subject matter specialists to gain an understanding of the current status of litigations and monitored changes in the disputes, if any, through discussions with the management and by reading external advice received by the company, where relevant, to establish that the provisions had been appropriately recognized or disclosed as required;
- Assessed the company's assumptions and estimates in respect of litigations, including the liabilities or provisions recognized or contingent liabilities disclosed in the financial statements. This involved assessing the probability of an unfavorable outcome of a given proceeding and the reliability of estimates of related amounts;
- Performed substantive procedures on the underlying calculations supporting the provisions recorded;
- Assessed the management's conclusions through understanding precedents set in similar cases; and

Considering the appropriateness of the company's description of the disclosures related to litigations and whether these are adequately presented in the financial statements.



|   |            |   |
|---|------------|---|
| C. Valuation of investments and thereof           | impairment | <b>Our key procedures included the following:</b>   |
| I. Non-Current Investments in equity instruments. | Unquoted   | Verified at cost less permanent diminution if any, latter is verified with reference to latest registered valuers report/NAV; |
| II. Current Investments in unquoted mutual funds. |            | As per NAV  |
| III. Quoted investment                            |            | As per quoted price.  |
| VI. Fixed Deposit with Bank                       |            | Verified with reference to banks' confirmation and computation of interest accrued thereon.                                   |

**Information other than the Financial Statements and Auditor's Report thereon**

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

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the companies in accordance with the AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the companies are responsible for maintenance of the adequate accounting records in accordance with the

*Statutory Audit Report for the year ended 31.03.2020 of Amar Investments Limited*





provisions of the Act for safeguarding the assets of the companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also required to report on whether the Company has adequate internal financial controls in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the financial statements.

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

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

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



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

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

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the 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 financial statements.
- d) In our opinion  
The aforesaid financial statements comply with Accounting Standards notified under the Act read with General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of ministry of corporate affairs in respect of Section 133 of the Companies Act, 2013.
- e) On the basis of written representations received from the directors as on 31<sup>st</sup> March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure 1". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in 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 explanations given to us, No remuneration paid by the company to its directors during the year is in accordance with the provisions of Section 197 of the Act read with Schedule-V of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. There is no pending litigations on the financial position of the company of financial statements.
- ii. The company has not entered into long term contracts or derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure 2" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

UDIN: 20010713AAAABH6480

Place : Kolkata

Date : December 7, 2020

For BASU CHANCHANI & DEB  
CHARTERED ACCOUNTANTS  
R. No. 36408E

  
KARABINDA SINHA  
Partner  
(M. No. 010713)



## **Annexure-1**

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

We have audited the internal financial controls over financial reporting of **Amar Investments Limited** ("the Company") as of **31<sup>st</sup> 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected



depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

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

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

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

UDIN: 20010713AAAABH6480

Place : Kolkata

Date : December 7, 2020

*Statutory Audit Report for the year ended 31.03.2020 of Amar Investments Limited*

For BASU CHANCHANI & DEB  
CHARTERED ACCOUNTANTS  
R No. 304049E  
  
(ARADHNA SINHA)  
Partner  
IM No. 010713

**Re: Amar Investments Limited**

**REFERENCE TO OUR MAIN REPORT OF EVEN DATE**

According to the information and explanations given to us, we further report that:

1. a). The company has maintained proper records to show full particulars including quantitative details and situation of the fixed assets.  
b). The fixed assets have not been physically verified by the management during the year and no discrepancy was noticed.  
c). The company does not hold any immovable property.
2. Physical verification of inventory of share is reported to have been carried out by the management at regular intervals. According to the information & explanation given to us, no material discrepancy has been noticed during such verification.
3. The Company has not granted any loans secured or unsecured to Companies, firms and other parties covered in the Register, maintained under Section 189 of the Companies Act, 2013. Therefore other sub-clauses are not applicable.
4. The company has not given any loan to directors. As the company is an NBFC provision of Section-186 regarding restriction on investment is not applicable. The guarantee issued by company is within the limit of stipulated under Section-186 of the Companies Act, 2013.
5. The Company has not accepted any deposit from the public.
6. Maintenance of cost records has not been prescribed by the Central Government.
7. (a) According to the information and explanations given to us, the Company deposited with appropriate authorities undisputed statutory dues like Provident Fund, Investor's Education & Protection Fund, Employees State Insurance, Income Tax as well as Wealth Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues to the extent applicable to it. None of the statutory dues referred to above has been outstanding for a period of six months and above from the date they became payable as on the date of Balance Sheet.  
(b) There is no dispute concerning dues which had not been paid by the company.
8. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.



9. No fund has been raised by the Company by way of initial public offer, or further public offer or term loan.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud, by or on the Company has been noticed or reported during the course of our audit.
11. No managerial remuneration has been paid by the company.
12. The Company is not a Nidhi Company.
13. The Company did not have any transaction with related party, within the meaning of section 188 of Companies Act, 2013
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
15. The Company did not have any non cash transaction with any director or persons connected with him.
16. The Company is registered under sec 45 1A of Reserve Bank of India Act 1934

**UDIN: 20010713AAAABH6480**

**Place: Kolkata**

**Date: December 7, 2020**

For BASU CHANCHANI & DEB  
CHARTERED ACCOUNTANTS  
R No. 30404E  
  
(ARABINDA SINHA)  
Partner  
(M. No. 010713)



AMAR INVESTMENTS LIMITED  
25, Princep Street  
Kolkata-700072

Balance Sheet as at 31st March, 2020

|                                      | Notes | As at March 31, 2020<br>(Rupees) | As at March 31, 2019<br>(Rupees) | As at April 1st, 2018<br>(Rupees) |
|--------------------------------------|-------|----------------------------------|----------------------------------|-----------------------------------|
| <b>ASSETS</b>                        |       |                                  |                                  |                                   |
| <b>Financial Assets</b>              |       |                                  |                                  |                                   |
| Cash and Cash Equivalents            | 3     | 205,300                          | 3,176,915                        | 8,583,404                         |
| Trade Receivables                    | 4     | 21,574,349                       | 6,522,306                        | 29,476,882                        |
| Investments                          | 5     | 208,724,430                      | 649,283,281                      | 685,837,405                       |
| Other Financial Assets               | 6     | 250,887,118                      | 126,940,254                      | 182,493,738                       |
|                                      |       | 521,471,393                      | 767,922,757                      | 886,481,568                       |
| <b>Non Financial Assets</b>          |       |                                  |                                  |                                   |
| Property, Plant and Equipment        | 7     | 302,080                          | 300,506                          | 412,535                           |
| Other Non - Financial Assets         | 8     | 1,624,067                        | 1,511,557                        | 4,110,736                         |
|                                      |       | 1,926,147                        | 1,812,063                        | 4,523,271                         |
| <b>TOTAL ASSETS</b>                  |       | <b>523,397,440</b>               | <b>789,694,823</b>               | <b>891,021,240</b>                |
| <b>LIABILITIES AND EQUITY</b>        |       |                                  |                                  |                                   |
| <b>(1) Financial Liabilities</b>     |       |                                  |                                  |                                   |
| Borrowings                           | 9     | 65,553,428                       | 246,991,997                      | 262,935,517                       |
| Other Financial Liabilities          | 10    | 128,408,317                      | 13,028,610                       | 12,291,581                        |
|                                      |       | 223,961,745                      | 260,020,607                      | 275,227,098                       |
| <b>(2) Non-Financial Liabilities</b> |       |                                  |                                  |                                   |
| Provisions                           | 11    | 1,687,613                        | 1,495,860                        | 1,495,860                         |
| Deferred Tax Liabilities/Net         | 12    | 16,414,645                       | 65,965,083                       | 82,334,445                        |
|                                      |       | 18,102,258                       | 67,460,943                       | 83,830,305                        |
| <b>(3) Equity</b>                    |       |                                  |                                  |                                   |
| Equity Share Capital                 | 13    | 1,001,000                        | 1,001,000                        | 1,001,000                         |
| Other Equity                         | 14    | 280,332,437                      | 440,411,272                      | 520,971,826                       |
|                                      |       | 281,333,437                      | 441,412,272                      | 521,972,826                       |
| <b>TOTAL LIABILITIES AND EQUITY</b>  |       | <b>523,397,440</b>               | <b>789,694,823</b>               | <b>891,021,240</b>                |

The accompanying notes are an integral part of the financial statements

As per our report of even date

Basu Chanchani & Deb  
Chartered Accountants  
FRN: 304049E

Partner

Date: 7th December 2020  
Place: Kolkata

For BASU CHANCHANI & DEB  
CHARTERED ACCOUNTANTS  
R. No. 304049E

(ARABINDA SINHA)  
Partner  
(M. No. 010713)

For and on behalf of the Board

Tony Roy  
Director

Director

Statement of Profit and Loss as on 31st March, 2020

|  | Note | Year ended March 31, 2020 | Year ended March 31, 2019 |
|--|------|---------------------------|---------------------------|
|  |      | (Rupees)                  | (Rupees)                  |
| Revenue from Operations  |      |                           |                           |
| Dividend Income  |      | 3,275,179                 | 4,056,550                 |
| Net gain on fair value changes   | 15   | -                         | 43,669,551                |
| <b>Total Revenue from Operations (I)</b>                                 |      |                           |                           |
| Other Income (II)  | 16   | -                         | 332,333                   |
| <b>Total Income (I+II)</b>   |      | <b>3,275,179</b>          | <b>48,058,434</b>         |
| Finance Cost   | 17   | 8,937,194                 | 22,185,570                |
| Net Loss on fair value changes   |      | 168,701,690               | -                         |
| Net Loss on Jute Sale  |      | 29,956,909                | -                         |
| Employee Benefit Expenses  | 18   | 73,806                    | 118,480                   |
| Depreciation, Amortisation and Impairment Expenses                       | 7    | 58,428                    | 58,428                    |
| Administrative and Other Expenses  | 19   | 31,058,813                | 53,427,761                |
| Impairment on Standard Assets  |      | 180,753                   | -                         |
| <b>Total Expenses</b>  |      | <b>238,977,591</b>        | <b>75,790,239</b>         |
| <b>Profit Before Tax</b>   |      | <b>(235,702,412)</b>      | <b>(27,731,805)</b>       |
| Tax Expense  |      |                           |                           |
| Current Tax  |      | -                         | 341409                    |
| Income Tax for earlier years   |      | -                         | 5,978,093                 |
| Deferred Tax Charge/(Credit)   |      | (64,663,843)              | 6,319,502                 |
| <b>Total tax expense</b>   |      | <b>(64,663,843)</b>       | <b>6,319,502</b>          |
| <b>Profit after tax</b>  |      | <b>(171,038,569)</b>      | <b>(34,051,307)</b>       |
| Other Comprehensive Income   |      |                           |                           |
| (i) Items that will be not be reclassified to profit or loss             |      | 5,073,137                 | (57,856,701)              |
| Income tax relating to Items that will be reclassified to profit or loss |      | (5,886,596)               | (11,347,454)              |
| <b>Total Other Comprehensive Income</b>                                  |      | <b>10,959,733</b>         | <b>(46,509,247)</b>       |
| <b>Total Comprehensive Income</b>  |      | <b>(160,078,836)</b>      | <b>(80,560,554)</b>       |
| Earning per Equity Share(Face Value Rs. 10) (See Note 20)                |      |                           |                           |
| -Basic   | 20   | -1708.68                  | -349.17                   |
| -Diluted   |      |                           |                           |

The accompanying notes are an integral part of the financial statements.

