

**34<sup>th</sup>**  
**ANNUAL REPORT**



***2018 - 2019***

**SHREYANS FINANCIAL & CAPITAL SERVICES LTD.**

**BOARD OF DIRECTORS**

Sh. Kirti Kumar Jain	Executive Director & CEO	(DIN : 00932391)
Sh. Madan Lal	Independent Director	(DIN : 00272672)
Sh. Ramesh Chander Juneja	Independent Director	(DIN : 07804729)
Mrs. Priya Begana	Independent Director	(DIN : 07706647)

**AUDITORS :**

M/s. J. S. Bahl & Company  
Chartered Accountants  
Ludhiana.

**REGISTERED OFFICE**

CIN: L65921PB1984PLC005967  
Shree Rishabh Paper Mill Premises,  
Village Banah, Nawanshahar, Punjab - 144 522  
Tel: +91 1881-273627, 273628, 273629  
Fax: +91 1881-273645  
Email: sfcs141@gmail.com  
Website: www.sfcs1.co.in

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**Registrar & Transfer Agents**

Skyline Financial Services (P) Limited  
D-153/A, 1st Floor  
Okhla Industrial Area, Phase - 1,  
New Delhi - 110020  
Tel: 011 40450193-97  
Email: admin@skylinerta.com

**NOTICE**

Notice is hereby given that the 34<sup>th</sup> Annual General Meeting of the members of the Company will be held on Thursday, the 26<sup>th</sup> day of September, 2019 at 11:00 A.M. at the Registered Office of the Company at Shree Rishabh Paper Mill Premises, Village Banah, Nawanshahar, Punjab 144522 to transact the following business:

**AS AN ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 and the Reports of the Board of Directors and the Auditors thereon.

2. To appoint a Director in place of Sh. Kirti Kumar Jain (DIN: 00932391), who retires by rotation and being eligible offers himself for re-appointment.

**NOTES:**

**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as proxy on behalf of members not exceeding fifty (50) in number and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.

**2. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

3. Members/proxies are requested to bring their copy of Annual Report to the Meeting and bring in duly filled attendance slips enclosed herewith to attend the meeting. Shareholders/ Proxy holders are requested to produce at the entrance, duly filled and signed attendance slips for admission to the Meeting Hall.

Corporate members are required to send a certified copy of the Board Resolution to the Company, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the AGM.

4. The Register of Members and Share Transfer books of the Company shall remain closed from 20th September, 2019 to 26th September, 2019 (both days inclusive) for the purpose of Annual General Meeting of

the Company.

5. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their question in writing to the Company, so as to reach the registered office of the Company at least 10 days before the date of the meeting so that information required may be made available at the time of the Meeting.

6. Copies of the Annual Report are being sent by electronic mode only to those members whose email addresses are registered with the company/depository participants(s) for communication purposes unless any members has requested for hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2019 are being sent by the permitted mode.

7. Members are requested to :

1. Quote their folio number/Client ID & DP-ID in all correspondence with the company.
2. Notify immediately to the company any change in their address/mandate, if any.
3. Register their e-Mail id with the company or its Registrar or their depository participant to enable the company to send the notices and other reports through email.

8. Shares of the Company are available for De-Materialization under **ISIN- INE463R01016**. Members who have not opted for De-Materialization are requested to do so in their own interest.

**9. Please note that the meeting is for members or their proxies only. Please avoid being accompanied by non members and children.**

10. A remote e-voting facility for the members shall also be provided in terms of Section 108 of the Companies Act, 2013 and rules made there under and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise the right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

**The instructions for shareholders voting electronically are as under:-**

- (i) The remote e-voting period begins on 22nd

September, 2019 (9:00 A.M.) and ends on 25th September, 2019 (5:00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 19th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of AGM and holds shares as of the cut-off date i.e. 19th September, 2019 may obtain the login ID and password by sending a request at [sfcs1141@gmail.com](mailto:sfcs1141@gmail.com).

- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in De-mat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are holding shares in physical form or first time user in case holding shares in De-mat form, follow the steps given below:

<b>For Members holding shares in Demat Form (First time user) and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the <b>sequence number*</b> in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>

DOB	<p>Please enter the DOB or Dividend Bank Details in order to login.</p> <p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</p>

\* Sequence number shall be as per separate sheet enclosed with the Annual Report.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in De-mat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the De-mat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the **EVSN (190806012)** for the <Shreyans Financial & Capital Services Limited > on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will

- be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If De-mat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. i-phone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non-Individual Shareholders and Custodian: Non- Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

11. M/s P. S. Bathla & Associates, Company Secretaries in practice, Ludhiana have been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner (including the ballot forms). The Scrutinizer shall within a period of 48 hours from the conclusion of the AGM, unblock the votes cast in presence of at least two witnesses not in employment of the Company and make a report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
12. The Results shall be declared within a period of 48 hours from the conclusion of the AGM. The results declared along with the Scrutinizer's report shall be placed on the Company's website [www.sfcsl.co.in](http://www.sfcsl.co.in) and on the website of CDSL and communicated to the Stock Exchanges.

By order of the Board

For Shreyans Financial & Capital Services Limited

Sd/-

Kirti Kumar Jain

Dated : 29th May, 2019 Executive Director & CEO

Regd. Office: Shree Rishabh (DIN: 00932391)

Paper Mill Premises, Village Banah,

Nawanshahar, Punjab 144 522

CIN: L65921PB1984PLC005967

Tel.: +91 1881-273627, 273628

Fax: +91 1881-273645

Email: [sfcsl141@gmail.com](mailto:sfcsl141@gmail.com)

Website: [www.sfcsl.co.in](http://www.sfcsl.co.in)

## ANNEXURE TO ITEM NOS. 2 OF THE NOTICE

Details of Directors seeking re-appointment/appointment at the forthcoming Annual General Meeting  
(in pursuance of Regulation 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Name of the Director	Sh. Kirti Kumar Jain
DIN	00932391
Date of Birth	30.07.1948
Date of Appointment on the Board	14.06.2005
Expertise in specific functional areas	Business Management
Qualification	Graduate
Directorship of other public limited companies	—
Memberships of Committees of other public limited companies (mandatory committees only)	—
Disclosure of relationship between directors inter-se	Sh. Kirti Kumar Jain does not have any relation with other directors, manager and KMPs.
No. of Shares held in the Company	1500

By order of the Board  
For Shreyans Financial & Capital Services Limited

Sd/-  
Kirti Kumar Jain  
Executive Director & CEO  
(DIN: 00932391)

Dated : 29th May, 2019  
Regd. Office: Shree Rishabh  
Paper Mill Premises, Village Banah,  
Nawanshahar, Punjab 144 522  
CIN: L65921PB1984PLC005967  
Tel.: +91 1881-273627, 273628  
Fax: +91 1881-273645  
Email: sfcs1141@gmail.com  
Website: www.sfcs1.co.in

**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present the 34<sup>th</sup> Annual Report on the business and operations of the Company along with audited financial statements for the year ended 31<sup>st</sup> March, 2019.

**FINANCIAL STATEMENTS**

<b>Particulars</b>	(Amount in Rs.)	
	<b>2018-19</b>	2017-18
Income from Operations	---	---
Other Income	<b>592696.00</b>	646199.00
Profit/ (Loss) before interest & depreciation	<b>184137.00</b>	295316.00
Less Interest	<b>954.00</b>	1366.00
Gross Profit/ (Loss)	<b>183183.00</b>	293950.00
Depreciation	---	---
Net Profit/ (Loss) Before Tax	<b>183183.00</b>	293950.00
Provision For Taxation (including deferred tax)	---	---
Profit/ (Loss) after Tax	<b>183183.00</b>	293950.00

**CORPORATE REVIEW**

During the year under consideration other Income of the company is Rs. 5,92,696.00/- in comparison to Rs. 6,46,199.00/- in previous year.

**SHARE CAPITAL**

The paid up Equity Share Capital as on March 31, 2019 was Rs. 100.00 Lacs. During the year under review, the Company has neither issued any shares nor granted stock options and nor sweat equity.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**OTHER EQUITY**

The Company does not propose to carry any amount to any reserves.

**DIVIDEND**

Due to absence of adequate profits, your Directors are unable to recommend any dividend for the year under review.

**DEPOSITS**

During the year under review the company has not accepted any deposits within the meaning of section 73 of the Companies Act, 2013 and the rules made there under.

**NUMBER OF MEETINGS HELD**

The details of Board and Committee Meetings are given in the Corporate Governance Report.

**DIRECTORS**

Sh. Kirti Kumar Jain, Director & CEO of the Company, is liable to retire by rotation at the forthcoming Annual General Meeting under clause 89 of Article of Association of the Company and being eligible, offer himself for reappointment.

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Listing Regulations.

**BOARD EVALUATION**

Pursuant to provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out an annual performance evaluation of its own performance and the performance of the individual Directors as well as the evaluation of the working of its committees. The manner in which the evaluation was carried out has been explained in the Corporate Governance.

**REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their Remuneration. The said policy has been uploaded on the website of the Company. The Key provisions of Nomination and Remuneration policy are appended as an **Annexure I** to the Board's report.

**AUDIT COMMITTEE**

The company has duly constituted Audit Committee, the scope of which is quite comprehensive and is in conformity with the provisions of the Companies Act, 2013 and Listing Regulations. The composition of the Audit Committee is given in Corporate Governance Report.

All the recommendations of the Audit Committee were accepted by the Board.

**DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company has adopted the Whistle blower Policy/Vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct and Ethics. Such mechanism/policy is also uploaded on the website of the Company.

**STATUTORY AUDITORS**

As per Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company in its 32nd Annual General Meeting held on 26th September, 2017 approved the appointment of M/s. J.S. Bahl & Co., Chartered Accountants (Firm Reg. No. 012583N), as the Statutory Auditors of the Company for an initial term of 5 years i.e. from the conclusion of 32nd Annual General Meeting till the conclusion of 37th Annual General Meeting of the Company.

The auditors' report on the accounts of the Company for the year under review requires no comments.