As per our report of even date

Basu Chanchani & Deb  
Chartered Accountant  
FRN: 304049E

Partner

Date : 7th December 2020  
Place: Kolkata

For BASU CHANCHANI & DEB  
CHARTERED ACCOUNTANTS

R. No. 304049E

(ARABINDA SINHA)

Partner  
(M. No. 016713)

For and on behalf of the Board

  
Director

  
Director

**AMAR INVESTMENTS LIMITED**  
**Statement of Changes in Equity for the year equity March 31, 2020**

**A. Equity Share Capital**

|  | Rupees  |
|--|---------|
| As at 1 <sup>st</sup> April, 2018              | 1001000 |
| Change in Equity Share Capital during the year |         |
| As at 31 <sup>st</sup> March, 2019             | 1001000 |
| Change in Equity Share Capital during the year |         |
| As at 31 <sup>st</sup> March, 2020             | 1001000 |

**B. Other Equity**

| Particulars                 | Special Reserve (pursuant to Sec. 45IC of the Reserve Bank of India, etc.) | Capital Reserve | General Reserve | Preference Share Capital (Resumption Reserve) | Retained Earnings | Other Comprehensive Income | Total         |
|-----------------------------|--|-----------------|-----------------|---|-------------------|----------------------------|---------------|
| Balance as at 01-04-2018    | 29,740,000   | 2,709,771       | 46,051,036      | 17,500,000                                    | 258,594,400       | 191,292,618                | 529,971,626   |
| Profit during the year      | -  | -               | -               | -   | (34,051,307)      | -                          | (34,051,307)  |
| Transferred to PL           | -  | -               | -               | -   | -                 | -                          | -             |
| Transferred during the year | 625,000  | -               | -               | -   | (820,000)         | (40,509,247)               | (40,509,247)  |
| Transferred from OCI        | -  | -               | -               | -   | -                 | -                          | -             |
| Balance as at 31-03-2019    | 30,365,000   | 2,709,771       | 46,051,036      | 17,500,000                                    | 224,718,093       | 148,783,372                | 440,411,272   |
| Profit during the year      | -  | -               | -               | -   | (171,008,500)     | -                          | (171,008,500) |
| Transferred during the year | -  | -               | -               | -   | -                 | 10,950,733                 | 10,950,733    |
| Balance as at 31-03-2020    | 30,365,000   | 2,709,771       | 46,051,036      | 17,500,000                                    | 63,679,616        | 159,734,105                | 280,532,437   |

Sans Chhabhai & Deb  
 Chartered Accountants  
 Firm No. 30493E

Partner

City  
 Place: Kolkata

For BASU CHANCHANI & DEB  
 CHARTERED ACCOUNTANTS  
 B. No. 30493E  
  
 (ARADHANA SINHA)  
 Partner  
 (M. No. 010713)

For and on behalf of the Board



**AMAR INVESTMENTS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020**

| Particulars   | As at 31st March     |                     |
|---|----------------------|---------------------|
|   | 2020<br>Rupees       | 2019<br>Rupees      |
| <b>A. Cash Flow from Operating Activities :</b>                           |                      |                     |
| Net profit / (Loss) before Tax  | (235,702,412)        | (27,731,805)        |
| Adjustments for:  |                      |                     |
| Fair value (gain)/Loss  | 108,701,600          | (43,069,551)        |
| Liabilities no longer required written back                               | -                    | -                   |
| Depreciation, Amortisation and Impairment Expense                         | 58,428               | 58,428              |
| Bad Debts written off   | 30,000,000           | 51,477,500          |
| Interest on Borrowings  | 8,491,611            | 21,319,842          |
| Dividend Received   | (3,275,179)          | (4,058,550)         |
| Prior Period  | -                    | -                   |
| Provision of Standard Asset   | 190,753              | -                   |
| Interest Received   | -                    | (162,045)           |
| <b>Cash Flow from Operating Activities before Working Capital Changes</b> | <b>(31,636,108)</b>  | <b>(2,764,181)</b>  |
| (Increase)/ Decrease in Trade Receivables                                 | (13,052,043)         | 2,392,078           |
| (Increase)/ Decrease in Other Financial assets                            | (193,946,854)        | 2,638,484           |
| (Increase)/ decrease in other non Financial Assets                        | (12,510)             | 1,801,442           |
| Increase/ decrease in Other Financial Liabilities                         | 115,379,707          | 737,019             |
| <b>B. Cash flow from Investing Activities:</b>                            | <b>(91,631,710)</b>  | <b>7,629,921</b>    |
| (Purchase) / Sale of Fixed Assets (Net)                                   | -                    | -                   |
| Sale of investment measured at FVTPL                                      | 221,570,602          | 26,058,354          |
| Purchase of investment measured at FVTPL                                  | -                    | 148,106             |
| Purchase of shares measured at FVOCI                                      | (360,172)            | (5,606,368)         |
| sale of investment measured at FVOCI                                      | 88,219,856           | 53,562,009          |
| Purchase of Preference Shares   | (32,500,000)         | -                   |
| Purchase of unquoted shares   | -                    | (52,398,860)        |
| Dividend Received   | 3,275,179            | 4,058,550           |
| Interest Received   | -                    | 162,045             |
| <b>Net Cash flow from/used in Investing Activities (B)</b>                | <b>290,205,475</b>   | <b>26,881,958</b>   |
| <b>C. Cash flow from Financing Activities:</b>                            | <b>(151,436,570)</b> | <b>(15,933,524)</b> |
| Proceeds from Borrowings  | (8,491,611)          | (21,319,842)        |
| Interest Paid   | -                    | -                   |
| <b>Net cash flow from Financing Activities (C)</b>                        | <b>(159,930,181)</b> | <b>(37,253,366)</b> |
|   | <b>(2,891,525)</b>   | <b>(5,508,567)</b>  |
| Cash & Cash Equivalents (opening balance)                                 | 3,176,915            | 8,683,482           |
| Cash & Cash Equivalents (closing balance)                                 | 285,390              | 3,176,915           |

As per our Report of even date attached.  
**Basu Chanchani & Deb**  
 Chartered Accountant  
 FRN: 304049E

For BASU CHANCHANI & DEB  
 CHARTERED ACCOUNTANTS  
 F. No. 304049E

  
 (ARABINDA SINHA)  
 Partner  
 (M. No. 010713)

For and on behalf of the Board

 Director  
 Director

Partner

Date : 7th December 2020  
 Place: Kolkata



|  |  | (Rupees)             |                      |                       |
|--|--|----------------------|----------------------|-----------------------|
| <b>3. Cash and Cash Equivalents</b>                                      |  | As on March 31, 2020 | As on March 31, 2019 | As on April 1st, 2018 |
| Particulars  |  |                      |                      |                       |
| Cash in hand   |  | 161,267              | 161,267              | 161,267               |
| Balance with Banks   |  |                      |                      |                       |
| In Current Accounts  |  | 124,122              | 3,015,649            | 6,522,217             |
| Fixed Deposits<br>(Maturity less than 3 months from date of acquisition) |  |                      |                      |                       |
|  |  | <u>285,389</u>       | <u>3,176,915</u>     | <u>6,683,484</u>      |

|   |  | (Rupees)             |                      |                       |
|---|--|----------------------|----------------------|-----------------------|
| <b>4. Trade Receivables</b>             |  | As on March 31, 2020 | As on March 31, 2019 | As on April 1st, 2018 |
| Particulars                             |  |                      |                      |                       |
| Receivables Considered Good - unsecured |  | 21,674,349.22        | 8,522,300.2          | 29,476,892            |
|   |  | <u>21,674,349</u>    | <u>8,522,300</u>     | <u>29,476,892</u>     |

|                                    |  | (Rupees)             |                      |                       |
|------------------------------------|--|----------------------|----------------------|-----------------------|
| <b>6. Other Financial Assets</b>   |  | As on March 31, 2020 | As on March 31, 2019 | As on April 1st, 2018 |
| Particulars                        |  |                      |                      |                       |
| (Considered good otherwise stated) |  |                      |                      |                       |
| Security Deposits                  |  |                      |                      |                       |
| To Others                          |  | 50,830               | 50,830               | 50,830                |
| Advances                           |  | 293,887,118          | 12,688,426           | 1,624,390.7           |
|                                    |  | <u>293,887,118</u>   | <u>12,940,256</u>    | <u>1,675,220.7</u>    |



### 3. Investments

| Particulars  | Face Value | As at 31st March, 2020 |                   | As at 31st March, 2019 |                     | As at 31st March, 2018 |                   |
|--|------------|------------------------|-------------------|------------------------|---------------------|------------------------|-------------------|
|  |            | No.                    | Value (Rs.)       | Quantity               | Value (Rs.)         | Quantity               | Value (Rs.)       |
| <b>A. Investments in Debentures (Fully Paid)</b>                   |            |                        |                   |                        |                     |                        |                   |
| (M Cray<br>GDFC LTD (MCR))   | 2          | 12                     | 270               | 12                     | 270                 | 12                     | 270               |
|  |            | <u>12</u>              | <u>270</u>        | <u>12</u>              | <u>270</u>          | <u>12</u>              | <u>270</u>        |
| <b>C. Investment in equity instrument (Unquoted)</b>               |            |                        |                   |                        |                     |                        |                   |
| (M Cray)   |            |                        |                   |                        |                     |                        |                   |
| AIC PROPERTIES LTD   | 10         | 9,000                  | 90,000            | 9,000                  | 90,000              | 9,000                  | 90,000            |
| BADYBATI INDUSTRIES LTD  | 10         | 18,800                 | 247,000           | 18,800                 | 247,000             | 18,800                 | 247,000           |
| CHAMPDANY CONSTRUCTIONS LTD  | 10         | 729,178                | 8,028,198         | 729,178                | 80,290,888          | -                      | -                 |
| COOCHBEHAR INDUSTRIES LTD  | 10         | 1,500,000              | 18,750,000        | 1,500,000              | 18,750,000          | 1,800,000              | 18,750,000        |
| COOPERS CAPITAL MARKET LTD   | 100        | 50,000                 | 5,000,000         | 50,000                 | 5,000,000           | 50,000                 | 5,000,000         |
| COOPERS WEALTH ADVISERS LTD  | 10         | 320,000                | 3,200,000         | 320,000                | 3,200,000           | 320,000                | 3,200,000         |
| EASTERN SERVICES LTD   | 10         | 1,620                  | 17,300            | 1,620                  | 17,300              | 1,620                  | 17,300            |
| G. JERAMBAH EXPORTS LTD  | 10         | 1,350                  | 563,500           | 1,350                  | 563,500             | 1,350                  | 563,500           |
| JERAMBAH MANAGEMENT SERVICES                                       | 10         | 105                    | 1,050             | 105                    | 1,050               | 105                    | 1,050             |
| GUNNYDEALERS LTD   | 100        | 1,200                  | 720,000           | 1,200                  | 720,000             | 1,200                  | 720,000           |
| LANDAJE & CLARKE LTD   | 10         | 3,000                  | 770,500           | 3,000                  | 770,500             | 3,000                  | 770,500           |
| LIBRA EXPORTERS LTD  | 100        | 2,000                  | 200,000           | 2,000                  | 200,000             | 2,000                  | 200,000           |
| LIBRA TRANSPORT LTD  | 100        | 200                    | 80,400            | 200                    | 80,400              | 200                    | 80,400            |
| MCGREGOR & BALFOUR(I) LTD  | 10         | 9,894                  | 54,967            | 9,894                  | 54,967              | 9,894                  | 54,967            |
| RISHRA INDUSTRIAL ENT. LTD   | 10         | 4,501                  | 81,010            | 4,501                  | 81,010              | 4,501                  | 81,010            |
| SUBERA INDUSTRIES LTD  | 10         | 1,070                  | -                 | 1,070                  | -                   | 1,070                  | -                 |
| WADIVA ENDOWMENT MANAGEMENT  | 10         | 100                    | 1,000             | 100                    | 1,000               | 100                    | 1,000             |
| WEST BENGAL MULTIFIBRE JUTE LTD                                    | 10         | 9,000                  | 90,000            | 9,000                  | 90,000              | 9,000                  | 90,000            |
| <b>Total</b>   |            |                        | <u>2,662,616</u>  |                        | <u>27,072,815</u>   |                        | <u>2,662,616</u>  |
|  |            |                        |                   |                        | <u>112,241,815</u>  |                        | <u>1,333,448</u>  |
|  |            |                        |                   |                        |                     |                        | <u>29,644,727</u> |
| <b>D. Investment in Preference Shares (Quoted)</b>                 |            |                        |                   |                        |                     |                        |                   |
| A) Champdany Industries Ltd<br>(2% Redeemable Preference Shares)   |            | 9,664,450              | 26,267,304        | 9,664,450              | 26,267,304          | 9,664,450              | 26,267,304        |
| A) Champdany Industries Ltd<br>(0.1% Redeemable Preference Shares) |            | 2,250,000              | 32,500,000        | -                      | -                   | -                      | -                 |
|  |            | <u>9,664,450</u>       | <u>58,767,304</u> | <u>9,664,450</u>       | <u>26,267,304</u>   | <u>9,664,450</u>       | <u>26,267,304</u> |
| <b>Sub Total (A)</b>   |            |                        | <u>96,500,489</u> |                        | <u>1,38,529,189</u> |                        | <u>56,132,301</u> |