Further, there were no frauds reported by the Statutory Auditors of the Company during the period under review neither under Section 143(12) of the Act nor which are reportable to the Central Government.

**COST AUDIT**

Cost audit for the financial year 2018-19 is not applicable to the Company as per Notification issued by the Ministry of Corporate Affairs, hence no cost auditor was appointed for cost audit purposes.

**SECRETARIAL AUDIT**

M/s P. S. Bathla & Associates, Practising Company Secretaries, Ludhiana, were appointed to conduct the secretarial audit of the Company for the financial year 2018-19, as required under Section 204 of the Companies Act, 2013 and Rules made there under. The secretarial audit report for FY 2018-19 is appended as an **Annexure II** to the Board's report.

The Secretarial auditors' report for the year under review requires no comments.

The Board has re-appointed M/s P. S. Bathla & Associates, Practising Company Secretaries, Ludhiana as secretarial auditor of the Company for the financial year 2019-20.

**RELATED PARTY TRANSACTIONS**

All related party transactions entered during the financial year were on arm's length basis and in the ordinary course of business. There was no material contract or arrangement or transactions with Related Party during the year. Thus, disclosure in form AOC-2 is not required. The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013, the rules there under and the Listing Regulations. This Policy was considered and approved by the Board has been uploaded on the website of the Company at [http://www.sfcsl.co.in/upload/c1449048093Related\\_Party\\_Transaction\\_Policy05\\_11\\_2015.pdf](http://www.sfcsl.co.in/upload/c1449048093Related_Party_Transaction_Policy05_11_2015.pdf)

**PARTICULARS OF EMPLOYEES**

There is no information pursuant to Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as there is only one employee on the roll of the Company and no remuneration is paid to any of the Executive/ Whole time Director of the Company.

**EXTRACT OF ANNUAL RETURN**

In accordance with Section 134(3) (a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as an **Annexure III** to the Board's report.



**INDUSTRIAL RELATIONS**

The Company maintained healthy, cordial and harmonious industrial relations at all levels.

**DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY**

The Company has been addressing various risks through well defined risk management policy/procedures, which are in the opinion of the Board may threaten the existence of the Company.

**INTERNAL FINANCIAL CONTROL SYSTEMS**

The Company has laid down adequate internal financial controls with reference to financial statements. During the year such controls were tested and no material weakness in their operating effectiveness was observed.

**ASSOCIATES AND SUBSIDIARIES**

The Company has no Associates & Subsidiaries as on March 31, 2019.

**CORPORATE GOVERNANCE**

As per the provisions of Listing Regulations, a separate Report on Corporate Governance practices followed by the Company together with a Certificate from the Practicing Company Secretary confirming compliance forms part of this report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company is not engaged in manufacturing operations. As such the information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 relating to conservation of energy, technology, absorption and foreign exchange earning and outgo is not applicable.

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

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2019, the applicable accounting standards have been followed and there has been no material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss account of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and these were adequate and operating effectively.

**ACKNOWLEDGMENTS**

Your Directors wish to place on record their appreciation for the dedicated work and co-operation extended by all the employees. Your Directors also wish to record their gratitude to the shareholders, Customers and Suppliers for their valuable support.

**On Behalf of the Board  
For Shreyans Financial & Capital Services Limited**

Place : Ludhiana  
Date : 29th May, 2019

Sd/-  
Kirti Kumar Jain  
Executive Director & CEO  
(DIN : 00932391)

## Annexure I

**NOMINATION AND REMUNERATION POLICY**

The Key provisions of the Nomination and Remuneration policy are given below:

The guiding principle is that the remuneration and the other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent Executives.

The Nomination and Remuneration policy for executives reflects the remuneration philosophy and principles of the Shreyans Financial & Capital Services Limited. When determining the remuneration policy and arrangements for Executive Directors/KMP's, the Nomination and Remuneration Committee shall consider pay and employment conditions with peers / elsewhere in the competitive market to ensure that pay structures are appropriately aligned and that levels of remuneration remain appropriate in this context.

The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the company successfully.

The Nomination and Remuneration Committee while considering a remuneration policy must ensure a balanced approach reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The Committee shall consider that a successful remuneration policy must ensure that any increase in the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

The Nomination and Remuneration policy is guided by a common reward framework and set of principles and objectives as particularly envisaged under section 178 of the Companies Act 2013, inter alia principles pertaining to determining qualifications, positive attributes, integrity and independence etc.

Remuneration packages are designed to attract high-caliber executives in a competitive market and remunerate executives fairly and responsibly. The remuneration shall be competitive and based on the individual responsibilities and performance.

Remuneration is designed to motivate delivery of our key business strategies, create a strong performance-oriented environment and reward achievement of meaningful targets over the short- and long-term.

Executive remuneration shall be proposed by the Committee and subsequently approved by the Board of Directors. Executive remuneration is evaluated annually against performance and a benchmark of other companies, which in size and complexity are similar to Shreyans Financial & Capital Services Limited. In determining packages of remuneration, the Committee may consult with the Chairman/ Executive Director as appropriate.

Information on the total remuneration of members of the Company's Board of Directors and KMPs shall be disclosed in the Company's Annual Report.

The Company may grant any advance salary/loan to employees of the Company at concessional/NIL interest rates as it deems fit subject to tax laws.

The Board may delegate the appointment and remuneration powers in case of Sr. Management Personnel (except KMPs and Directors) to the Executive Director by way of Board Resolution.

The appointment letters of all Sr. Management Personnel, KMPs and Directors shall draw reference to the fact that the appointment and remuneration is in accordance with the Nomination and Remuneration Policy of the Company.

**Annexure II  
Form No. MR-3  
SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR- 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019**

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

To,  
The Members,  
Shreyans Financial & Capital Services Ltd.  
Shree Rishabh Paper Mill Premises,  
Village Banah, Nawanshahar, Punjab-144522.

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

**1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Shreyans Financial and Capital Services Limited ("The Company") for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:**

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable as the Company has not issued further capital during the financial year under review)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable, as the Company has not made any such scheme during the Audit Period under review)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable, as the Company has not issued Debt Securities during the Audit Period under review)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial Year under review);
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable as the Company has not delisted/propose to delist its equity shares from any stock exchange during the financial year under review).
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable as the Company has not bought back/propose to buy-back any of its any of its securities during the financial year under review.)

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015.

I report that during the period under review the company has complied with the provisions of The Acts, Rules, Regulations, Guidelines, Standards etc. mentioned above.

**2. I further report that**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board Meetings and Committee Meetings have been carried out unanimously as recorded in the minutes of the meetings of Board of Directors and Committee of the Board, as case may be.

I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For P S Bathla & Associates  
Company Secretaries**

**(P. S. Bathla)  
FCS No. 4391  
C.P No. 2585**

**Place : Ludhiana**

**Date : 29<sup>th</sup> May, 2019**

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

**'Annexure A'**

To,  
The Members,  
Shreyans Financial & Capital Services Ltd.

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

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

**For P S Bathla & Associates  
Company Secretaries**

**(P. S. Bathla)  
FCS No. 4391  
C.P No. 2585**

**Place : Ludhiana**

**Date : 29<sup>th</sup> May, 2019**

**Annexure III  
FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2019**

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

1	CIN	L65921PB1984PLC005967
2	Registration Date	09.10.1984
3	Name of the Company	SHREYANS FINANCIAL & CAPITAL SERVICES LIMITED
4	Category/Sub-category of the Company	Company having share capital
5	Address of the Registered office & contact details	Shree Rishabh Paper Mill Premises, Village Banah, Nawanshahar, Punjab - 144 522. Tel.: 1881-273627, 273628, Fax.: 1881-273645 Email: sfcsl141@gmail.com, Web: www.sfcsl.co.in
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Private Limited, D-153 A, 1st Floor, Okhla Industrial Area, Phase- I, New Delhi-110 020. Tel.: 011 40450193-97 Email: info@skylinerta.com Web: www.skylinerta.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
	NIL		

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	The Company has no holding, subsidiary and associate company.				

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

A) Category-wise Share Holding	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual / HUF	358100	---	358100	35.81%	358100	---	358100	35.81%	---
b) Central Govt	---	---	---	---	---	---	---	---	---
c) State Govt(s)	---	---	---	---	---	---	---	---	---
d) Bodies Corp.	369307	---	369307	36.93%	369307	---	369307	36.93%	---
e) Banks / FI	---	---	---	---	---	---	---	---	---
f) Relatives of Individual Promoters	---	---	---	---	---	---	---	---	---
<b>Sub Total (A) (1):</b>	<b>727407</b>	<b>---</b>	<b>727407</b>	<b>72.74%</b>	<b>727407</b>	<b>---</b>	<b>727407</b>	<b>72.74%</b>	<b>---</b>
(2) Foreign									
a) NRIs- Individuals	---	---	---	---	---	---	---	---	---
b) Other- Individuals	---	---	---	---	---	---	---	---	---
c) Bodies Corporate	---	---	---	---	---	---	---	---	---
d) Banks / FI	---	---	---	---	---	---	---	---	---
e) Any Other...	---	---	---	---	---	---	---	---	---
<b>Sub Total (A) (2)</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>727407</b>	<b>---</b>	<b>727407</b>	<b>72.74%</b>	<b>727407</b>	<b>---</b>	<b>727407</b>	<b>72.74%</b>	<b>---</b>
<b>B. Public Shareholding</b>									
1. Institutions	---	---	---	---	---	---	---	---	---
a) Mutual Funds	---	---	---	---	---	---	---	---	---

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Banks / FI	---	---	---	---	---	---	---	---	---
c) Central Govt	---	---	---	---	---	---	---	---	---
d) State Govt(s)	---	---	---	---	---	---	---	---	---
e) Venture Capital Funds	---	---	---	---	---	---	---	---	---
f) Insurance Companies	---	---	---	---	---	---	---	---	---
g) FIs	---	---	---	---	---	---	---	---	---
h) Foreign Venture Capital Funds	---	---	---	---	---	---	---	---	---
i) Others (specify)	---	---	---	---	---	---	---	---	---
<b>Sub-total (B)(1) :-</b>	---	---	---	---	---	---	---	---	---
<b>2. Non- Institutions</b>									
a) Bodies Corp.	---	---	---	---	---	---	---	---	---
b) Individuals	---	---	---	---	---	---	---	---	---
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	---	207943	207943	20.79%	---	207943	207943	20.79%	---
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	---	60000	60000	6.00%	---	60000	60000	6.00%	---
c) Others (specify)	---	---	---	---	---	---	---	---	---
Non Resident Indians	---	---	---	---	---	---	---	---	---
Trusts	---	---	---	---	---	---	---	---	---
HUF	---	4650	4650	0.47	---	4650	4650	0.47%	---
Clearing members/house	---	---	---	---	---	---	---	---	---

Sub-total (B)(2) :-	---	272593	272593	27.26%	---	272593	272593	27.26%	---
Total Public Shareholding (B)=(B)(1) + (B)(2)	---	272593	272593	27.26%	---	272593	272593	27.26%	---
C. Shares held by Custodian for GDRs & ADRs	---	---	---	---	---	---	---	---	---
Grand Total(A+B+C)	727407	272593	1000000	100.00%	727407	272593	1000000	100.00%	---

## B) Shareholding of Promoters

SN	Shareholder's Name	No. of Shares held at the beginning of the year [As on 31-March-2018]			No. of Shares held at the end of the year [As on 31-March-2019]			% Change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mrs. Nirmal K. Oswal	100000	10.00%	---	100000	10.00%	---	---
2	Mr. Kunal Oswal	50000	5.00%	---	50000	5.00%	---	---
3	Mr. Vishal Oswal	50000	5.00%	---	50000	5.00%	---	---
4	Mr. Rajneesh Oswal	50000	5.00%	---	50000	5.00%	---	---
5	Darshan Kumar & Sons (1st HUF)	100000	10.00%	---	100000	10.00%	---	---
6	Mrs. Priti Oswal	8100	0.81%	---	8100	0.81%	---	---
7	Ojasvi Investment & Mercantile Company	90000	9.00%	---	90000	9.00%	---	---
8	Adeep Investment Company	90000	9.00%	---	90000	9.00%	---	---
9	Achin Investment & Mercantile Company	90000	9.00%	---	90000	9.00%	---	---
10	Levina Investment & Mercantile Company	90000	9.00%	---	90000	9.00%	---	---
11	Virat Investment & Mercantile Company	1907	0.19%	---	1907	0.19%	---	---
12	Jagvallah Parasnath Capital Investment Pvt. Ltd.	7400	0.74%	---	7400	0.74%	---	---
	<b>TOTAL</b>	<b>727407</b>	<b>72.74%</b>	<b>---</b>	<b>727407</b>	<b>72.74%</b>	<b>---</b>	<b>---</b>



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

SN	Shareholder's Name	No. of Shares held at the beginning of the year [As on 31-March-2018]			No. of Shares held at the end of the year [As on 31-March-2019]			% Change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mrs. Nirmal K. Oswal	100000	10.00%	---	100000	10.00%	---	---
2	Mr. Kunal Oswal	50000	5.00%	---	50000	5.00%	---	---
3	Mr. Vishal Oswal	50000	5.00%	---	50000	5.00%	---	---
4	Mr. Rajneesh Oswal	50000	5.00%	---	50000	5.00%	---	---
5	Darshan Kumar & Sons (1st HUF)	100000	10.00%	---	100000	10.00%	---	---
6	Mrs. Priti Oswal	8100	0.81%	---	8100	0.81%	---	---
7	Ojasvi Investment & Mercantile Company	90000	9.00%	---	90000	9.00%	---	---
8	Adeep Investment Company	90000	9.00%	---	90000	9.00%	---	---
9	Achin Investment & Mercantile Company	90000	9.00%	---	90000	9.00%	---	---
10	Levina Investment & Mercantile Company	90000	9.00%	---	90000	9.00%	---	---
11	Virat Investment & Mercantile Company	1907	0.19%	---	1907	0.19%	---	---
12	Jagvallah Parasnath Capital Investment Pvt. Ltd.	7400	0.74%	---	7400	0.74%	---	---
	<b>TOTAL</b>	<b>727407</b>	<b>72.74%</b>	<b>---</b>	<b>727407</b>	<b>72.74%</b>	<b>---</b>	<b>---</b>

## D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]		No. of Shares held at the end of the year [As on 31-March-2019]		% Change in shareholding during the year
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
1	Barun Kumar Dutta	17200	1.72%	17200	1.72%	---
2	Mool Chand Singal	11600	1.16%	11600	1.16%	---
3	Dharam Paul Jain	10500	1.05%	10500	1.05%	---
4	Sanjeev Kumar Chabra	10200	1.02%	10200	1.02%	---
5	Sanjeev Gupta	6000	0.60%	6000	0.60%	---
6	Neerja rana	5200	0.52%	5200	0.52%	---
7	Premlata bansal	3800	0.38%	3800	0.38%	---
8	Meghna Dembla	10500	1.05%	10500	1.05%	---

9	Hemant Dembla	7600	0.76	7600	0.76%	---
10	Rakhi	4200	0.42	4200	0.42%	---

## E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	<b>Kirti Kumar Jain</b> , Executive Director & CEO				
	At the beginning of the year	1500	0.15%	1500	0.15%
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):				
	At the end of the year	1500	0.15%	1500	0.15%
2	<b>Madan Lal</b> , Independent Director				
	At the beginning of the year	NIL	---	NIL	---
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):	---		---	
	At the end of the year	NIL	---	NIL	---
3	<b>Ramesh Chander Juneja</b> , Independent Director				
	At the beginning of the year	NIL	---	NIL	---
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):				
	At the end of the year	NIL	---	NIL	---
4	<b>Priya Begana</b> , Independent Director				
	At the beginning of the year	NIL	---	NIL	---
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):				
	At the end of the year	NIL	---	NIL	---

**V. INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment. (₹ in lac)

	Secured Loans excluding deposits Term Loans	Secured Loans Workin Capital	Un-secured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>					
i) Principal Amount	---	---	---	---	---
ii) Interest due but not paid	---	---	---	---	---
iii) Interest accrued but not due	---	---	---	---	---
<b>Total (i+ii+iii)</b>	---	---	---	---	---
<b>Change in Indebtedness during the financial year*</b>					
* Addition	---	---	---	---	---
* Reduction	---	---	---	---	---
<b>Net Change</b>	---	---	---	---	---
<b>Indebtedness at the end of the financial year</b>					
i) Principal Amount	---	---	---	---	---
ii) Interest due but not paid	---	---	---	---	---
iii) Interest accrued but not due	---	---	---	---	---
<b>Total (i+ii+iii)</b>	---	---	---	---	---

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

SN.	Particulars of Remuneration	Name of MD/WTD / Manager	Total Amount
		Sh. Kirti Kumar Jain*	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	---
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	---	---
2	Stock Option	---	---
3	Sweat Equity	---	---
4	Commission - as % of profit - others, specify...	---	---

5	Others, please specify	---	---
	Total (A)	NIL	NIL
	Ceiling as per the Act	N/A	

\* Company has not paid any remuneration to its Executive Directors.

#### B. Remuneration to other directors

(Amount in ₹)

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Priya Begana	R. C. Juneja	Madan Lal	
1	Independent Directors				
	Fee for attending board committee meetings	10,000	NIL	NIL	10,000
	Commission				
	Others, please specify				
	Total (1)	10,000	NIL	NIL	10,000
	Other Non-Executive Directors				
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	Commission				
2	Others, please specify				
	Total (2)	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	10,000	NIL	NIL	10,000
	Total Managerial Remuneration	10,000	NA	NIL	10,000
	Overall Ceiling as per the Act				

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

(₹ in lakh)

SN.	Particulars of Remuneration	Key Managerial Personnel	
		Samridhi Seth CS & CFO	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1.30	1.30
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	---
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---
	Stock Option	---	---
2	Sweat Equity	---	---
3	Commission	---	---
4	- as % of profit	---	---
	others, specify...	---	---
5	Others, please specify	---	---
	Total	1.30	1.30

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

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

**MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT**

We submit herewith the Management discussion and analysis report on the business of the Company as applicable to the extent relevant.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has well defined internal control system. The Company takes abundant care to design, review and monitor the working of internal control system. Internal Audit in the organization is an independent appraisal activity and it measures the efficiency, adequacy and effectiveness of other controls in the organization. All significant issues are brought to the attention of the Audit Committee of the Board.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The financial statements have been prepared in

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

**HUMAN RESOURCE DEVELOPMENT**

The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potential of its employees attracting and retaining the best manpower available by providing high degree of motivation. Your Company believes in trust, transparency & teamwork to improve employees productivity at all levels.

## REPORT ON CORPORATE GOVERNANCE

**1. Company's philosophy of Corporate Governance**

The Company is in compliance with requirements of the guidelines on corporate governance stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The status with regard to the various aspects of the corporate governance is given below.

The company has laid down a code of conduct for all its Board Members and senior management personnel for avoidance of conflicts of interests. Company has received the necessary declaration affirming compliance with the code of conduct for the year 2018-19.

**2. Board of Directors****(a) Composition:**

The Board of Directors of the Company comprises of one Executive Director, and three Independent and Non Executive Director with professional expertise and experience in the respective field.

(b) Attendance of each Director at the Board Meetings and the last Annual General Meeting (AGM):

Name of the Director	DIN	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM
Kirti Kumar Jain Executive Director & CEO	00932391	Executive Director	5	Yes
Ramesh Chander Juneja	07804729	Non Executive (Independent)	5	Yes
Madan Lal	00272672	Non Executive (Independent)	5	Yes
Priya Begana	07706647	Non Executive (Independent)	5	Yes

(c) Number of other Companies or Committees the Director of the Company is a Director/Member/Chairman: -

Name of the Director	No. of Directorships in all public companies*	Membership of the Board Committees in all Public Companies**	Chairmanship of the Board Committees in all Public Companies**	Directorship in other listed entity and category
Kirti Kumar Jain	1	1	---	---
Ramesh Chander Juneja	2	2	2	Adinath Textiles Limited (Independent Director)
Madan Lal	3	3	1	Bihar Sponge Iron Ltd. (Independent Director)
Priya Begana	2	3	1	Adinath Textiles Limited (Independent Director)

\*including Shreyans Financial & Capital Services Ltd. and excluding private limited companies, foreign companies, unlimited liability companies and Companies under Section 8 of the Companies Act, 2013.