Investments in Equity Shares (Squads), fully paid up  
AT 31.03.2018

|   | 2017-18   |                  | 2016-17  |                  | 2015-16  |                  |
|---|-----------|------------------|----------|------------------|----------|------------------|
|   | Quantity  | Market Value(₹.) | Quantity | Market Value(₹.) | Quantity | Market Value(₹.) |
| ABB LTD                                   | 500       | 490320.00        | 500      | 450,000.00       | 500      | 647,325.00       |
| ACC LTD                                   |           |                  |          |                  | 4,800    | 6,030,000.00     |
| AFTEK INFOSYS LTD                         | 2250      | 3047.50          | 2250     | 4,062.50         | 2250     | 3,687.50         |
| AJ CHANDRAY MOUG A CHAMPDAMI IN           | 3,000,000 | 29545480.00      | 703,500  | 9,983,374.50     | 308,550  | 23,141,677.50    |
| AKZO NOBEL INDIA LTD AKZO NOBEL INDIA LTD |           |                  | 2,210    | 1,084,298.50     | 2,210    | 3,954,905.50     |
| ALUMINUM LTD                              | 1,000     | 69015.00         | 1,000    | 81,800.00        | 1,000    | 1,60,995.00      |
| ALUMINUM PHARMACEUTICALS LTD              | 975       | 520308.25        | 975      | 524,755.00       | 975      | 5,36,055.00      |
| AMAR PUA BATTERIES LTD                    |           |                  | 74       | 55,218.30        | 74       | 50,830.00        |
| ARISEEIT TECHNOLOGIES ARISEEIT TECHNO     | 10        | 360.00           | 10       | 160.00           | 10       | 100.00           |
| AROSEERKA PHARMA LTD                      | 10,000    | 4130500.00       | 17,000   | 15,152,250.00    | 17,000   | 9,483,450.00     |
| BANK OF BARODA                            | 3335      | 295688.25        | 10,000   | 14120620.50      | 10,000   | 15,628,900.00    |
| BATA INDIA LTD                            |           |                  | 678      | 952023.00        | 878      | 494,906.00       |
| BENEFITS LTD                              | 6800      | 3382320.00       | 6800     | 2201000.00       | 6,800    | 1,745,560.00     |
| BHARAT FORCE LTD                          | 4000      | 906400.00        | 4000     | 2049000.00       | 1,007    | 1,390,303.00     |
| BHARTI INTEL LT                           |           |                  | -        | -                | 4,300    | 2,591,150.00     |
| BIRLA CORPORATION LTD                     |           |                  | -        | -                | 3        | 3,144.00         |
| BOSCH LTD                                 | 4         | 37639.00         | 4        | 72,735.40        | 4        | 72,030.20        |
| CAMMEFINE LTD                             |           |                  | 600      | 24,075.00        | 500      | 50,625.00        |
| CAMBERLAND CONDITIO CARRIER AIRCOND       | 400       | 4000.00          | 400      | 4,800.00         | 400      | 4,000.00         |
| CENTROP ENRA LTD                          |           |                  | 327      | 82,483.25        | 1,000    | 301,350.00       |
| COROMENDAL INTERNATIONAL LTD              |           |                  | 500      | 261,900.00       | 500      | 273,078.00       |
| DHAMPUR SUGAR LTD                         |           |                  | -        | -                | 10,000   | 1,361,500.00     |
| DR. REDDY LAB LTD                         |           |                  | -        | -                | 2,000    | 4,161,100.00     |
| E1H ASSOCIATED HOTELS LTD                 |           |                  | 1287     | 205667.65        | 1,287    | 204,761.70       |
| ELECTROFUEL CASTING LTD                   | 6700      | 61887.00         | 6700     | 134320.00        | 6,700    | 165,037.00       |
| EDLWISS FRANCE LTD                        |           |                  | 0        | -                | 0        | 110,100.00       |
| EMWA REALTY LTD                           | 100       | 4648.00          | 100      | 19073.40         | 100      | 39,781.00        |
| EMWA LTD                                  | 3000      | 810000.00        | 3000     | 1200000.00       | 1,500    | 1,602,000.00     |
| EDMOURS OF TECH LTD                       | 84752     | 134755.68        | 84752    | 134755.08        | 84,752   | 1,94,755.68      |
| EVEREADY INDIA LTD                        |           |                  | 0        | -                | 6,948    | 2,622,500.50     |
| EXIDE INDUSTRIES LTD                      | 1000      | 447000.00        | 1000     | 1147000.00       | 1,000    | 866,800.00       |
| FEDERAL MOULDING LTD                      | 10007     | 3180555.00       | 10027    | 5074008.15       | 10,027   | 4,231,147.85     |
| FINDLEX CABLES LTD                        |           |                  | 0        | -                | 0        | 537,425.00       |
| GUJARAT STATE FERT. & CHEM LTD            |           |                  | -        | -                | 5,000    | 570,500.00       |
| GLAXO SMITHKLINE PHARMA LTD               | 70        | 87167.00         | 364      | 872,771.40       | 102      | 379,970.00       |
| GILLETTE INDIA LTD                        |           |                  | 4        | 26,175.40        | 4        | 26,201.30        |
| GLAXO SMITHKLINE CONSUMER HEALTH C        | 3380      | 19864792.00      | 3,955    | 28,661,994.50    | 3,000    | 34,125,895.50    |
| GNFC LTD                                  |           |                  | 24       | 7342.60          | 24       | 8,734.80         |
| GOOREJ INDUSTRIES LTD                     |           |                  | 2        | 1,072.80         | 2        | 95.80            |
| GREAT EASTERN SHIP OIL OFFSHORE LTD       |           |                  | -        | -                | 11,300   | 6,935,984.00     |
| GREAT OFFSHORE LTD                        | 800       | 5215.00          | 800      | 5,025.00         | 800      | 5,025.00         |
| GUJARAT HEAVY CHEM LTD                    | 4000      | 395000.00        | 4000     | 984000.00        | 4,000    | 1,073,800.00     |
| GUJARAT STATE PETRONET LTD                | 3000      | 819000.00        | 3,000    | 372,300.00       | 4,000    | 758,000.00       |
| HARRISON MALAYALAM LTD                    |           |                  | -        | -                | 0        | 2,768.30         |
| HAVELI INDIA LTD                          |           |                  | 158,800  | 121,879,000.00   | 158,800  | 77,470,580.00    |
| HCL INFOSYS LTD                           |           |                  | 0        | -                | 10,000   | 509,500.00       |
| HCL LTD                                   |           |                  | -        | -                | 128      | 4,940.80         |
| HEMWARE TECHNOLOGIES LTD                  |           |                  | 1,800    | 151,480.00       | 2,000    | 753,700.00       |
| HIMACHAL FUTUREKITES LTD                  |           |                  | -        | -                | 100      | 2,590.00         |
| HINDALCO LTD                              |           |                  | 9        | -                | 2,875    | 616,631.25       |
| HPCL                                      |           |                  | -        | -                | 480      | 206,915.00       |



|                                |         |                    |         |                     |         |                     |
|--------------------------------|---------|--------------------|---------|---------------------|---------|---------------------|
| APOL - KRAUSE PHARM            |         |                    |         |                     | 258     | 724,105.00          |
| APC BANK LTD                   |         |                    | 0       |                     | 100     | 4,300.00            |
| ARUNACHAL PRADESH BANK         | 3000    | 21270.00           | 3000    | 43350.00            | 3000    | 52,350.00           |
| ATC                            |         |                    |         |                     | 482     | 26,291.20           |
| ATC LTD                        |         |                    | 37,962  | 11,165,308.50       | 37,962  | 3,507,091.00        |
| AT CHEMICALS LTD               | 7134    | 3425566.90         | 7134    | 2585361.00          | 7401    | 2,235,050.10        |
| JAYPRAKASH HYDRO POWER LTD     | 5000    | 3250.00            | 5000    | 27252.00            | 5000    | 24,000.00           |
| JA FINANCIAL SERVICES LTD      | 10000   | 645108.25          | 10,000  | 943,351.90          | 7000    | 136,700.00          |
| JANAKYANK BANK LTD             |         |                    | 0       |                     | 500     | 50,225.00           |
| KOTNAMACHAN FRUIT SERVICES LTD | 5       | 25000.00           | 5       | 89,285.70           | 5       | 89,285.70           |
| KRIP, LTD                      | 11700   | 270406.00          | 11,700  | 689,756.80          | 11,700  | 1,283,807.00        |
| MCL CHEMICALS LTD              |         |                    | 0       |                     | 300     | 43,140.00           |
| MELSTAR INFORMATION LTD        | 100     | 340.00             | 100     | 125.00              | 100     |                     |
| MELCAST LTD                    | 20,000  | 732250.00          | 25,000  | 1,785,000.00        | 25,000  | 2,031,250.00        |
| MOCL                           |         |                    |         |                     | 2782    | 529,506.00          |
| NOVAPRIS LTD                   | 180     | 90405.00           | 180     | 123444.00           | 180     | 130,234.00          |
| ORCHID CIGARETTES LTD          | 188     | 1002.88            | 188     | 1000.00             | 188     | 2,167.50            |
| OTIS ELEVATORS LTD             | 200     | 2000.00            | 200     | 2900.00             | 200     | 2,000.00            |
| PFIZER INDIA LTD               |         |                    | 649     | 2,358,074.00        | 649     | 1,418,134.00        |
| PRASAD ENTERPRISES LTD         |         |                    | 13      | 35,022.25           | 13      | 31,626.00           |
| POWERGRID CORP LTD             |         |                    | 0       |                     | 1201    | 231,900.00          |
| PRAXIS HOME RETAIL LTD         |         |                    | 0       |                     | 141     | 25,119.15           |
| PRESMEASUREMENTS LTD           |         |                    | 0       |                     | 11,000  | 1,152,900.00        |
| PROCTER & GAMBLE LTD           | 400     | 4201188.30         | 500     | 6,500,130.00        | 400     | 5,733,450.00        |
| RAJASHREE SUGAR & CHEM LTD     |         |                    | -       |                     | 88      | 1,787.50            |
| RANBAXO (SUN PHARMA) LTD       | 200     | 70448.00           | 200     | 35770.00            | 200     | 35,140.00           |
| RAYMOND LTD                    |         |                    | -       |                     | 310     | 278,302.50          |
| RELIANCE INFRASTRUCTURE LTD    |         |                    | 0       |                     | 400     | 202,317.50          |
| RELIANCE POWER LTD             |         |                    | -       |                     | 607     | 31,294.70           |
| SANGHI ROW LTD                 | 300     | 1872645.00         | 300     | 1,754,355.00        | 300     | 1,556,805.00        |
| SCHAFFNER INDIA L              |         |                    | 13,051  | 21,830,746.35       | 13,051  | 67,880,208.65       |
| SEMENT INDIA LTD               |         |                    | 103     | 881,994.60          | 103     | 174,674.35          |
| SIPUR PAPER MILLS I            | 2000    | 25000.00           | 2,500   | 11,048.80           | 2,920   | 31,000.80           |
| STANDARD INDUSTRIES LTD        |         |                    | -       |                     | 500     | 10,300.00           |
| STRALTECHNO LTD                | 500     | 31675.00           | 500     | 100,225.00          | 500     | 156,200.00          |
| STRETECH LTD                   |         |                    | -       |                     | 500     | 156,200.00          |
| SW. ISLU, LTD                  |         |                    | 0       |                     | 100     | 115,200.00          |
| TATA COFFEE LTD (INDIA)        |         |                    | 0       |                     | 1,200   | 847,500.00          |
| TATA ELERI LTD                 |         |                    | 0       |                     | 3,000   | 2,956,090.00        |
| TATA INVESTMENTS LTD           |         |                    | 2005    | 1737222.00          | 3,000   | 1,533,810.25        |
| TATA GLOBAL BEVERAGES LTD      |         |                    | -       |                     | 100     | 25,875.00           |
| TATA POWER CO LTD              |         |                    | 0       |                     | 40      | 3,180.00            |
| TATA STEEL LTD                 |         |                    | -       |                     | 881     | 384,305.55          |
| TECH MINDRA LTD I              |         |                    | 748     | 574,166.00          | 748     | 472,638.00          |
| TITAN INDUSTRIES LTD           |         |                    | 100     | 205,933.00          | 180     | 168,514.00          |
| ULTRATECH CEMENTS LTD          |         |                    | -       |                     | 200     | 900,600.00          |
| UNICHEM LAB LTD                |         |                    | 4,297   | 836,196.30          | 4,297   | 1,225,934.10        |
| UNIPIDE ENTERPRISES LTD        | 3000    | 382801.40          | 0,998   | 1,209,778.00        | 9368    | 825,834.80          |
| UNITED PHOSPHORUS LTD          |         |                    | 872     | 632,803.20          | 872     | 709,893.00          |
| UNITED SPIRITS LTD             |         |                    | -       |                     | 370     | 1,783,300.50        |
| VARUN GLOBAL LTD               | 35,448  | 15449.00           | 35,448  | 55,449.00           | 35,448  | 35,449.00           |
| VARUN RESOURCES L              | 221,796 | 221796.00          | 221,796 | 221,796.00          | 221,796 | 221,796.00          |
| VESELINDAS INDIA LTD           | 12000   | 8730000.00         | 13,647  | 18,138,784.75       | 10,947  | 20,467,840.20       |
| VIJAYA BANK LTD                |         |                    | 2,500   | 115,125.00          | 2,900   | 62,625.00           |
| VST INDUSTRIES LTD             | 4,000   | 11127600.00        | 4,500   | 14,581,375.00       | 4,200   | 12,403,755.00       |
| WHIRLPOOL INDIA LTD            | 100     | 160760.30          | 100     | 157,310.00          | 178     | 265,904.00          |
| WOCKHARDT LTD                  |         |                    | -       |                     | 800     | 663,850.00          |
| <b>Sub Total (B)</b>           |         | <b>67066003.29</b> |         | <b>348948283.48</b> |         | <b>233888901.86</b> |