\*\*Board committee for this purpose includes Audit Committee and Stakeholder's Relationship Committee (including committees of Shreyans Financial & Capital Services Ltd.)

(d) Five Board Meetings were held during the financial year 2018-19 on 29<sup>th</sup> May, 2018, 7<sup>th</sup> June, 2018, 13<sup>th</sup> August, 2018, 3<sup>rd</sup> November, 2018, 13<sup>th</sup> February, 2019.

(e) The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Business Dynamics	Understanding of business dynamics, across various markets, industry verticals and regulatory jurisdictions.
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

(f) The Board of Directors hereby confirms that in its opinion, the Independent Directors of the Company fulfill the conditions as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations and are independent of the management

**Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, a system has been put in place to carry out performance evaluation of the Board, its Committees and individual directors. An appraisal format has been devised covering various aspects of the Board's functioning such as adequacy of composition of the board and its Committees, board process, culture and accountability etc. Similarly, a separate format is also formulated for carrying out evaluation of the performance of individual Directors including the Chairman of the Board, which inter-alia include parameters such as level of engagement and contribution, understanding of industry and global trends, and independence of judgment etc.

**Board Familiarization Programme**

At the time of appointing a Director, a formal letter of appointment is given to him / her, which inter alia explains the role, functions, duties and responsibilities expected from him / her as a Director of the Company. The Director is also explained in detail the compliance required from him / her under the Companies Act, 2013, Listing Regulations and other relevant regulations.

The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him / her to effectively fulfill his / her role as Director of the Company. The details of familiarization programmes have been posted on the website of the Company [www.sfcsl.co.in](http://www.sfcsl.co.in)

**3. Audit Committee**

**i. Terms of Reference:**

Company has constituted Audit Committee in compliance with the provisions of the Companies Act, 2013 and Listing Regulations. The committee's terms and reference, authority and powers are in conformity with the requirements of the Companies Act, 2013 and Listing Regulations. All financial statements are reviewed by the Audit Committee before submission to the Board.

**ii. Composition, Name of Members and Chairperson**

Name of Member	Designation	Meetings Attended
Ramesh Chander Juneja	Chairman	4
Madan Lal	Member	4
Priya Begana	Member	4

iii. Four Audit Committee Meetings were held during the financial year 2018-19 on 29<sup>th</sup> May, 2018, 13<sup>th</sup> August, 2018, 3<sup>rd</sup> November, 2018, 13<sup>th</sup> February, 2019.

**4. Nomination and Remuneration Committee****i. Terms of Reference:**

The terms of reference of this Committee are wide enough covering the matters specified under the revised Listing Regulations and the Companies Act, 2013.

**ii. Composition, Name of Members and Chairperson**

Two Meeting of the Nomination and Remuneration Committee was held during the Financial Year 2018-19 on 29<sup>th</sup> May, 2018 and 13<sup>th</sup> February, 2019.

Name of Member	Designation	Meetings Held	Meetings Attended
Ramesh Chander Juneja	Chairman	2	2
Madan Lal	Member	2	2
Priya Begana	Member	2	2

**iii. Nomination and Remuneration Policy**

The Nomination and Remuneration policy of the Company is designed to attract, motivate and retain manpower in competitive market. The Key provisions of such policy are given in Board's Report.

**iv. Remuneration of Directors**

Company has not paid any remuneration to its Executive Directors.

**5. Stakeholders Relationship Committee**

The Board has formed an investors' Grievance Committee named as Stakeholder's Relationship Committee to specifically look into the redressal of investors' complaint like transfer of shares, non receipt of balance sheet or non receipt of credit of shares into the Demat account etc. The committee also approves issue of duplicate share certificate(s) and oversees and reviews all matters connected with the share transfer.

**i. Composition**

Name of Member	Designation	Meetings Held	Meetings Attended
Priya Begana	Chairperson	1	1
Ramesh Chander Juneja	Member	1	1
Kirti Kumar Jain	Member	1	1

ii. The company has designated the email id [sfcs141@gmail.com](mailto:sfcs141@gmail.com) for the purpose of registering complaints by investors electronically. The email id is displayed on the company's website.

iii. The details regarding the investor's complaints are as under:

Particulars	No. of Complaints	Particulars	No. of Complaints
Pending as on 01-04-2018	NIL	Resolved during the year	NIL
Received during the year	NIL	Pending as on 31-03-2019	NIL

**6. Independent Directors Meeting**

During the year, the Independent Directors met on 13<sup>th</sup> February, 2019 to:

- Review the performance of Non-Independent Directors and the Board as a whole.
- Review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.



- Evaluate the quality, quantity and timeliness of flow of information between the Company Management and the board that is necessary for the Board to effectively and reasonably their duties.

#### 7. General Body Meetings

##### (i) Location and time where last three Annual General Meetings were held:

Financial Year	Date of A.G.M	Time	Venue	No. of Special Resolutions Passed
2017 - 2018	26th Sep, 2018	11.00 A.M.	Regd. Office of the company at Shree Rishabh Paper Mill Premises, Village Banah, Nawanshahar, Punjab-144522	1
2016 - 2017	26th Sep, 2017	11.00 A.M.	---Do---	1
2015 - 2016	26th Sep, 2016	11.00 A.M.	---Do---	---

##### (ii) Postal Ballot

There was no occasion to pass Special Resolutions through postal ballot on any of the matters as required under the rules for passing of resolution through Postal Ballot. Further no such proposal is proposed to be placed for the shareholders approval in the forthcoming Annual General Meeting.

#### 8. Disclosures

- As a matter of practice, the related party transactions, if any, are placed before Audit Committee. There were no transactions with related parties.
- There are no pecuniary relationships or transactions of non executive directors vis-à-vis Company that have a potential conflict with the interests of the company.
- The company has complied with requirements of the stock exchange as well as the Regulations and Guidelines prescribed by the Securities & Exchange Board of India. There were no penalties or strictures imposed on the company by Stock Exchange or SEBI, any statutory authority on any matter related to capital markets during last three years.  
Company has paid up to date listing fees to the Metropolitan Stock Exchange of India Limited.
- The company has complied with all mandatory requirements of listing regulations on corporate governance.
- As on 31st March, 2019 none of the non executive directors, is holding any equity shares of the company.
- The company has a Whistle Blower Policy in place and it has not denied access to any personnel to approach the Management or the Audit Committee on any issue.
- No director of the company is having any relationship with each other.

#### 9. Means of Communication

i	Quarterly Results	Published in the newspapers every quarter
ii	Newspapers wherein results normally published	The Economic Times/ Financial Express and Desh Sewak
iii	Any website, where results are displayed	<a href="http://www.sfcl.co.in">www.sfcl.co.in</a>
iv	Whether it also displays official news releases	No
v	The presentations made to Institutional Investors or to the Analysts	No

**SCORES (Sebi Complaints Redressal System):** The Investor Complaints are processed in a centralized web based complaints redressal system on www.scores.gov.in, a website maintained by SEBI (Securities and Exchange Board of India). The main feature of this system is central database of all complaints, online upload of action taken reports (ATR's) by the concerned companies and online view by investors of action taken on complaints and its current status. The Company had dispose of all the pending complaints filed through scores.

**Online Filing:** Periodical compliance filings like shareholding pattern, corporate governance report, announcements, corporate actions etc. have been filed electronically on Metropolitan Stock Exchange of India Limited.

#### 10. General Share Holders Information

(i) **Annual General Meeting:**

Date & Time: Thursday, the 26<sup>th</sup> day of September, 2019 at 11.00 A.M.

Place: Regd. office of the Company at Shree Rishabh Paper Mill Premises, Village Banah, Nawanshahar, Punjab - 144522

(ii) **Financial Year:** The company's Financial Year starts from 1<sup>st</sup> April every year and conclude on 31<sup>st</sup> March, next year.

(iii) **Book Closure:** From Friday the 20<sup>th</sup> day of September, 2019 to Thursday the 26<sup>th</sup> day of September 2019 (both days inclusive).

(iv) Company has not declared any dividend during the year 2018-19.

(v) **Listing Details:** The Equity shares of the Company are listed on

(i) Metropolitan Stock Exchange of India Limited

Stock Code: SHREYANS

(vi) Depositories for Equity Shares: National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)

ISIN No. for the Companies Equity Shares: INE463R01016

(vii) Registrar and Share Transfer Agent.

The details of Registrar & Transfer Agents areas under

Name : Skyline Financial Services (P) Ltd.

Address : D-153/A 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-1 New Delhi-11 0020

Phone No. : 011-40450193-97

Contact Person : Mr. Subhash Aggarwal, Director / Mr. Virender Rana, Vice President.

(viii) The distribution of Company's shareholding is as follows:

SHARE HOLDING NOMINAL VALUE (Rs.)		NO. OF SHARE HOLDERS	PERCENTAGE TO TOTAL NUMBES	SHARE HOLDING AMOUNT (Rs.)	PERCENTAGE TO TOTAL AMOUNT
From	To				
Up To 5,000		437	78.6	919000	9.19
5001	10,000	75	13.49	548930	5.49
10001	20,000	18	3.24	265070	2.65
20001	30,000	3	0.54	74000	0.74
30001	40,000	3	0.54	108000	1.08
40001	50,000	1	0.18	42000	0.42
50001	1,00,000	5	0.9	343000	3.43
1,00,000 and Above		14	2.52	7700000	77
<b>TOTAL</b>		<b>556</b>	<b>100</b>	<b>10000000</b>	<b>100</b>

- (ix) As on 31.03.2019, 72.74% of the total paid up capital of the company is held with depositories in dematerialized form.
- (x) Share Transfer System:  
The company's shares are in compulsory dematerialized list and are transferable through depository system. Shares in physical form are processed and approved by M/s Skyline Financial Services Pvt. Ltd., the Registrar and Transfer Agents and approved/taken note of by the Stakeholder's Relationship Committee. The physical share transfers are generally processed within a period of 15 days from the date of receipt of transfer documents by M/s Skyline Financial Services Pvt. Ltd.
- (xi) Market Price data: The monthly high and low stock quotations for the shares of the company during the last financial year are not available.
- (xii) Address for Correspondence:  
Shreyans Financial & Capital Services Limited, Shree Rishabh Paper Mill Premises, Nawanshahar, Punjab -144522  
Ph. 01881-273627, 273628  
Email: [sfcs141@gmail.com](mailto:sfcs141@gmail.com)  
Fax. 01881-273645  
Website: [www.sfcs1.co.in](http://www.sfcs1.co.in)

#### 12. OTHER DISCLOSURES

The company is not dealing in commodity and hence disclosure relating to commodity price risks and commodity hedging activities is not applicable.