Investments in Equity Shares (Quoted), fully paid up  
At FVOCI

| Particulars                          | 2018-20  |                   | 2018-19   |                   | 2017-18   |                   |
|--------------------------------------|----------|-------------------|-----------|-------------------|-----------|-------------------|
|                                      | Quantity | Market Value(Rs.) | Quantity  | Market Value(Rs.) | Quantity  | Market Value(Rs.) |
| ABB Ltd                              |          |                   | 250       | 320,000.00        | 250       | 320,000.00        |
| Ador Molding Ltd                     | 2500     | 453250.00         | 2500      | 867,500.00        | 2,500     | 771,825.00        |
| AI Champdany Industries Ltd          |          |                   | 2,953,000 | 41,904,045.31     | 2,953,000 | 88,739,723.45     |
| Akzo Nobel India Ltd                 | 500      | 1100400.00        | 1,290     | 2,325,676.34      | 1,200     | 2,308,819.88      |
| Apollo Tyres Ltd                     |          |                   | 1,000     | 222,750.00        | 1,000     | 277,668.00        |
| Arava T & D Ltd                      |          |                   | 9,000     | 2,494,500.00      | 9,000     | 2,074,850.00      |
| Asian Paints Ltd                     |          |                   | 2,500     | 3,781,750.00      | 3,000     | 5,682,800.00      |
| Avenue Supermart Ltd                 |          |                   | 250       | 367,775.00        |           |                   |
| Bandhan Bank                         | 55       | 11200.75          |           |                   |           |                   |
| Bajaj Auto Ltd                       |          |                   |           |                   | 100       | 274,479.00        |
| Bajaj Finance Ltd                    |          |                   |           |                   | 500       | 883,775.00        |
| Baskarshya Industries Ltd            |          |                   | 251       | 249,871.50        | 201       | 208,231.15        |
| Balmer Lawrie & Co. Ltd              |          |                   |           |                   | 11,595    | 2,514,865.50      |
| Bank of India                        |          |                   | 13,750    | 1,641,337.50      | 42,000    | 4,346,100.00      |
| Bata India Ltd                       |          |                   | 800       | 562,030.00        | 800       | 281,880.00        |
| Bayer Drogscience Ltd                |          |                   | 8,468     | 28,478,280.60     | 8,468     | 27,354,142.26     |
| Berger Paints (I) Ltd                | 10000    | 4974000.00        | 14,000    | 4,132,500.00      | 14,000    | 3,581,800.00      |
| Bharat Forge Ltd                     |          |                   | 700       | 358,680.00        | 700       | 488,766.00        |
| Bharat Petroleum Corp. Ltd           |          |                   |           |                   | 7,800     | 2,205,871.00      |
| Bharat Airtel Ltd                    |          |                   |           |                   | 1,000     | 388,700.00        |
| Birla Corporation Ltd                |          |                   |           |                   | 2         | 2,144.10          |
| Bosch Ltd                            | 1        | 9409.75           | 105       | 1,909,403.25      | 101       | 1,851,765.00      |
| Britannia Industries Ltd             |          |                   | 500       | 1,542,750.00      |           |                   |
| Century Textile & Indust. Ltd        |          |                   |           |                   | 480       | 535,878.40        |
| CESC Ltd                             |          |                   | 500       | 365,325.00        | 500       | 483,105.00        |
| CESC Ventures Ltd                    |          |                   | 100       | 62,195.00         |           |                   |
| Chennai Petroleum Ltd                |          |                   | 200       | 54,660.00         | 300       | 65,479.00         |
| Chennai Superking Ltd                | 3000     | 300.00            | 3,000     | 300.00            | 800       | 634,140.00        |
| Colgate Palmolive India Ltd          | 500      | 626475.00         | 600       | 754,890.00        | 825       | 185,218.75        |
| Comptel Graves Ltd                   |          |                   |           |                   | 625       | 185,218.00        |
| Comptel Graves Cons. Electricals Ltd |          |                   |           |                   | 100       | 38,830.00         |
| Deepak Fertiliser Ltd                |          |                   | 100       | 13,150.00         | 100       | 38,830.00         |
| Deepak Nitrate Ltd                   |          |                   | 8,725     | 1,391,958.75      | 8,725     | 2,182,527.50      |
| Dena Bank                            |          |                   |           |                   | 4,948     | 81,104.88         |
| Dish TV India Ltd                    | 2000     | 4200.00           | 2,000     | 77,800.00         | 2,000     | 142,500.00        |
| Div's laboratories Ltd               |          |                   | 800       | 1,362,480.00      | 800       | 872,160.00        |
| Dohman Pharma Ltd                    |          |                   |           |                   | 26,500    | 8,482,188.15      |
| DLF Ltd                              | 1000     | 137500.00         | 1,000     | 189,250.00        | 1,200     | 241,500.00        |
| EIH Associated Hotels Ltd            |          |                   | 96,813    | 19,938,637.35     | 118,888   | 18,784,613.80     |
| Engineers India Ltd                  |          |                   |           |                   | 18,400    | 2,688,902.00      |
| Eveready Industries Ltd              |          |                   |           |                   | 19,288    | 7,120,258.00      |
| Federal Bank Ltd                     | 500      | 20520.00          | 800       | 48,225.00         | 3,000     | 267,800.00        |
| Future Lifestyle Fashion Ltd         |          |                   |           |                   | 2,825     | 101,135.00        |
| Future Retail Ltd                    |          |                   |           |                   | 2,800     | 1,542,388.00      |
| GAIL INDIA LTD                       | 300      | 38225.00          |           |                   | 210       | 68,881.15         |
| GIC Housing Ltd                      |          |                   |           |                   | 500       | 185,175.00        |
| Glaxo Smith Kline Pharma Ltd         |          |                   | 250       | 324,362.50        | 120       | 266,088.75        |
| Godrej Industries Ltd                |          |                   | 654       | 350,805.60        | 854       | 358,034.00        |
| Graves Cotton India Ltd              |          |                   |           |                   | 1,000     | 113,700.00        |
| Gruh Finance Ltd                     |          |                   | 98        | 77,028.40         | 2,300     | 1,438,129.00      |
| Gujarat Fluochem Ltd                 | 33       | 9870.00           | 1,001     | 1,101,854.75      | 1,001     | 797,288.50        |
| GPL Limited                          | 33       | 2673.00           |           |                   |           |                   |
| Gujarat Gas Co. Ltd                  |          |                   |           |                   | 300       | 416,800.00        |
| Gujarat State Fertiliser Ltd         | 500      | 16300.00          | 500       | 52,125.00         |           |                   |
| Hindalco Industries Ltd              |          |                   |           |                   | 1,300     | 321,825.00        |
| Hindustan Petroleum Ltd              |          |                   |           |                   | 39,885    | 13,754,342.25     |
| Idea Cellular Ltd                    |          |                   |           |                   | 18,855    | 623,864.50        |
| IFCI Ltd                             |          |                   |           |                   | 4,000     | 78,200.00         |
| India Cements Ltd                    |          |                   |           |                   | 3,000     | 425,255.00        |
| Indian Hotels Ltd                    |          |                   |           |                   | 17,354    | 2,240,801.80      |



|                                |        |            |         |               |         |               |
|--------------------------------|--------|------------|---------|---------------|---------|---------------|
| Indurajume Pipe Co. Ltd        |        |            | 100     | 74,385.00     | 20      | 8,251.95      |
| Intracy Ltd                    |        |            |         |               | 2,300   | 2,803,140.00  |
| Indians Oil Corporation Ltd    |        |            |         |               | 23,044  | 8,122,550.40  |
| ITC Ltd                        |        |            | 9279    | 2,758,182.75  | 9,279   | 2,370,794.50  |
| Jayprakash Associates Ltd      |        |            | 2,000   | 10,000.00     | 22,237  | 428,728.95    |
| Jammu & Kashmir Bank           |        |            |         |               | 20,940  | 1,209,414.00  |
| JGV Steel Ltd                  |        |            |         |               | 240     | 88,158.00     |
| Jubilant Life Sciences Ltd     |        |            | 850     | 609,068.00    | 850     | 170,584.25    |
| Jyoti Suctions Ltd             | 55000  | 122000.00  | 50,000  | 104,100.00    |         |               |
| Kansai Honsha Fairs Ltd        |        |            | 25,600  | 11,737,600.00 | 32,000  | 18,380,800.00 |
| Kaya Ltd                       |        |            |         |               | 10      | 10,482.50     |
| Koyala Mahindra Bank           |        |            |         |               | 2,500   | 2,010,500.00  |
| La Opia Ltd                    | 15     | 2200.50    | 15      | 3,253.50      | 10      | 4,378.05      |
| Larsen & Toubro Ltd            |        |            | 450     | 625,385.00    | 450     | 849,005.00    |
| L & T Finance Holdings Ltd     | 5058   | 290,821.20 | 5,058   | 883,127.30    | 5,850   | 800,871.00    |
| L & T Infotech Ltd             |        |            | 20      | 49,125.40     | 20      | 00,000.00     |
| LEEL Techno Ltd                |        |            |         |               | 2,000   | 477,400.00    |
| Magma Finance Ltd              |        |            |         |               | 1,000   | 181,000.00    |
| Manco Industries Ltd           |        |            | 1,000   | 340,050.00    | 1,000   | 320,050.00    |
| Markasa Plasma Ltd             | 15000  | 200500.00  | 15,000  | 329,350.00    | 15,000  | 707,250.00    |
| Maruti Udyog Ltd               |        |            |         |               | 300     | 1,772,325.00  |
| McLeod Russell India Ltd       |        |            |         |               | 700     | 100,860.00    |
| Motherson Sumi Ltd             |        |            | 500     | 34,850.00     | 803     | 208,048.00    |
| NCC (BWA) LTD                  |        |            |         |               | 1,422   | 270,748.00    |
| NCC Ltd                        |        |            |         |               | 2,473   | 290,930.25    |
| Network 18 Ltd                 |        |            |         |               | 85      | 3,000.25      |
| NMDC Ltd                       |        |            |         |               | 2,000   | 237,100.00    |
| Nitin Flix Ltd                 |        |            | 10,000  | 13,500.00     | 10,000  | 41,000.00     |
| Noct Ltd                       |        |            |         |               | 3,000   | 575,000.00    |
| Oil India Ltd                  |        |            |         |               | 3,000   | 850,345.10    |
| ONGC LTD                       |        |            |         |               | 8,700   | 1,547,740.00  |
| Quess Corporation Ltd          | 13     | 2,750.15   |         |               |         |               |
| Pfizer Ltd                     |        |            | 280     | 531,280.00    | 280     | 811,850.00    |
| Prasar Enterprises Ltd         |        |            | 1,500   | 8,388,098.25  | 1,500   | 3,840,335.00  |
| Power Finance Ltd              |        |            |         |               | 3,800   | 479,840.00    |
| Prj Industries Ltd             |        |            | 7500    | 1,163,250.00  | 7,800   | 802,200.00    |
| Radico Khatri Ltd              |        |            |         |               | 1,800   | 330,200.00    |
| Reliance Capital Ltd           |        |            |         |               | 3       |               |
| Reliance Home Finance Ltd      |        |            |         |               | 3       |               |
| Reliance Communication Ltd     |        |            |         |               | 80      | 1,475.00      |
| Reliance Industries Ltd        |        |            | 272     | 170,804.00    | 272     | 340,094.40    |
| Reliance Power Ltd             |        |            |         |               | 9,200   | 335,064.10    |
| Richra Investments Ltd         | 509370 | 2046850.00 | 588,570 | 2,946,850.00  | 589,370 | 2,946,850.00  |
| Rural Electrification Corp Ltd |        |            |         |               | 25,000  | 3,117,500.00  |
| Schneider Electric Infra. Ltd  |        |            |         |               | 0,000   | 00,000.00     |
| Schaefer India Ltd.            | 50     | 184955.00  | 875     | 4,837,894.15  | 2,427   | 12,022,191.05 |
| Shriram India Ltd              | 380750 | 1903750.00 | 380,750 | 1,903,750.00  | 380,740 | 1,903,750.00  |
| Shipping Corporation Ltd       |        |            |         |               | 450     | 28,667.50     |
| Shree Ramnagar Sugar Ltd.      |        |            |         |               | 13,500  | 307,325.00    |
| Siemens India Ltd              |        |            | 300     | 225,760.00    | 300     | 234,578.00    |
| SKF Bearing Ltd                | 8      | 6668.30    | 8       | 12,268.30     |         |               |
| Spencer Retail Ltd             | 300    | 22260.00   | 300     | 48,000.00     |         |               |
| State Bank of India            |        |            | 1,500   | 881,125.00    | 1,500   | 374,850.00    |
| State Trading Corporation Ltd  |        |            |         |               | 1,300   | 178,280.00    |
| Starlite Technologies Ltd      | 500    | 31875.00   | 500     | 109,325.00    |         |               |
| Subros Ltd                     |        |            |         |               | 2,000   | 882,500.00    |
| Swara Mazda Ltd                |        |            |         |               | 100     | 70,860.00     |
| Symphony Ltd                   | 1000   | 791100.00  | 1256    | 1,746,826.80  | 1,388   | 2,268,482.10  |
| Tata Consultancy Ltd           |        |            | 1000    | 2,001,650.00  |         |               |
| Tata Elxi Ltd                  |        |            |         |               | 8,800   | 5,912,100.00  |
| Tata Global Beverages Ltd      |        |            |         |               | 8,400   | 2,177,500.00  |
| Tata Investments Ltd           | 11     | 7293.55    | 163     | 130,811.50    | 1,000   | 735,800.00    |
| Tata Power Ltd                 |        |            |         |               | 5,007   | 395,563.00    |
| Tata Steel Ltd                 |        |            |         |               | 1,175   | 870,983.25    |
| Tata Steel Ltd- Parity Paid    | 135    | 36410.25   | 135     | 30,790.00     |         |               |



|                                  |                |                    |                  |                       |                  |                     |
|----------------------------------|----------------|--------------------|------------------|-----------------------|------------------|---------------------|
| Tech Mahindra Ltd                | 1408           | 295,449.68         | 1,512            | 1,204,196.80          | 1,897            | 891,262.46          |
| Chemex Ltd                       |                |                    | 568              | 551,812.00            | 888              | 644,402.88          |
| Thomas Cook (India) Ltd          | 24             | 1782.10            | 74               | 19,931.20             | 2,874            | 588,010.80          |
| Tivara Turbine Ltd               |                |                    |                  |                       | 17,000           | 691,888.00          |
| Uniphys Enterprises Ltd          | 5002           | 198576.00          | 5,000            | 505,222.00            | 5,002            | 434,803.80          |
| United Phosphorus Ltd            |                |                    | 1,028            | 965,897.80            | 1,028            | 250,887.80          |
| <b>Sub Total (C)</b>             | <b>1075414</b> | <b>14968942.78</b> | <b>4,244,287</b> | <b>100,805,828.86</b> | <b>4,621,726</b> | <b>296616262.60</b> |
| <b>Total Investment (A+B+C)</b>  |                | <b>208,724,438</b> |                  | <b>649,283,281</b>    |                  | <b>685,837,485</b>  |
| <b>Total Investment at Cost</b>  |                | <b>96,050,410</b>  |                  | <b>138,529,188</b>    |                  | <b>80,132,301</b>   |
| <b>Total Investment at FVTPL</b> |                | <b>67005003.29</b> |                  | <b>349948263.48</b>   |                  | <b>333088801.05</b> |
| <b>Total Investment at FVOCI</b> |                | <b>14968942.79</b> |                  | <b>100,805,828.90</b> |                  | <b>296616262.60</b> |
| <b>Investment in India</b>       |                | <b>208,724,438</b> |                  | <b>649,283,281</b>    |                  | <b>685,837,485</b>  |
| <b>Investment outside India</b>  |                |                    |                  |                       |                  |                     |

**Notes:**

The equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition, is

All quoted and unquoted investments mentioned above are fully paid up.

7. Property, plant and equipment

a) For the year ended 31st March 2020

| Particulars        | GROSS BLOCK                         |                            |                                       | DEPRECIATION / AMORTISATION    |                        |                | NET BLOCK                    |                        |                         |                         |
|--------------------|-------------------------------------|----------------------------|---------------------------------------|--------------------------------|------------------------|----------------|------------------------------|------------------------|-------------------------|-------------------------|
|                    | Gross / Cost Value as on 01.04.2019 | Additions during this year | Sales/ (Adjustments) during this year | Gross Balance as on 31.03.2020 | Total as on 01.04.2019 | For the period | On solid/adjusted during the | Total as on 31.03.2020 | W.D.V. as on 31.03.2020 | W.D.V. as on 31.03.2019 |
| Motor car Celestia | 491,971                             | -                          | -                                     | 491,971                        | 131,463                | 88,428         | -                            | 185,291                | 302,560                 | 360,508                 |
|                    | 491,971                             | -                          | -                                     | 491,971                        | 131,463                | 88,428         | -                            | 185,891                | 302,980                 | 360,508                 |

b) For the year ended 31st March 2019

| Particulars        | GROSS BLOCK                         |                            |                                       | DEPRECIATION / AMORTISATION    |                        |                | NET BLOCK                    |                        |                         |                         |
|--------------------|-------------------------------------|----------------------------|---------------------------------------|--------------------------------|------------------------|----------------|------------------------------|------------------------|-------------------------|-------------------------|
|                    | Gross / Cost Value as on 01.04.2018 | Additions during this year | Sales/ (Adjustments) during this year | Gross Balance as on 31.03.2019 | Total as on 01.04.2018 | For the period | On solid/adjusted during the | Total as on 31.03.2019 | W.D.V. as on 31.03.2018 | W.D.V. as on 31.03.2019 |
| Motor car Celestia | 491,971                             | -                          | -                                     | 491,971                        | 73,035                 | 88,428         | -                            | 131,463                | 360,508                 | 418,936                 |
|                    | 491,971                             | -                          | -                                     | 491,971                        | 73,035                 | 88,428         | -                            | 131,463                | 360,508                 | 418,936                 |

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| 9. Borrowings (Other than Debt Securities) |                   |                    | (Rupees)           |
|--|-------------------|--------------------|--------------------|
| Particulars                                | As at 31-03-2020  | As at 31-03-2019   | As at 01-04-2018   |
| <b>At cost</b>                             |                   |                    |                    |
| <b>Secured</b>                             |                   |                    |                    |
| <b>Loans repayable on demand</b>           |                   |                    |                    |
| From Financial Institutions                | (1,586,450)       | 222,582,003        | 245,425,517        |
| Working Capital Demand Loan                |                   |                    |                    |
| <b>From Bank</b>                           |                   |                    |                    |
| Working Capital Demand Loan                | -                 | -                  | -                  |
| <b>Unsecured</b>                           |                   |                    |                    |
| Demand Loan from Other Parties             | 79,619,887        | 6,909,993          | -                  |
| Preference Shares                          | 17,500,000        | 17,500,000         | 17,500,000         |
| <b>Total</b>                               | <b>95,553,428</b> | <b>246,991,996</b> | <b>262,925,517</b> |
| Borrowings in India                        | 95,553,428        | 246,991,996        | 262,925,517        |
| Borrowings outside India                   | -                 | -                  | -                  |
| <b>Total</b>                               | <b>95,553,428</b> | <b>246,991,996</b> | <b>262,925,517</b> |

\* Secured against hypothecation of Equity shares of Group Companies, and own equity shares

\* Unsecured loan does not include effective interest rate adjustment in accordance with IND AS 109 and interest accrued and due in accordance with IND AS 109

| 10. Other Financial Liability |                    |                   | (Rupees)          |
|-------------------------------|--------------------|-------------------|-------------------|
| Particulars                   | As at 31-03-2020   | As at 31-03-2019  | As at 01-04-2018  |
| Interest Accrued and Due      | 1,884,561          | 1,774,896         | 1,591,465         |
| Liability for Expenses        | 526,461            | 445,589           | 346,420           |
| TDS Payable                   | 53,832             | 506,862           | 330,376           |
| Advances                      | 125,943,464        | 10,301,264        | 9,490,000         |
| Advance from Customers        | -                  | -                 | 533,330           |
| <b>Total</b>                  | <b>128,408,317</b> | <b>13,028,610</b> | <b>12,291,591</b> |



| <b>11. Provisions</b>             |                  |                  | (Rupees)         |
|-----------------------------------|------------------|------------------|------------------|
| Particulars                       | As at 31-03-2020 | As at 31-03-2019 | As at 01-04-2018 |
| Provisions for Standard Assets    | 727,230          | 536,477          | 536,477          |
| Provisions for Taxation           | 339,208          | 575,000          | 575,000          |
| Provisions for Taxation(MAT)      | 575000           | 339208           | 339208           |
| Provisions for Fringe Benefit Tax | 46175            | 46,175           | 46,175           |
| <b>Total</b>                      | <b>1,687,613</b> | <b>1,496,860</b> | <b>1,496,860</b> |

**12. Deferred Tax assets/(Liabilities)**

|  |  | (Rupees)                |
|--|--|-------------------------|
|  |  | As at 01-04-2018        |
| <b>Deferred Tax Assets/Liability</b>     |  |                         |
| Depreciation and amortisation expenses   |  | -84556                  |
| Unrealised gain on FV Changes            |  | 74546956                |
| Unrealised gain on FV through Investment |  | 17872045                |
| Mat Credit Entitlement reversed          |  |                         |
|  |  | <u>92,334,445</u>       |
|  |  | <b>As at 31-03-2019</b> |
| Opening balance as on 01.04.2018         |  | 92,334,445              |
| Depreciation and amortisation expenses   |  | 13,678                  |
| Unrealised gain on FV Changes            |  | 5,964,415               |
| Unrealised gain on FV through Investment |  | (11,347,454)            |
|  |  | <u>86,965,084</u>       |
| Closing balance as on 31.03.2019         |  |                         |
|  |  | <b>As at 31-03-2019</b> |
| Opening balance as on 01.04.2019         |  | 86,965,084              |
| Depreciation and amortisation expenses   |  | 13,678                  |
| Unrealised gain on FV Changes            |  | (64,677,521)            |
| Unrealised gain on FV through Investment |  | (5,886,596)             |
|  |  | <u>16,414,645</u>       |
| Closing balance as on 31.03.2020         |  |                         |



### 13. Equity Share Capital

| Particulars  | As at 31st March 2020 |           | As at 31st March 2019 |           | As at 31st March 2018 |           |
|--|-----------------------|-----------|-----------------------|-----------|-----------------------|-----------|
|  | No. of Shares         | Rs.       | No. of Shares         | Rs.       | No. of Shares         | Rs.       |
| <b>Authorized</b>  |                       |           |                       |           |                       |           |
| Equity Shares Rs. 10 per value per share                         | 25000000              | 250000000 | 25000000              | 250000000 | 25000000              | 250000000 |
| 2% Non-Cumulative redeemable Preference Shares Rs. 100 per share | 500000                | 50000000  | 500000                | 50000000  | 500000                | 50000000  |
| <b>Issued and subscribed</b>                                     |                       |           |                       |           |                       |           |
| Equity Shares Rs. 10 per value per share                         | 100100                | 1001000   | 100100                | 1001000   | 100100                | 1001000   |
| 2% Non-Cumulative redeemable Preference Shares Rs. 100 per share | 175000                | 17500000  | 175000                | 17500000  | 175000                | 17500000  |
| Less: Transferred to borrowings                                  | 175000                | 17500000  | 175000                | 17500000  | 175000                | 17500000  |
|  | -                     | -         | -                     | -         | -                     | -         |
| <b>Fully Paid up</b>   | 100100                | 1001000   | 100100                | 1001000   | 100100                | 1001000   |

#### 14.1 Reconciliation of the Number of Equity Shares outstanding

The reconciliation of the number of equity shares outstanding and the corresponding amount thereof, as at the Balance Sheet date is set out below:

| Equity Shares                | As at 31st March 2020 |         | As at 31st March 2019 |         | As at 31st March 2018 |         |
|------------------------------|-----------------------|---------|-----------------------|---------|-----------------------|---------|
|                              | No. of Shares         | Rs.     | No. of Shares         | Rs.     | No. of Shares         | Rs.     |
| At the beginning of the year | 100100                | 1001000 | 100100                | 1001000 | 100100                | 1001000 |
| Add: Issued during the year  | -                     | -       | -                     | -       | -                     | -       |
| At the end of the year       | 100100                | 1001000 | 100100                | 1001000 | 100100                | 1001000 |

#### 14.2 Right, Preference repayability & Restriction if any on shares:-

- Members of the company enjoy voting rights pro rata to their shareholding which is debarred only under circumstances of any sum remaining unpaid against said members' holding or company has lien on those shares and right of lien has been exercised by the company.
- Shares of the company are transferable freely unless application of transfer has not been made in proper instrument under the act, company has a lien on shares under transfer, instrument of transfer is not accompanied by certificate of shares and the transferee does not consent within specified period of issuance of notice by the company pertaining to application for transfer of partly paid shares made by transferor.