There is no Non- Compliance of any requirement of Corporate Governance Report of Sub para (2) to (10) of Part C of Schedule V of the Listing Regulations.

The Company has complied with all the applicable Corporate Governance requirements specified in Regulations 17 to 27 with schedule II and V of Listing Regulations.

#### Practicing Company Secretary Certificate on Compliance with the condition of Corporate Governance

To  
The Members  
Shreyans Financial & Capital Services Limited

We have examined the compliance of conditions of corporate governance by Shreyans Financial & Capital Services Limited (the company) for the year ended 31st March, 2019 as stipulated under the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Regulations, as applicable.

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

For P. S. Bathla & Associates  
Company Secretaries

Place : Ludhiana  
Dated : 29<sup>th</sup> May, 2019

(P.S. Bathla)  
C. P. No. 2585  
M. No. 4391

**DECLARATION BY THE EXECUTIVE DIRECTOR UNDER REGULATIONS 26(3) OF  
THE LISTING REGULATIONS**

To,  
The Members,  
Shreyans Financial & Capital Services Limited.  
Nawanshahar

I hereby confirm that all Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the Directors and Senior Management Personnel as approved by the Board, for the Financial Year ended 31<sup>st</sup> March, 2019 in terms of regulations 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

**Place: Ludhiana**  
**Date : 29<sup>th</sup> May, 2019**

**Sd/-**  
**Kirti Kumar Jain**  
**Executive Director & CEO**  
**(DIN: 00932391)**

To  
The Members,  
Shreyans Financial & Capital Services Limited.  
Nawanshahar

- a) We have reviewed financial statements and the cash flow statements for the year ended 31<sup>st</sup> March, 2019 and that to the best of our knowledge and belief:
- these statements do not contain any materially untrue statement or omit any material fact or contains statements that might be misleading;
  - these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design of operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee
- significant changes in internal control over financial reporting during the year;
  - significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Sd/-**  
**Kirti Kumar Jain**  
**Executive Director & CEO**  
**(DIN : 00932391)**  
**Place : Ludhiana**  
**Date : 29th May, 2019**

**Sd/-**  
**Samridhi Seth**  
**CFO**

**Certificate from Company Secretary in Practice**

(Pursuant to clause 10 of Part C of Schedule V of LODR)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; in respect of Shreyans Financial & Capital Services Limited (CIN: L65921PB1984PLC005967), I hereby certify that:

On the basis of written representation/declaration received from the Directors and taken on record by the Board of Directors, as on March 31, 2019, none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

**For P. S. Bathla & Associates  
Company Secretaries**

**(P.S. Bathla)  
C. P. No. 2585  
M. No. 4391**

**Place : Ludhiana  
Dated : 29<sup>th</sup> May, 2019**

**INDEPENDENT AUDITOR'S REPORT**

To,  
**The Members**

**SHREYANS FINANCIAL & CAPITAL SERVICES LTD.**

**Report on the Ind AS Financial Statements  
Opinion**

We have audited the accompanying financial statements of Shreyans Financial & Capital Services Ltd ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019 and its loss, its cash flows, total comprehensive income and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statement in accordance with Standard on Auditing (SAs) specified under section 143(10) of Act. Our responsibilities under those Standards are further described in Auditor's Responsibilities for the Audit of Financial Statements section of our. We are independent of the Company in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India (ICAI) together with the Independence requirement that are relevant to our audit of the Standalone Financial Statement under the provisions of the Act and the Rule made thereunder, and we have Fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statement.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

**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 included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance 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.

**Responsibilities of Management and Those Charged with Governance for Financial Statement**

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

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

concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibility for the audit of the Financial Statement**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and,

based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central

Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.
  - (e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013;
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company did not have any pending litigations on its financial position in its Ind AS financial statements.
    - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**Place : Ludhiana**  
**Date : 29-05-2019**

**For JS Bahl & Company**  
**Chartered Accountants**  
**Firm's Reg. No. 012583N**  
**Jagpreet Singh Bahl**  
**Proprietor**  
**Membership No. 091647**

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

The Annexure referred to in our Independent Auditors' Report to the members of Shreyans Financial & Capital Services Ltd on the Ind AS financial statements for the year ended on 31st March, 2019. We report that:

- (i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, all the fixed assets have not been physically verified by the management during the year, but the Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) According to the information and explanation given to us, the physical verification of inventories has been conducted at reasonable interval by the management. As explained to us, no material discrepancies were noticed on physical verification of inventories carried out by the management as compared to the book records.
- (iii) In our opinion and according to the information and explanation given to us, 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.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) The Company has not accepted deposits from the public within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. No order has been passed by the Company



Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.

- (vi) As per information & explanation given by the management, maintenance of cost records is not required to be maintained as required under sub-section (1) of section 148 of the companies Act, 2013 read with Rule 3 of Companies (Cost Records and Audit) Amendment Rules, 2014.
- (vii)(a) According to the information and explanations given to us and records examined by us, the company has been regular in depositing undisputed statutory dues with the appropriate authorities in respect of Provident Fund, Income tax, Sale Tax, Value Added Tax, Duty of Customs, Service Tax, Cess, Excise Duty, Goods & Service Tax & other Material statutory dues.  
According to the information and explanations given to us, no undisputed arrear of statutory dues were outstanding as at 31st March, 2019 from the date they became payable.
- (b) According to the information and explanations given to us, there are no material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a bank during the year and did not have any amount outstanding to financial institutions or debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, there were no moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company, by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of records of company, the company has paid / provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Companies

(Auditor's Report) Order, 2016, are not applicable to the Company.

- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 187 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Ind AS financial statements etc., as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore, the provisions of clause 3 (xiv) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with the directors and therefore, the provisions of clause 3 (xv) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For JS Bahl & Company**  
**Chartered Accountants**  
**Firm's Reg. No. 012583N**  
**Jagpreet Singh Bahl**  
**Proprietor**  
**Membership No. 091647**

**Place : Ludhiana**  
**Date : 29-05-2019**

**Annexure - B to the Independent Auditors' Report**

(Referred to in paragraph 1(g) under "Report on other legal and regulatory requirements" of our report of even date) Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We were engaged to audit the internal financial controls over financial reporting of Shreyans Financial & Capital Services Ltd ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls

based on 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls systems on 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 Ind AS 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 controls 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 controls 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 control, material misstatements due to error or fraud may occur and may 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 31st 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.

**For JS Bahl & Company  
Chartered Accountants  
Firm's Reg. No. 012583N**

**Place : Ludhiana  
Date : 29-05-2019**

**Jagpreet Singh Bahl  
Proprietor  
Membership No. 091647**

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2019

(Amount in ₹)

PARTICULARS	Note No.	As at 31/03/2019 ₹	As at 31/03/2018 ₹	As at 31/03/2017 ₹
<b>I. ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Property, Plant and Equipment	3	11,54,030.00	11,54,030.00	11,54,030.00
(b) Financial asset s				
(i) Investments	4	2,76,92,146.50	2,91,78,786.15	3,01,79,923.20
(c) Defer red tax asset s (Net)	5	6,44,319.10	2,57,792.79	0.00
		<u>2,94,90,495.60</u>	<u>3,05,90,608.94</u>	<u>3,13,33,953.20</u>
<b>2 Current Assets</b>				
(a) Inventor ies		---	---	---
(b) Financial asset s				
(i) Investments		---	---	---
(ii) Trade receivable		---	---	---
(iii) Cash and cash equivalents	6	7,92,469.06	5,96,088.06	3,33,418.56
(c) Curr ent tax asset s (Net)		---	---	---
(d) Non current tax asset s held for sale		---	---	---
(e) Others current asset s	7	40,10,622.00	40,02,468.00	40,02,388.00
		<u>48,03,091.06</u>	<u>45,98,556.06</u>	<u>43,35,806.56</u>
<b>TOTAL</b>		<u><b>3,42,93,586.66</b></u>	<u><b>3,51,89,165.00</b></u>	<u><b>3,56,69,759.76</b></u>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
(a) Equity share capital	8	1,00,00,000.00	1,00,00,000.00	1,00,00,000.00
(b) Other Equity	9	2,32,95,824.61	2,42,12,754.95	2,46,62,149.71
		<u>3,32,95,824.61</u>	<u>3,42,12,754.95</u>	<u>3,46,62,149.71</u>
<b>2 Liabilities</b>				
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings		---	---	---
(ii) Trade payables	10	4,69,534.05	4,69,534.05	4,69,534.05
(iii) Other financial liabilities	11	5,28,228.00	5,06,876.00	5,38,076.00
(b) Provi sions		---	---	---
(c) Other current liabilities		---	---	---
		<u>9,97,762.05</u>	<u>9,76,410.05</u>	<u>10,07,610.05</u>
<b>TOTAL</b>		<u><b>3,42,93,586.66</b></u>	<u><b>3,51,89,165.00</b></u>	<u><b>3,56,69,759.76</b></u>
Significant accounting policies	2			
Notes forming part of accounts	16			

Auditor's Report Subject to our Separate Report of Even Date  
**For JS Bahl & Company**  
Chartered Accountants