In respect of preference shares preferential rights include receipt of specified dividend, priority over equity shareholders in respect of proceeds of realization of assets upto nominal value of shares under circumstances of winding up of the company and right of redemption of shares as per terms of issue.

#### 14.3 Shareholders holding more than 5% Shares in the Company

|  | 31.03.2020    |              | 31.03.2019    |              |
|--|---------------|--------------|---------------|--------------|
|  | No. of Shares | % of holding | No. of Shares | % of holding |
| <b>i. Equity Shares of Rs. 10/- each</b>         |               |              |               |              |
| Damodas J Wadhwa<br>C/O V S Seva Trust           | 14,400        | 14.39%       | 14,400        | 14.39%       |
| Damodas J Wadhwa<br>(C/o Kalkshankar Radheshyam) | 8,000         | 8.99%        | 8,000         | 8.99%        |
| Damodas J Wadhwa<br>(C/O Mahabir Sitaram)        | 10,500        | 10.49%       | 10,500        | 10.49%       |
| Damodas J Wadhwa<br>C/O Nabadeva Kulkarna        | 13,500        | 13.49%       | 13,500        | 13.49%       |
| Damodas J Wadhwa                                 | 37,720        | 37.68%       | 36,840        | 36.80%       |
| Gojer Bros Pvt. Ltd.                             | 6010          | 6%           | 6010          | 6%           |



## 14.4. Other Equity

| Particulars                 | Special Reserve (pertaining to Sec. 45(1C) of the Reserve Bank of India, 1954) | Capital Reserve | General Reserve | Preference Share Capital Redemption Reserve | Retained Earnings | Other Comprehensive Income | Total         |
|-----------------------------|--|-----------------|-----------------|---|-------------------|----------------------------|---------------|
| Balance as at 31-03-2016    | 25,740,000   | 2,789,771       | 46,055,030      | 17,500,000                                  | 258,594,400       | 198,292,019                | 820,971,220   |
| Profit during the year      | -  | -               | -               | -   | (34,051,307)      | -                          | (34,051,307)  |
| Transferred to PL           | -  | -               | -               | -   | -                 | -                          | -             |
| Transferred during the year | 825,000  | -               | -               | -   | (825,000)         | (40,508,247)               | (40,508,247)  |
| Transferred from OCI        | -  | -               | -               | -   | -                 | -                          | -             |
| Balance as at 31-03-2018    | 30,565,000   | 2,789,771       | 46,055,030      | 17,500,000                                  | 224,718,093       | 118,103,372                | 440,411,272   |
| Profit during the year      | -  | -               | -               | -   | (171,038,900)     | -                          | (171,038,900) |
| Transferred during the year | -  | -               | -               | -   | -                 | 10,950,733                 | 10,950,733    |
| Balance as at 31-03-2020    | 30,565,000   | 2,789,771       | 46,055,030      | 17,500,000                                  | 53,679,193        | 129,743,105                | 280,332,437   |

|  |                      | (Rupees)          |            |
|--|----------------------|-------------------|------------|
| 15. Net gain or fair value changes   |                      | 2019-20           | 2018-19    |
| Particulars  |                      |                   |            |
| (A) Net Profit on financial instruments at fair value through profit or loss |                      |                   |            |
| (i) On trading Portfolio   |                      |                   |            |
| Fair value changes   | (257,056,675)        | 33,771,927        |            |
| Gain on sale of investment   | 88,354,985           | 19,887,824        |            |
| (ii) On others   |                      |                   |            |
| Fair value changes   | -                    | -                 |            |
| Total  |                      | (168,701,690)     | 43,659,751 |
| Fair value changes   |                      |                   |            |
| Realised   | 88,354,985           | 19,887,824        |            |
| Unrealised   | (257,056,675)        | 23,771,927        |            |
| <b>Total Net gain (Loss) on fair value changes (B) to tally with(A)</b>      | <b>(168,701,690)</b> | <b>43,659,751</b> |            |

|                        |   | (Rupees) |         |
|------------------------|---|----------|---------|
| 16. Other Income:      |   | 2019-20  | 2018-19 |
| Particulars            |   |          |         |
| Interest Income        | - | 162,045  |         |
| Others                 | - | 88,826   |         |
| Guarantee Commission   | - | 183,652  |         |
| Profit on Sale of Jute | - | -        |         |
|                        | - | 332,523  |         |

|                           |           | (Rupees)   |         |
|---------------------------|-----------|------------|---------|
| 17. Finance Cost          |           | 2019-20    | 2018-19 |
| Particulars               |           |            |         |
| Interest on Borrowings    | 8,481,611 | 21,319,842 |         |
| Depository Charges        | 442,183   | 903,118    |         |
| Bank Charges              | 3,420     | 1,870      |         |
| Guarantee Commission Paid | -         | 358,739    |         |
| Other Interest            | -         | -          |         |
|                           | 8,927,194 | 22,185,570 |         |



| (Rupees)                      |               |                |
|-------------------------------|---------------|----------------|
| 18. Employee Benefit Expenses | 2019-20       | 2018-19        |
| Particulars                   |               |                |
| Salaries                      | 73,800        | 117,400        |
| Ex Grants                     | -             | 6,000          |
|                               | <u>73,800</u> | <u>123,400</u> |

| (Rupees)                              |                   |                   |
|---------------------------------------|-------------------|-------------------|
| 19. Administrative and Other Expenses | 2019-20           | 2018-19           |
| Particulars                           |                   |                   |
| Advertisement Expenses                | 1,000             | 7,033             |
| Audit Fees                            | 28,500            | 29,500            |
| Car Insurance Paid                    | 11,242            | 14,918            |
| Conveyance Expenses                   | -                 | -                 |
| Contractual Fee                       | -                 | 362               |
| Filing Fees                           | 3,000             | 10,600            |
| Legal Expenses                        | 8,300             | 35,300            |
| Listing Fees                          | -                 | 106,450           |
| Maintenance Charges                   | -                 | 6,500             |
| Meeting Fees                          | 28,000            | 28,000            |
| Misc. Expenses                        | 35,428            | 6,583             |
| Motor car Expenses                    | -                 | 5,485             |
| Printing & Stationery                 | -                 | 629,597           |
| Processing Fees                       | -                 | 2,500             |
| Professional Tax                      | 2,500             | 2,500             |
| Prof. Service Charges                 | 507,095           | 611,641           |
| Raw Jute Warehouse Lease              | -                 | 35,400            |
| Rent                                  | -                 | 119,326           |
| Security Transaction Tax              | 384,703           | -                 |
| Security Service Charge               | -                 | -                 |
| Service Charges                       | 40,736            | 97,313            |
| Telephone Charges                     | -                 | 3,250             |
| Trade License                         | -                 | -                 |
| Bad Debts Written Off                 | 30,000,000        | 51,477,500        |
|                                       | <u>31,058,813</u> | <u>63,427,701</u> |

| (Rupees)   |               |              |
|--|---------------|--------------|
| 20. Earning Per Share (EPS)                            | 2019-20       | 2018-19      |
| Particulars  |               |              |
| Net Profit after tax available for equity shareholders | (171,038,569) | (34,051,307) |
| Weighted average number of equity shares               | 100,100       | 100,100      |
| Earning per share (basic and diluted) (A/B)            | (1,708.88)    | (340.17)     |

## **AMAR INVESTMENTS LIMITED**

**Notes to the financial statements as at and for the year ended 31<sup>st</sup> March 2020**

### **21. Retirement Benefit:**

- a) Payment against accumulated leave is made to the employee(s) by the year end and as such no separate provision has been made in the accounts.
- b) As the number of employees in the company is less than the minimum stipulated in the Gratuity Act, provision for gratuity is not applicable.

### **22. Third Party Securities**

The company has taken securities in the form of Equity Shares from the following entities to provide collateral security to financial institutions for availing financial assistance by the company as well as to third party. However, there is no transfer of beneficial interest from the lender of shares to the company.

As a consideration for the shares taken from the other entities the company has paid guarantee commission @ 0.5% on the market value of shares as on year end.

#### **Name of the Entities**

#### **Market Value (Rs.) as on 31.03.2020**

|                    |                  |
|--------------------|------------------|
| VB Seva Trust      | 95,018           |
| Damordas J. Wadhwa | <u>9,16,080</u>  |
| Total              | <u>10,11,098</u> |

#### **Market Value (Rs.) as on 31.03.2019**

|                             |                   |
|-----------------------------|-------------------|
| Kalishankar Radheshyam      | 4,27,08,875       |
| Damodardas Jerambhai Wadhwa | 195,07,056        |
| Gordhandas Jerambhai Wadhwa | 1,71,42,093       |
| Rishra Investments Ltd.     | 6,630             |
| West Range Properties Ltd.  | <u>17,55,200</u>  |
| Total                       | <u>8,1119,854</u> |

### **23. Bad Advances Written Off**

The Company had made interest free advance of Rs. 8.00 Cr. to Gojer Bros. Pvt. Ltd. It have been lying un-realized since long so it has been written off. Same if realized at a future date would be accounted for in year of realization.

24. No exercise for impairment of Assets has been undertaken by the Management, as there is no indication for such impairment as per requirement of Accounting Standard IND AS-36



25.

**Fair Value Hierarchy**

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

**Quoted prices in an active market (Level 1):** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted prices. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

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

**Valuation techniques with significant unobservable inputs (Level 3):** If one or more of the significant inputs to fair value an instrument is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and Loan Assets carried at FVTPL included in level 3.

| As at 31st March 2020              |                  |          |                 |                  |                    |
|------------------------------------|------------------|----------|-----------------|------------------|--------------------|
|                                    | Level 1          | Level 2  | Level 3         | Amortised Cost   | Total              |
| <b>Financial Assets</b>            |                  |          |                 |                  |                    |
| Cash and Cash equivalents          | -                | -        | -               | 285390           | 285,390            |
| Trade Receivables                  | -                | -        | -               | 21574349         | 21,574,349         |
| Investments                        | 112003948        | -        | 86,600,409      | -                | 200,724,430        |
| Other financial assets             | -                | -        | -               | 296087118        | 296,687,118        |
| <b>Total Financial assets</b>      | <b>112003948</b> | <b>-</b> | <b>86600409</b> | <b>312740857</b> | <b>521471292.8</b> |
| <b>Financial Liabilities</b>       |                  |          |                 |                  |                    |
| Borrowings                         | -                | -        | -               | 85533428         | 85,533,428         |
| Other Financial Liabilities        | -                | -        | -               | 128408317        | 128,408,317        |
| <b>Total Financial Liabilities</b> | <b>0</b>         | <b>0</b> | <b>0</b>        | <b>223991745</b> | <b>223,991,745</b> |

  

| As at 31st March 2019              |                    |          |                  |                  |                    |
|------------------------------------|--------------------|----------|------------------|------------------|--------------------|
|                                    | Level 1            | Level 2  | Level 3          | Amortised Cost   | Total              |
| <b>Financial Assets</b>            |                    |          |                  |                  |                    |
| Cash and Cash equivalents          | -                  | -        | -                | 3176915          | 3,176,915          |
| Trade Receivables                  | -                  | -        | -                | 8622306          | 8,622,306          |
| Investments                        | 510754082.44       | -        | 138,629,189      | -                | 649,283,281        |
| Other financial assets             | -                  | -        | -                | 128949226        | 128,949,226        |
| <b>Total Financial assets</b>      | <b>510754082.4</b> | <b>-</b> | <b>138529189</b> | <b>138535477</b> | <b>787522758.4</b> |
| <b>Financial Liabilities</b>       |                    |          |                  |                  |                    |
| Borrowings                         | -                  | -        | -                | 246991997        | 246,991,997        |
| Other Financial Liabilities        | -                  | -        | -                | 13029510         | 13,029,510         |
| <b>Total Financial Liabilities</b> | <b>0</b>           | <b>0</b> | <b>0</b>         | <b>260020007</b> | <b>260,020,007</b> |

During the year ended March 31, 2020 and March 31, 2019, there were no transfers between Level 1 and Level 2 fair value measurements.