**For and on behalf of the Board of Directors of**  
**Shreyans Financial & Capital Services Ltd.**

(JAGPREET SINGH BAHL)  
Proprietor (M. No.: 091647)

(SAMRIDHI SETH)  
Company Secretary  
and CFO

(KIRTI KUMAR JAIN)  
Executive Director  
& CEO

(RAMESH CHANDER JUNEJA)  
Independent Director

PLACE : LUDHIANA  
DATED : 29.05.2019



**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

PARTICULARS	Note No.	For the year ended 31/03/2019 (₹)	For the year ended 31/03/2018 (₹)
<b>I INCOME</b>			
Revenue from operations	12	---	---
Other income		<b>5,92,696.00</b>	6,46,199.00
<b>TOTAL REVENUE (I + II)</b>		<b>5,92,696.00</b>	6,46,199.00
<b>II EXPENSES</b>			
Cost of Materials Consumed		---	---
Purchase of Traded Stock		---	---
Change in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade		---	---
Excise Duty on sale of goods		---	---
Employee Benefits Expenses	13	<b>1,30,166.99</b>	90,968.00
Finance Costs	14	<b>954.00</b>	1,366.50
Depreciation and Amortization Expense	3	---	---
Other Expenses	15	<b>2,78,392.00</b>	2,59,915.00
<b>TOTAL EXPENSES (IV)</b>		<b>4,09,513.00</b>	3,52,249.50
<b>III Profit/(loss) before exceptional items and tax from continuing operations (III-IV)</b>		<b>1,83,183.00</b>	2,93,949.50
Exceptional Items		---	---
<b>IV Profit/ (loss) before tax from continuing operations (V-VI)</b>		<b>1,83,183.00</b>	2,93,949.50
<b>V TAX EXPENSE :</b>			
Current Tax		---	---
Earlier Year		---	---
Deferred Tax		---	---
<b>VI Profit/ (Loss) for the Year from continuing operations (VII-VIII)</b>		<b>1,83,183.00</b>	2,93,949.50
<b>VII Other Comprehensive Income</b>			
<b>(A) Items that will be reclassified to profit or loss</b>			
Other (specify nature)		---	---
Income tax effect		---	---
<b>(B) Items that will not be reclassified to profit or loss</b>			
Re-measurement gains (losses) on defined benefit plans		<b>(14,86,639.65)</b>	(10,01,137.05)
Income tax effect		<b>3,86,526.31</b>	2,57,792.79
<b>Other Comprehensive Income for the year net of Tax</b>		<b>(11,00,113.34)</b>	(7,43,344.26)
<b>Total Comprehensive Income for the Year (IX+X)</b>			
<b>VIII (Comprising Profit/ (Loss) and Other Comprehensive Income for the Year)</b>		<b>(9,16,930.34)</b>	(4,49,394.76)
<b>IX Earnings per equity share of ₹10 each</b>			
(1) Basic		<b>0.18</b>	0.29
(2) Diluted		<b>0.18</b>	0.29
<b>Significant Accounting Policies</b>	<b>2</b>		
<b>Notes forming part of Accounts</b>	<b>16</b>		

Auditor's Report Subject to our Separate Report of Even Date

**For JS Bahl & Company**  
Chartered Accountants

**For and on behalf of the Board of Directors of**  
**Shreyans Financial & Capital Services Ltd.**

**(JAGPREET SINGH BAHL)**

Proprietor  
M NO: 091647

PLACE : LUDHIANA

DATED : 29.05.2019

**(SAMRIDHI SETH)**

Company Secretary  
and CFO

**(KIRTI KUMAR JAIN)**

Executive Director  
& CEO

**(RAMESH CHANDER JUNEJA)**

Independent Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

(₹ in Lakhs)

PARTICULARS	Current Year	Previous Year
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the year	1,83,183.00	2,93,949.00
Adjustments for:		
Depreciation	---	---
(Profit)/Loss on sale of Fixed Asset	---	---
Interest and finance charges	954.00	1,366.50
Income Tax adjustment	---	---
Dividend Income	(5,92,696.00)	(6,46,199.00)
Remeasurement of actuarial gain/loss	(14,86,639.65)	(10,01,137.05)
<b>Operating Profit before Working Capital</b>	<b>(18,95,198.65)</b>	<b>(13,52,020.05)</b>
Adjustments for :		
(Increase) / decrease in inventories	---	---
(Increase) / decrease in trade receivables	---	---
(Increase) / decrease in other financial assets (excluding advance tax)	---	---
(Increase) / decrease in other current assets	(8,154.00)	(80.00)
Increase / (decrease) in trade payables	---	---
Increase / (decrease) in other current liabilities	---	---
Increase / (decrease) in other financial liabilities and provision (excluding provision for tax)	21,352.00	(31,200.00)
<b>Cash generated form operations</b>	<b>(18,82,000.65)</b>	<b>(13,83,300.05)</b>
Income tax refund/ (paid)	---	---
<b>Net Cash flow generated from operating activities</b>	<b>(18,82,000.65)</b>	<b>(13,83,300.05)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Revaluation of Investments	14,86,639.65	10,01,137.05
Proceeds from sale/ disposal of property, plant and equipment	---	---
Dividend Income	5,92,696.00	6,46,199.00
<b>Net Cash Generated in Investing Activities</b>	<b>20,79,335.65</b>	<b>16,47,336.05</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Repayment)/Proceeds from long term borrowings	---	---
(Repayments of) / Proceeds from short term borrowings (net)	---	---
Interest and finance charges paid	(954.00)	(1366.50)
<b>Net cash flows (used in)/ generated from financing activities</b>	<b>(954.00)</b>	<b>(1366.50)</b>
<b>Net change in cash and cash equivalents (A+B+C)</b>	<b>1,96,381.00</b>	<b>2,62,669.50</b>
<b>Cash and cash equivalents- opening balance</b>	<b>5,96,088.06</b>	<b>3,33,418.56</b>
<b>Cash and cash equivalents- closing balance</b>	<b>7,92,469.06</b>	<b>5,96,088.06</b>
<b>Notes to cash flow statement:</b>		
Cash and cash equivalents include :		
Cash on hand	27,152.48	45,152.48
Balances with banks:	7,65,316.58	5,50,935.58
<b>Cash and cash equivalents at the end of the year</b>	<b>7,92,469.06</b>	<b>5,96,088.06</b>

Auditor's Report Subject to our Separate Report of Even Date

**For JS Bahl & Company**  
Chartered Accountants

(JAGPREET SINGH BAHL)

Proprietor  
M NO: 091647

PLACE : LUDHIANA  
DATED : 29.05.2019

(SAMRIDHI SETH)  
Company Secretary  
and CFO

(KIRTI KUMAR JAIN)  
Executive Director  
& CEO

**For and on behalf of the Board of Directors of**  
**Shreyans Financial & Capital Services Ltd.**

(RAMESH CHANDER JUNEJA)  
Independent Director



**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

**EQUITY**

**(A) Equity Share Capital**

PARTICULARS	Nos.	Amount
<b>Balance As At 01.04.2017</b>	<b>10,00,000.00</b>	<b>1,00,00,000.00</b>
Equity share capital issued during the year	---	---
<b>Balance As At 01.04.2018</b>	<b>10,00,000.00</b>	<b>1,00,00,000.00</b>
Equity share capital/Bonus shares issued during the year	---	---
<b>Balance As At 01.04.2019</b>	<b>10,00,000.00</b>	<b>1,00,00,000.00</b>

**(B) Other Equity**

	Reserves and surplus			Total
	Capital reserves	General reserves	Retained reserves	
<b>Balance As At 01.04.2017</b>	---	<b>1547315.00</b>	<b>23114834.71</b>	<b>24662149.72</b>
Profit/(Loss) for the Year	---	---	293949.50	293949.50
Other comprehensive for the year net of income tax	---	---	(743344.26)	(743344.26)
Dividend including dividend distribution tax	---	---	---	---
<b>Balance As At 31.03.2018</b>	---	<b>1547315.00</b>	<b>22665439.95</b>	<b>24212754.95</b>
Profit/(Loss) for the period	---	---	183183.00	183183.00
Other comprehensive for the year net of income tax	---	---	(1100113.34)	(1100113.34)
Addition during the year	---	---	---	---
Deletion during the year	---	---	---	---
<b>Balance As At 31.03.2019</b>	---	<b>1547315.00</b>	<b>21748509.61</b>	<b>23295824.61</b>

**Significant Accounting Policies**  
**Notes forming part of Accounts**

**2**  
**16**

Auditor's Report Subject to our Separate Report of Even Date

**For JS Bahl & Company**  
**Chartered Accountants**

**For and on behalf of the Board of Directors of**  
**Shreyans Financial & Capital Services Ltd.**

**(JAGPREET SINGH BAHL)**

Proprietor

**M NO: 091647**

**PLACE : LUDHIANA**

**DATED : 29.05.2019**

**(SAMRIDHI SETH)**  
Company Secretary  
and CFO

**(KIRTI KUMAR JAIN)**  
Executive Director  
& CEO

**(RAMESH CHANDER JUNEJA)**  
Independent Director

**1 CORPORATE INFORMATION**

Shreyans Financial & Capital Services Ltd ('the Company') is a public limited Company domiciled in India and incorporated on February 23, 1983 under the provisions of the Companies Act, 1956 having its registered office at C/o. Rishab Papers Ltd., Vill. Banah, Distt. Nawanshar.. The Company is listed on Metropolitan Stock Exchange (MSE). The Company is a financial company. The Financial statements were authorized by the Board of Directors for issue in accordance with resolution passed on 29th May 2019.

**2 SIGNIFICANT ACCOUNTING POLICIES****2.1 BASIS OF PREPARATION:**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under Companies (Indian Accounting Standards) Rules, 2015. For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2019 are the first financial statements, which have been prepared in accordance with IND AS notified under the Companies (Indian Accounting Standard) Rules, 2015. Refer Note no 32(17) for information on how the Company adopted Ind-AS. The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities: amount of an asset or liability in the balance sheet and its tax base.

i) Investments are valued at Fair Value

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to nearest lacs (INR 00,000), except when otherwise indicated.

**2.2 CURRENT VERSUS NON-CURRENT CLASSIFICATION**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as noncurrent.

Deferred tax assets and deferred tax liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. the Company has identified twelve months as its operating cycle.

**2.3 PROPERTY, PLANT AND EQUIPMENT**

Under the previous GAAP (Indian GAAP), all assets were carried in the balance sheet at cost, less accumulated depreciation and accumulated impairment losses, if any. On the date of transition to IND AS, all tangible assets other than Land and Capital work in progress have been measured at fair value and same has been considered as deemed cost as at April 01, 2017 (date of transition). The Company has applied principles of Ind AS 16 Property, Plant and



Equipment retrospectively from date of acquisition in respect of Land and Capital work in progress and considered the same as deemed cost in accordance with IndAS 101 First Time adoption.

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT credit and VAT credit availed wherever applicable. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on property, plant and equipment is provided on pro rata basis on straight-line method using the useful lives of the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013.

#### **2.4 INTANGIBLE ASSETS**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development cost, are not capitalised and the related expenditure is reflected in statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the statement of profit and loss in the expense category consistent with the function of the intangible assets. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the assets are disposed off.

Intangible assets with finite useful life are amortised on a straight line basis over their estimated useful life.

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

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the

asset does not generate cash inflows that are largely independent of those from other assets or Companies of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses including impairment on inventories are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

## 2.6 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- Those measured at amortised cost

### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

### Subsequent measurement

For purposes of subsequent measurement financial assets are classified in following categories:

- Debt instruments at fair value through profit and loss (FVTPL)
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments at amortised cost
- Equity instruments

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income). For investment in debt instruments, this will depend on the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for equity instruments at FVTOCI.

### Debt instruments at amortised cost

A Debt instrument is measured at amortised cost if both the following conditions are met:

**a) Business Model Test:** The objective is to hold the debt instrument to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

**b) Cash flow characteristics test:** The contractual terms of the debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in finance income in profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

**Debt instruments at fair value through OCI**

A Debt instrument is measured at fair value through other comprehensive income if following criteria are met:

**a) Business Model Test:** The objective of financial instrument is achieved by both collecting contractual cash flows and for selling financial assets.

**b) Cash flow characteristics test:** The contractual terms of the debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognised in statement of profit and loss. On derecognition of asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit & loss. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

**Debt instruments at FVTPL**

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for amortised cost or FVTOCI, is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognised in statement of profit or loss and presented net in the statement of profit and loss within other gains or losses in the period in which it arises. Interest income from these Debt instruments is included in other income.

**Equity investments of other entities**

All equity investments in scope of INDAS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which IND AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income all subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Profit and loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e, removed from the Company's statement of financial position) when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;  
(a) the Company has transferred the rights to receive cash flows from the financial assets or  
(b) The Company has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**Impairment of financial assets**

In accordance with IND AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortised cost;
  - Financial assets measured at fair value through other comprehensive income (FVTOCI);
- The Company follows "simplified approach" for recognition of impairment loss allowance on:
- Trade receivables or contract revenue receivables;
  - All lease receivables resulting from the transactions within the scope of INDAS 17

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognize impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. the Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analyzed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12- months ECL.

**ii) Financial liabilities:****Initial recognition and measurement**

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. the Company financial liabilities include loans and borrowings including bank overdraft, trade payable, trade deposits, retention money, liabilities towards services, sales incentives and other payables.

The measurement of financial liabilities depends on their classification, as described below:

**Trade Payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 120 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using EIR method.

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. the Company has not designated any financial liability as at fair value through profit and loss.

**Loans and borrowings**

Borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses

are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

**Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction 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 amortization.

**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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**Offsetting of financial instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**Reclassification of financial assets:**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**2.8 INVENTORIES****a) Basis of valuation:**

i) Inventories other than scrap materials are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

ii) Inventory of scrap materials have been valued at net realizable value.

**b) Method of Valuation:**

i) **Cost of raw materials** has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

ii) **Cost of finished goods and work-in-progress** includes direct labour and an appropriate share of fixed and variable production overheads and excise duty as applicable. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis.

iii) **Cost of traded goods** has been determined by using First In First Out (FIFO) method and comprises all costs of

purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

iv) **Net realizable value** is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

## 2.9 TAXES

Tax expense for the year comprises of current tax and deferred tax.

### a) Current Tax

i) Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.

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

### b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

Deferred Tax includes Minimum Alternate Tax (MAT) recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

## 2.10 REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Amounts disclosed are inclusive of Excise Duty, and net of returns, trade discounts, rebates, value added taxes and amount collected on behalf of third parties.

### a) Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods and is measured at fair value of consideration received/receivable, net of returns and allowances, discounts, volume rebates and cash discounts. Revenue is usually recognised when it is probable that economic benefits associated with the transaction will flow to the entity, amount of

revenue can be measured reliably and entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

**b) Interest Income**

Interest Income is recognised on time proportion basis taking into account the amount outstanding and the applicable interest rates and is disclosed in "other income".

**2.11 EMPLOYEE BENEFITS****(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. the liabilities are presented as current employee benefit obligations in the balance sheet.

**(ii) Other long-term employee benefit obligations****a) Gratuity**

The Employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by Company. The liabilities with respect to Gratuity Plan are determined by actuarial valuation on projected unit credit method on the balance sheet date. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds is provided for as assets/ (liability) in the books. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. the Company recognizes the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit or loss:

1. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
2. Net interest expense or income

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

**b) Provident fund**

Retirement benefit in the form of provident fund is a defined contribution scheme. the Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable through provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excesses recognised as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

**c) Compensated Absences**

Accumulated leaves which is expected to be utilised within next 12 months is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement and is discharge by the year end.

**2.12 GOVERNMENT GRANTS**

Government Grants, if any are recognised at their fair value when there is reasonable assurance that the grant will be received, and all the attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and grant are recorded at fair value amounts

and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

#### **2.13 SEGMENT ACCOUNTING:**

Operating segments are reported in a manner consistent with the internal reporting provided to the management. The Management monitors the operating results of all strategic business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

The operating segments have been identified on the basis of the nature of products/services. Further:

1. Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment revenue.
2. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
3. Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.
4. Segment results include margins on inter-segment sales which are reduced in arriving at the profit before tax of the Company.
5. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.
6. Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated business

#### **2.14 EARNINGS PER SHARE**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially delusive equity shares

#### **2.15 BORROWING COSTS**

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective interest rate.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are recognised as expense in the period in which they occur.

#### **2.16 EXCEPTIONAL ITEMS**

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments of subsidiaries, associate and joint ventures and impairment losses/write down in the value of investment in subsidiaries, associates and joint ventures and significant disposal of fixed assets.

#### **2.17 CASH AND CASH EQUIVALENTS**

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



## 2.18 PROVISIONS AND CONTINGENT LIABILITIES

### Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

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.

### Contingent liabilities

A 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. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably, the Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

## 2.19 FAIR VALUE MEASUREMENT

The Company measures financial instruments at fair value at each balance sheet date.

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

- (i) In the principal market for asset or liability, or
- (ii) 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 liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**3. Property, Plant and Equipment**

PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK		
	As at 01/04/2018 ₹	Addition	Sale	As on 31/03/2019 ₹	As on 31/03/2018 ₹	For the year	Dep. W/Back	As on 31/03/2019 ₹	As on 31/03/2019 ₹	As on 31/03/2018 ₹
Land	11,54,030.00	---	---	11,54,030.00	---	---	---	---	1,154,030.00	1,154,030.00
Total	11,54,030.00	---	---	11,54,030.00	---	---	---	---	1,154,030.00	1,154,030.00
Previous Year	11,54,030.00	---	---	11,54,030.00	---	---	---	---	1,154,030.00	1,154,030.00

**4. NON-CURRENT INVESTMENTS**

PARTICULARS	As at 31/03/2019 ₹	As at 31/03/2018 ₹	As at 31/03/2017 ₹
<b>(A) INVESTMENTS IN EQUITY INSTRUMENTS</b>			
<b>(a) QUOTED EQUITY SHARES</b>			
69000 (69000) E/S of Adinath Textiles Ltd.of Rs.10/- each	13,10,250.00	13,10,250.00	13,10,250.00
323400 (323400) E/S of Shreyans Industries Ltd.of Rs. 10/- each	61,26,748.00	61,26,748.00	61,26,748.00
660 (660) E/S of Orient Cement Ltd of Rs. 1/- each	3,357.50	3,357.50	3,357.50
160 (160) E/S of Orient Paper & Ind Ltd.of Rs. 1/- each	2,880.00	2,880.00	2,880.00
500 (500) E/S of Orient Paper & Ind Ltd.of Rs.1/- each	477.50	477.50	477.50
12 (12) E/S of Shree Rama News Print of Rs. 10/- each	212.50	212.50	212.50
50 (50) E/S of Star Paper Mills Ltd of Rs. 10/- each	635.00	635.00	635.00
50 (50) E/S of Tamilnadu News Print & Paper Ltd of Rs. 10/- each	2,347.50	2,347.50	2,347.50
70 (70) E/S of Triveni Engg. & Inds.of Rs.10/- each	94,275.00	94,275.00	94,275.00
100 (100) E/S of Yash Papers Ltd.of Rs. 10/- each	750.00	750.00	750.00
250 (250) E/S of The West Coast Paper Mills Ltd.of Rs.2/- each	4,933.05	4,933.05	4,933.05
8880 (8880) E/S of Vardhman Textiles Ltd of Rs.10/- each	8,51,760.79	8,51,760.79	8,51,760.79
1770 (1770) E/S of Vardhman Textiles Ltd.of Rs. 10/- each (Bonus)	0.16	0.16	0.16
130 (130) E/S of Vardhman Special Steels Ltd of Rs. 10/- each	1.00	1.00	1.00
<b>TOTAL (A)</b>	<b>83,98,628.00</b>	<b>83,98,628.00</b>	<b>83,98,628.00</b>
<b>(b) UNQUOTED EQUITY SHARES</b>			
18000 (18000) E/S of Punctual Dealers Pvt.Ltd of Rs. 10/- each	90,000.00	90,000.00	90,000.00
21500 (21500) E/S of Fountain Tie Up Pvt. Ltd.of Rs. 10/- each	165,500.00	165,500.00	165,500.00
<b>TOTAL (B)</b>	<b>2,55,500.00</b>	<b>2,55,500.00</b>	<b>2,55,500.00</b>