26.

**Financial Risk Management**

The Company's activities are exposed to market risk, liquidity risk and credit risk. Financial Management of the Company has been receiving attention of the Top Management of the Company. The management considers finance as the lifeline of the business and therefore financial management is carried. The company's Financial Instruments are exposed to market changes. Equity price risk is related to change in market reference price of investments in equity securities held by the Company. The fair value of quoted investments held by the Company exposes the Company to equity price risks.



AMAX INVESTMENTS LIMITED  
24, Prince Street  
Kuala Lumpur

Balance Sheet Reconciliation as on 31st March, 2019

As at 31st April 2018, RM 43,499,000 As at 31st April 2018, RM 43,499,000 As at 31st March 2019 RM 43,499,000 As at 31st March

|                                      | RM 43,499,000              |                            |                            | RM 43,499,000      |                    |                    |
|--------------------------------------|----------------------------|----------------------------|----------------------------|--------------------|--------------------|--------------------|
|                                      | At End of Transaction (RM) | At End of Transaction (RM) | At End of Transaction (RM) | 2018 (RM)          | 2019 (RM)          | 2019 (RM)          |
| <b>ASSETS</b>                        |                            |                            |                            |                    |                    |                    |
| <b>Financial Assets</b>              |                            |                            |                            |                    |                    |                    |
| Cash and Cash Equivalents            | 5,001,494                  | -                          | 4,000,494                  | 5,175,416          | -                  | 2,130,212          |
| Trade Receivable                     | 20,470,870                 | -                          | 20,470,842                 | 8,622,300          | -                  | 8,622,300          |
| Advances                             | -                          | 474,217,401                | 695,827,405                | 304,060,073        | 388,210,210        | 640,281,284        |
| Investments                          | 92,453,737                 | -                          | 92,453,737                 | 126,940,228        | -                  | 126,940,228        |
| Other Financial Assets               | -                          | -                          | -                          | -                  | -                  | -                  |
|                                      | 61,525,736                 | 474,217,401                | 698,491,208                | 465,737,917        | 388,210,210        | 798,000,792        |
| <b>Non-Financial Assets</b>          |                            |                            |                            |                    |                    |                    |
| Intangible                           | -                          | -                          | -                          | -                  | -                  | 368,048            |
| Property, Plant and Equipment        | 418,536                    | -                          | 418,536                    | 800,000            | -                  | 1,811,554          |
| Other Non-Financial Assets           | 4,900,248                  | 1,000,000                  | 5,900,248                  | 1,600,000          | 1,000,000          | 1,000,000          |
|                                      | 4,900,248                  | 1,000,000                  | 5,900,248                  | 1,600,000          | 1,000,000          | 1,000,000          |
| <b>TOTAL ASSETS</b>                  | <b>416,482,118</b>         | <b>475,217,401</b>         | <b>698,321,246</b>         | <b>465,518,917</b> | <b>389,210,210</b> | <b>799,844,432</b> |
| <b>LIABILITIES AND EQUITY</b>        |                            |                            |                            |                    |                    |                    |
| <b>(1) Financial Liabilities</b>     |                            |                            |                            |                    |                    |                    |
| Borrowings                           | 245,425,517                | 17,800,000                 | 262,925,517                | 329,481,387        | 17,800,000         | 246,061,967        |
| Other Financial Liabilities          | 12,291,381                 | -                          | 12,291,381                 | 13,208,810         | -                  | 13,208,810         |
|                                      | 257,716,898                | 17,800,000                 | 275,216,898                | 342,690,197        | 17,800,000         | 259,270,777        |
| <b>(2) Non-Financial Liabilities</b> |                            |                            |                            |                    |                    |                    |
| Current Tax Liabilities              | 1,496,000                  | -                          | 1,496,000                  | 1,496,000          | -                  | 1,496,000          |
| Provisions                           | 4,228                      | 82,200,117                 | 82,204,345                 | 4,228              | 81,980,285         | 80,985,000         |
| Deferred Tax Liabilities/(Net)       | -                          | -                          | -                          | -                  | -                  | -                  |
| Other Non-Financial Liabilities      | 1,307,548                  | 82,200,117                 | 83,507,665                 | 1,307,548          | 81,980,285         | 81,981,540         |
|                                      | 1,307,548                  | 82,200,117                 | 83,507,665                 | 1,307,548          | 81,980,285         | 81,981,540         |
| <b>(3) Equity</b>                    |                            |                            |                            |                    |                    |                    |
| Share Capital                        | 10,001,000                 | (11,000,000)               | 1,001,000                  | 10,501,000         | (11,000,000)       | 1,001,000          |
| Other Equity                         | 104,724,310                | 352,245,200                | 456,969,520                | 142,486,100        | 397,010,110        | 446,671,272        |
|                                      | 114,725,310                | 341,245,200                | 457,970,520                | 152,987,100        | 386,010,110        | 447,672,272        |
| <b>TOTAL LIABILITIES AND EQUITY</b>  | <b>416,482,118</b>         | <b>475,217,401</b>         | <b>698,321,246</b>         | <b>465,518,917</b> | <b>389,210,210</b> | <b>799,844,432</b> |



Reconciliation of Statement of Profit and Loss as on 31st March, 2019

| Particulars  | For the year ended | Ind As Adjustments  | For the year ended  |
|--|--------------------|---------------------|---------------------|
|  | 31.03.2019 (IGAAP) | 2018-19             | 31.03.2019 (IND AS) |
|  | (Rupees)           | (Rupees)            | (Rupees)            |
| <b>Revenue from Operations</b>   |                    |                     |                     |
| Dividend Income  | 4,056,590          | -                   | 4,056,590           |
| Net gain on fair value changes   | 19,897,634         | 23,771,927          | 43,669,561          |
| Sale of Investments  | 55,617,848         | 55,617,848          | -                   |
| <b>Total Revenue from Operations (I)</b>                                 | <b>332,303</b>     | <b>-</b>            | <b>332,333</b>      |
| Other Income (II)  | 79,924,355         | 79,389,775          | 48,056,434          |
| <b>Total Income (I+II)</b>   |                    |                     |                     |
| <b>Expenses</b>  |                    |                     |                     |
| Finance Cost   | 22,185,570         | -                   | 22,185,570          |
| Employee Benefit Expenses  | 118,400            | -                   | 118,400             |
| Depreciation, Amortisation and Impairment Expenses                       | 58,428             | -                   | 58,428              |
| Administrative and Other Expenses  | 53,427,761         | -                   | 53,427,761          |
| Impairment on Standard Assets  | -                  | -                   | -                   |
| <b>Total Expenses</b>  | <b>76,790,239</b>  | <b>-</b>            | <b>76,790,239</b>   |
| <b>Profit Before Tax</b>   | <b>4,114,116</b>   | <b>(31,645,921)</b> | <b>(27,721,805)</b> |
| <b>Tax Expense</b>   |                    |                     |                     |
| Current Tax  | (120)              | 5,978,219           | 5,978,093           |
| Deferred Tax Charge/(Credit)   | 341,409            | -                   | 341,409             |
| Income tax for earlier year  | 341,203            | 5,978,219           | 6,319,502           |
| <b>Total tax expense</b>   | <b>3,772,833</b>   | <b>(37,624,140)</b> | <b>(34,051,307)</b> |
| <b>Profit after tax</b>  |                    |                     |                     |
| Other Comprehensive Income   | -                  | (57,856,701)        | (57,856,701)        |
| (i) Items that will be not be reclassified to profit or loss             | -                  | (11,347,454)        | (11,347,454)        |
| Income tax relating to items that will be reclassified to profit or loss | -                  | (46,509,247)        | (46,509,247)        |
| <b>Total Other Comprehensive Income</b>                                  | <b>-</b>           | <b>(84,333,367)</b> | <b>(80,500,554)</b> |
| <b>Total Comprehensive Income</b>  | <b>3,772,833</b>   | <b>(84,333,367)</b> | <b>(80,500,554)</b> |



**INFORMATION ON SEGMENT REPORTING PURSUANT TO IND AS -108 -OPERATING SEGMENTS**

The Chief Operating Decision-Maker (CODM) assess the financial performance and position of and makes strategic decisions. Segments are organised based on business which have similar economic characteristics as

The measurement principles of segments are consistent with those used in preparation of these financial

| Sl. no | Particulars   | 31.03.2020           | 31.03.2019          |
|--------|---|----------------------|---------------------|
| 1      | Segment Revenue   |                      |                     |
|        | a. Current Investments  | 3,275,179.00         | 47,726,101.00       |
|        | b. Jute Products  | -                    | -                   |
|        | Revenue from operations   | 3,275,179.00         | 47,726,101.00       |
| 2      | Segment Results   |                      |                     |
|        | a. Current Investments  | (168,701,690)        | -                   |
|        | b. Jute products  | (29,956,809)         | -                   |
|        | c. Unallocated  | -                    | 332,333             |
|        | Sub total   | (198,658,599)        | 332,333             |
|        | Less: Finance costs   | 14,423,148           | 42,129,410          |
|        | ii) Other un-allocated Expenditure net off                                  | 22,620,665           | (14,065,272)        |
|        | Less: Un-allocable expenditure net off<br>un-allocable (Income)/expenditure | (235,702,412)        | (27,731,805)        |
|        | Exceptional Items   | -                    | -                   |
|        | Profit/(Loss) before tax  | (235,702,412)        | (27,731,805)        |
|        | Less: Tax expenses  | (64,863,843)         | 6,319,502           |
|        | Net Profit/(Loss) for the period  | (171,038,569)        | (34,051,307)        |
|        | i) Items that will be reclassified to profit/(loss)                         | -                    | -                   |
|        | ii) Tax relating to items that will be reclassified to profit/(loss)        | -                    | -                   |
|        | iii) Items that will not be reclassified to profit/(loss)                   | 5,073,137            | (57,855,701)        |
|        | iv) Tax relating to items that will not be reclassified to profit/(loss)    | (5,886,595)          | (11,347,454)        |
|        | <b>Total Comprehensive Income</b>   | <b>(160,078,836)</b> | <b>(80,560,554)</b> |
| 3      | Segment Assets  |                      |                     |
|        | a. Current Investment   | 131,410,766          | 376,235,838         |
|        | b. Jute products  | 21,040,127           | -                   |
|        | c. Unallocated Assets   | 370,946,547          | 413,668,985         |
|        | Total   | 523,397,440          | 789,894,823         |
| 4      | Segment Liabilities   |                      |                     |
|        | a. Current Investment   | -                    | -                   |
|        | b. Jute products  | -                    | -                   |
|        | c. Unallocated Liabilities  | 523,397,440          | 789,894,823         |
|        | Total   | 523,397,440          | 789,894,823         |





30. Figures in the Financial Statements have been stated in Rupees.

31. Previous Year's GAAP figures have been rearranged / regrouped to confirm the presentation requirement under IND AS and the requirements laid down under division III of the schedule III of the Companies Act 2013.

Basu Chanchani & Deb  
Chartered Accountant  
FRN : 304049E

Partner

For and on behalf of the Board



Director



Director

Date:  
Place: Kolkata

For BASU CHANCHANI & DEB  
CHARTERED ACCOUNTANTS  
R. No. 304049E  
  
(ARADINDA SINHA)  
Partner  
(M. No. 010713)

## 1. Significant Account Policies and Notes to Accounts

### **1 Corporate Information**

Amar Investments Limited (the 'Company') is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company's shares are listed on Calcutta Stock Exchange Limited. The Company received a certificate of registration from the Reserve Bank of India (RBI) on 9th September, 2004 to commence/ carry on the business of Non-Banking Financial Company (NBFC). The registration details are as follows:  
RBI: B-05 04189

Corporate Identity Number (CIN) 167 (20WB)1976PLC030625

The registered office of the Company and the principal place of business is 25 Princep Street Kolkata - 700072

The financial statements of the Company for the year ended 31st March, 2020 were approved for issue in accordance with the resolution of the Board of Director on 7th December, 2020.

### 2. Significant Accounting Policies

#### **2.1 Compliance with IND AS**

In accordance with the notification issued by the Ministry of Corporate Affairs ("the MCA"), the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, from 1st April, 2019 and the effective date of such transition is 1st April, 2018. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India ("the RBI"), (collectively referred to as "the Previous GAAP"). Previous period numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 Firsttime Adoption of Indian Accounting Standard, the Company has presented a reconciliation from Previous GAAP to Ind AS of Other equity as at 1st April, 2018 and 31st March, 2019 and of the Total Comprehensive Income for the period ended 31st March 2019. The financial statements comply in all material aspects with Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other related provisions of the Act. The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied periods presented in the Financial statements.

#### **2.2 Basis of Preparation and Presentation**

The financial statement have been prepared on a historical cost basis, except for the following:

- a) Certain financial assets and liabilities that are measured at fair values at the end of each reporting period;
- b) Defined benefit plans - plan assets measured at fair value; and
- c) Assets acquired in satisfaction of debt - at the lower of their carrying amount of debt and fair value less costs to sell of the asset acquired.



Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The preparation of financial statements require the use of certain significant accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity or areas where assumptions are significant to the Company are discussed in Note No. 2.15 - Significant accounting judgements, estimates and assumptions. The management believes that the estimates used in preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates and the differences between the actual results and the estimates would be recognised in the periods in which the results are known / materialised. The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest Lakh, except otherwise indicated.

Comparative information has been restated to accord with changes in presentations made in the current year, except where otherwise stated.

The accounting policies for some specific items are disclosed in the respective notes to the financial statements. Other significant accounting policies and details of significant accounting assumptions and estimates are set out below in Note No. 2.3 to 2.17. The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA).

### **2.3 Investment in Subsidiaries and Associates**

Investment in subsidiary and associate companies are carried at cost and fair value (deemed cost) as per IND AS -101 and 109 less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. On disposal of investments in subsidiary companies, associate companies and joint venture companies, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

When the Company ceases to control the investment in subsidiary or associate the said investment is carried at fair value through profit and loss in accordance with IND AS 109 "Financial Instruments".

### **2.4 Revenue Recognition**

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation. The Company applies the five-step approach for recognition of revenue.

- i. Identification of contract(s) with customers;
- ii. Identification of the separate performance obligations in the contract;
- iii. Determination of transaction price;
- iv. Allocation of transaction price to the separate performance obligations; and
- v. Recognition of revenue when (or as) each performance obligation is satisfied .



Revenue Recognition for different heads of Income are as under:

(i) Interest income Interest income is recognized using the effective interest rate.

(ii) Dividend income

Dividend income is recognized in the statement of profit or loss on the date that the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. This is generally when the Shareholders approve the dividend.

(iii) Income or net gain on fair value changes for financial assets classified as measured at FVTPL and FVTOCI is recognised as discussed in Note No. 2.12.

## 2.5 Borrowing Costs:

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Interest expense includes origination costs that are initially recognised as part of the carrying value of the financial liability and amortized over the expected life using the EIR. It also include expenses related to borrowing which are not part of effective interest as not directly related to loan origination. All other borrowing cost are recognised as an expense in the year in which they are incurred.

## 2.6 Employee Benefits

Retirement benefit costs and other employee benefits

(A) Defined Contribution Plans and defined benefit plan is not applicable to the Company.

Payment against accumulated leave is made to the employees by the year end and as such no separate provision is made in the accounts.

## 2.7 Taxation

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

Current tax

Current Tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable



or deductible. The current tax is calculated using tax rates that have been enacted or substantially enacted at the reporting period.

#### **Deferred tax**

The Company's deferred tax is calculated using tax rate that are substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Current and deferred tax for the year Current and deferred tax are recognised in the statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

## **2.8 Property Plant and Equipment**

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly directed attributable to acquisition of the items.

#### **Subsequent costs are included**

Subsequent costs are included in the asset's carrying amount or recognized 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 derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

#### **Depreciation methods, estimated useful lives & residual value:**

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows: The estimated useful lives for the different types of assets are:

The estimated useful life of lives for the different types of assets are :

- (i) Vehicles – 8 Years





The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit or loss. The Company provides pro-rata depreciation from the day the asset is put to use and for any asset sold, till the date of sale.

### **2.9 Impairment of 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 recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

### **Investment in Subsidiaries and Associates**

The carrying amount of the investment is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

### **2.10 Provisions, Contingent Liabilities and Contingent Assets**

#### **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If





the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

In case of litigations, provision is recognised once it has been established that the Company has a present obligation based on information available up to the date on which the Company's financial statements are finalised and may in some cases entail seeking expert advice in making the determination on whether there is a present obligation.

#### **Contingent Liabilities**

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. Company does not recognise contingent liability but discloses its existence in the financial statements.

#### **Contingent Assets**

Contingent assets are not recognised in the financial statements, but are disclosed where an inflow of economic benefits is probable.

### **2.11 Cash and cash equivalents**

Cash and cash equivalents comprise of cash on hand, balances with banks, cheques on hand, remittances in transit and short-term investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **2.12 Financial Assets**

#### **Initial Recognition and Measurement**

All Financial Assets are initially recognized at fair value. Transaction Costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

#### **Subsequent Measurement**

Financial Assets measured at amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss



allowance recognized and measured as described in note 6. Interest income from these financial assets is recognized using the effective interest rate method.

**Financial Assets measured at Fair value through profit or loss:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

#### **Equity instruments**

All equity investments are measured at fair value with value changes recognised in statement of profit and loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'. Where the Company management has elected to present fair value gains and losses on equity investments in other Comprehensive income, there is no other reclassification of fair value gains or loss to profit or loss following the derecognition of the investment. Changes in the fair value of financial assets at fair value through profit or loss are recognized in net gain/loss on fair value changes in the statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### **Impairment of Financial Asset**

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortized cost and with the exposure arising from loan commitments and financial guarantee contracts. The Company recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. ECL is measured at an amount equal to the 12 months ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses ( or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised, is recognised as an expense in the statement of profit or loss.

#### **Write off policy**

The company writes off financial assets, in whole or in part, when it has exhausted all practical efforts and has concluded there is no reasonable expectations of recovery.

## **2.13 Financial Liabilities**

### **A. Initial Recognition**



All Financial liabilities are recognized at fair value and in case of borrowing, net of directly attributable cost. Fees of recurring nature are directly recognised in the statement of profit and loss as finance cost.

The Company has issued Preference Shares which are classified as amortised cost and subsequently measured at amortised cost.

#### **B. Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### **Trade and other payables**

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost.

#### **Financial Guarantee Contracts**

Financial guarantees issued by the Company are those guarantees that require a payment to be made to reimburse the holder of the guarantee for a loss incurred by the holder because the specified debtor fails to make a payment, when due, to the holder in accordance with the terms of a debt instrument. Financial guarantees are recognised initially as a liability at fair value, adjusted for transactions costs that are directly attributable to the issuance of the guarantee. 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 amortisation.

#### **C. Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of Profit and Loss. Financial liabilities are derecognized when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expires.

Preference shares considered as borrowings:

Cumulative redeemable preference shares issued by the Company have been classified as borrowings and recognized at amortised cost on transition date as against part of Equity share capital under previous GAAP.

**Off-setting of financial instruments**



Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet when 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 backed by past practice.

#### **Fair value measurement**

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:

- a) in the principal market for the asset or liability, or
- b) 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. 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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

**Level 1 financial instruments:** Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

**Level 2 financial instruments:** Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

**Level 3 financial instruments:** Those that include one or more unobservable input that is significant to the measurement as whole.

#### **Overview of the Expected Credit Loss (ECL) principles**

Expected credit loss (ECL) is the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial



instrument. A cash shortfall is the difference between scheduled or contractual cash flows and actual expected cash flows. Consequently, ECL subsumes both the amount and timing of payments. It also incorporates available information which is relevant to the assessment, including information about past events, current conditions and reasonable and supportable information about future events and economic conditions at the reporting date.

For portfolio of exposures, ECL is modelled as the product of the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD).

In case of assets identified to be significantly credit-impaired to the extent that default has happened or seems to be a certainty rather than probability, ECL would be determined by directly estimating the receipt of cash flows and timing thereof.

#### **Staging:**

The loan portfolio would be classified into three stage-wise buckets – Stage 1, Stage 2 and Stage 3 – corresponding to the contracts assessed as performing, under performing and non-performing, in accordance with the IND-AS guidelines. The key parameter used for stage-wise classification would be days past due (DPDs).

Stage 1: Ongoing exposures with DPD (days past due) up to 60 days

Stage 2: Ongoing exposures with DPD (days past due) between 61 and 90 days

Stage 3: Ongoing exposures with DPD (days past due) of 91 days or more, and any other contracts identified from time to time by the management.

While the presumption for inter-stage threshold for Stage 1 is 30 days, the Company has rebutted the presumption and has considered 60 days as the threshold. As the borrowers are typically operating in infrastructure sector, where receivables tend to be stretched, notwithstanding whether the principals are government/quasi-government entities or private sector entities. As per current market practice, NBFCs typically tend to be paid later than banks by borrowers since banks control their working capital financing.

#### **Methodology:**

The basis of the ECL calculations are outlined below which is intended to be more forward-looking. Key elements of ECL are, as follows:

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

Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual





cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

#### **2.14 First time adoption**

These financial statements, for the year ended 31st March, 2020 are the first financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March, 2019 the Company prepared its financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2020 together with the comparative period data as at and for the year ended 31st March, 2019 as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2018 the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April, 2018 and the financial statements as at and for the year ended 31st March, 2019.

#### **Derecognition of financial assets and financial liabilities**

As per Ind AS 101 – An entity shall apply the exception to the retrospective application in case of “derecognition of financial assets and financial liabilities” wherein a first-time adopter shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. For example, if a first-time adopter derecognised non-derivative financial assets or non-derivative financial liabilities in accordance with its previous GAAP as a result of a transaction that occurred before the date of transition to Ind AS, it shall not recognise those assets and liabilities in accordance with Ind AS (unless they qualify for recognition as a result of a later transaction or event). The Company has opted not to re-evaluate financial assets derecognised in the past and to apply the derecognition requirements prospectively for transactions occurring on or after the transition date.

#### **Classification of debt instruments**

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

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

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

#### **Deemed cost for property, plant and equipment and intangible assets**



On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets as at 31st March, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets as on 1st April, 2018.

#### Deemed cost for investments in Subsidiaries and Associates

Ind AS 101 permits a first time adopter to measure its investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost. The Company has selected fair value as on transition date as deemed cost for few investment in Subsidiaries and Associates. Accordingly, the Company has considered fair value as deemed cost for its investments held in subsidiaries and associates identified on individual basis.

#### Mandatory Exceptions

Following mandatory exceptions are applicable to the Company:

##### Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

##### Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

#### 2.15 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

##### Impairment charges on loans and advances

The measurement of impairment losses requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These are based on the assumptions which are driven by a number of factors resulting in future changes to the impairment allowance.



#### **Business Model Assessment**

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

#### **Provisions other than loan impairment**

Provisions are held in respect of a range of future obligations such as employee entitlements, litigation provisions, etc. Some of the provisions involve significant judgement about the likely outcome of various events and estimated future cash flows. The measurement of these provisions involves the exercise of management judgements about the ultimate outcomes of the transactions.

#### **Fair Value measurement**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Investments carried at fair value are generally based on market price quotations. However in cases where quoted prices are not available then different valuation technique have been used by the management for different investments. Investments in equity instruments which are not held for trading but for long term strategic purpose the company has chosen to designate these investments in equity instrument at FVOCI since it provides a more meaningful presentation. Cost of certain investments in equity instruments have been considered as an appropriate estimate of fair value because of wide range of possible measurements and cost represents the best estimate of fair value within that range.

Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, loans and advances, current and non current financial assets, and other current financial liabilities approximate their carrying amounts due to the short term maturity of their instruments.

#### **Other estimates**

These include contingent liabilities, useful lives of tangible and intangible assets etc.

### **2.16 Impact of COVID-19 on the performance of the Group**



Since the first quarter of CY2020, the Covid-19 pandemic has impacted most of the countries, including India. This resulted in countries announcing lockdown and quarantine measures that sharply stalled economic activity. The Government of India initiated a nation-wide lockdown from March 25, 2020 for three weeks which was extended to May 18, 2020 in two phases. Several countries took unprecedented fiscal and monetary actions to help alleviate the impact of the crisis. The Reserve Bank of India (RBI) has announced several measures to ease the financial system stress, including enhancing system liquidity, moratorium of three months on loan repayments for specific borrower segments, asset classification standstill benefit to overdue accounts where a moratorium has been granted and relaxation in liquidity coverage requirement, among others. The Indian economy would be impacted by this pandemic with contraction in industrial and services output across small and large businesses. The Group's business is expected to be impacted by lower business opportunities and downfall.

#### **2.17 Operating Segments**

Operating segments are reported in a manner consistent with the internal reporting provided provided to the Chief Operating Decision Maker ('CODM') of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company

#### **2.18 Earnings per share**

##### **a) Basic earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

##### **b) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

#### **2.19 Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the Rupees, unless otherwise stated.