PARTICULARS	As at 31/03/2019 ₹	As at 31/03/2018 ₹	As at 31/03/2017 ₹
<b>(B) INVESTMENTS IN PREFERENCE SHARES</b>			
<b>Adinath Textiles Ltd.</b>			
200 (200) 11% Pref. Shares of Rs. 100/- each	20,000.00	20,000.00	20,000.00
<b>Achin Investment &amp; Mercantile Co.</b>			
700 (700) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 1)	70,000.00	70,000.00	70,000.00
700 (700) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 2)	70,000.00	70,000.00	70,000.00
700 (700) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 3)	70,000.00	70,000.00	70,000.00
550 (550) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 4)	55,000.00	55,000.00	55,000.00
<b>Adeep Investment Co.</b>			
10000 (10000) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 1)	10,00,000.00	10,00,000.00	10,00,000.00
10000 (10000) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 2)	10,00,000.00	10,00,000.00	10,00,000.00
10000 (10000) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 3)	10,00,000.00	10,00,000.00	10,00,000.00
10730 (10730) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 4)	10,73,000.00	10,73,000.00	10,73,000.00
<b>Jagvalabh Parasnath Capital Invest.Pvt. Ltd.</b>			
3600 (3600) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 1)	3,60,000.00	3,60,000.00	3,60,000.00
3600 (3600) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 2)	3,60,000.00	3,60,000.00	3,60,000.00
3600 (3600) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 3)	3,60,000.00	3,60,000.00	3,60,000.00
3680 (3680) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 4)	3,68,000.00	3,68,000.00	3,68,000.00
<b>Levina Investment &amp; Mercantile Co.</b>			
1300 (1300) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 1)	1,30,000.00	1,30,000.00	1,30,000.00
1300 (1300) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 2)	1,30,000.00	1,30,000.00	1,30,000.00
1300 (1300) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 3)	1,30,000.00	1,30,000.00	1,30,000.00
1620 (1620) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 4)	1,62,000.00	1,62,000.00	1,62,000.00
<b>Noble Shares Trading Pvt. Ltd.</b>			
800 (800) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 1)	80,000.00	80,000.00	80,000.00
800 (800) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 2)	80,000.00	80,000.00	80,000.00
800 (800) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 3)	80,000.00	80,000.00	80,000.00
820 (820) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 4)	82,000.00	82,000.00	82,000.00
<b>Ojasvi Investment &amp; Mercantile Co.</b>			
500 (500) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 1)	50,000.00	50,000.00	50,000.00
500 (500) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 2)	50,000.00	50,000.00	50,000.00
500 (500) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 3)	50,000.00	50,000.00	50,000.00
490 (490) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 4)	49,000.00	49,000.00	49,000.00
<b>Sulzer Investment Pvt. Ltd.</b>			
250 (250) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 1)	25,000.00	25,000.00	25,000.00
250 (250) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 2)	25,000.00	25,000.00	25,000.00
250 (250) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 3)	25,000.00	25,000.00	25,000.00
280 (280) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 4)	28,000.00	28,000.00	28,000.00
<b>Virat Investment &amp; Mercantile Co.</b>			
3200 (3200) 4% Non-Cum-PrefShares of Rs.100/- each (Series No. 1)	3,20,000.00	3,20,000.00	3,20,000.00

PARTICULARS	As at 31/03/2019 ₹	As at 31/03/2018 ₹	As at 31/03/2017 ₹
3200 (3200) 4% Non-Cum-Pref.Shares of Rs.100/- each (Series No. 2)	3,20,000.00	3,20,000.00	3,20,000.00
3200 (3200) 4% Non-Cum-Pref.Shares of Rs.100/- each (Series No. 3)	3,20,000.00	3,20,000.00	3,20,000.00
3275 (3275) 4% Non-Cum-Pref.Shares of Rs.100/- each (Series No. 4)	3,27,500.00	3,27,500.00	3,27,500.00
<b>TOTAL (C)</b>	<b>82,69,500.00</b>	<b>82,69,500.00</b>	<b>82,69,500.00</b>
'Unrealised Gain on Investments	1,07,68,518.50	1,22,55,158.15	1,32,56,295.20
<b>G. TOTAL (A+B+C)</b>	<b>2,76,92,146.50</b>	<b>2,91,78,786.15</b>	<b>3,01,79,923.20</b>

**5. DEFERRED TAX ASSET**

PARTICULARS	As at 31/03/2019 ₹	As at 31/03/2018 ₹	As at 31/03/2017 ₹
<b>Other Comprehensive Income</b>			
Re-measurement (gains)/losses on Investments	644319.10	257792.79	---
Income Tax related items recognised in OCI during the year	644319.10	257792.79	---

**6. CASH & BANK BALANCE****Balances with Scheduled Banks (CURRENT ACCOUNT)**

Allahabad Bank	7,42,550.18	5,27,520.18	2,08,028.68
State Bank of India, New Delhi	22,766.40	23,415.40	1,24,237.40
<b>Cash and Cash Equivalents</b>			
Cash in Hand	27,152.48	45,152.48	1,152.48
<b>TOTAL</b>	<b>7,92,469.06</b>	<b>5,96,088.06</b>	<b>3,33,418.56</b>

**7. OTHER CURRENT ASSETS**

Interest Receivable	39,86,475.00	39,86,475.00	39,86,475.00
Income Tax Receivable	12,846.00	12,846.00	12,846.00
Prepaid Expenses	3,501.00	3,147.00	3,067.00
National Securities Depository Ltd	6,000.00	---	---
Cheques in Transit	1,800.00	---	---
	<b>40,10,622.00</b>	<b>40,02,468.00</b>	<b>40,02,388.00</b>

**Note**

1) There are no restriction with regard to cash and cash equivalents as the end of the reporting period and prior period except otherwise stated

## 8. SHARE CAPITAL

PARTICULARS	As at 31/03/2019 ₹	As at 31/03/2018 ₹	As at 31/03/2017 ₹
<b>(a) AUTHORISED CAPITAL</b>			
- 60,00,000 (6000000) Equity Shares of Rs. 10/-each (with voting rights)	6,00,00,000.00	6,00,00,000.00	6,00,00,000.00
<b>TOTAL</b>	<b>6,00,00,000.00</b>	<b>6,00,00,000.00</b>	<b>6,00,00,000.00</b>
<b>(b) ISSUED SUBSCRIBED AND PAID UP</b>			
10,00,000 (1000000) Equity Shares of Rs.10/- each. (with voting rights)	1,00,00,000.00	1,00,00,000.00	1,00,00,000.00
<b>TOTAL</b>	<b>1,00,00,000.00</b>	<b>1,00,00,000.00</b>	<b>1,00,00,000.00</b>

## 8.1 Details of shareholders holding more than 5% share in the company

## Equity Shares of Rs. 10 each fully paid

S. No.	Name of the Shareholder	% of the share holding	in the class
1	Darshan Kumar Oswal	50000.00	5.00%
2	Nirmal Oswal	50000.00	5.00%
3	Rajneesh Oswal	50000.00	5.00%
4	Vishal Oswal	50000.00	5.00%
5	Kunal Oswal	50000.00	5.00%
6	Darshan Kumar Oswal & Sons (Ist HUF)	50000.00	5.00%
7	Darshan Kumar Oswal & Sons (IInd HUF)	50000.00	5.00%
8	Achin Investment & Mercantile Co.	90000.00	9.00%
9	Levina Investment & Mercantile Co	90000.00	9.00%
10	Ojasvi Investment & Mercantile Co	90000.00	9.00%
11	Adeep Investment Co	90000.00	9.00%
12	Limelite Consultants Pvt. Ltd.	90000.00	9.00%

## 8.2 Reconciliation of shares outstanding at the beginning and at the end of the reporting year.

Equity Shares	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Equity Shares at the beginning of the year	10,00,000.00	1,00,00,000.00	10,00,000.00	1,00,00,000.00	10,00,000.00	1,00,00,000.00
Add: Bonus Shares issued during the year	---	---	---	---	---	---
	<b>10,00,000.00</b>	<b>1,00,00,000.00</b>	<b>10,00,000.00</b>	<b>1,00,00,000.00</b>	<b>10,00,000.00</b>	<b>1,00,00,000.00</b>

**8.3 TERMS / RIGHTS ATTACHED TO EQUITY SHARES**

Company has only Equity Share Capital as such no Preference Shares are subscribed and Paid up. There is no partial paid up Equity Share. Issued Capital has equal right of all shareholders including distribution of dividend and repayment of capital. No part of the share of the company has held by any holding company or its ultimate holding company including subsidiaries or associates thereof.

**8.4 Aggregate number of shares bought back, or issued as fully paid up pursuant to contract without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the date of Balance Sheet**

PARTICULARS	As at 31/03/2019 No. of Shares	As at 31/03/2018 No. of Shares	As at 31/03/2017 No. of Shares
Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash	---	---	---
Equity shares allotted as fully paid up bonus shares by capitalisation of securities premium account, surplus reserve and general reserve	---	---	---
Equity shares issued under the Employee Stock Option Plan/ Employee Stock Purchase Plan as part consideration for services rendered by employees	---	---	---
	---	---	---

**9. OTHER EQUITY**

PARTICULARS	As at 31/03/2019 ₹	As at 31/03/2018 ₹	As at 31/03/2017 ₹
<b>(i) Reserve &amp; Surplus</b>			
(a) General Reserve			
As Per Last Balance Sheet	15,47,315.00	15,47,315.00	15,47,315.00
<b>(b) Retained Earning</b>			
As Per Last Balance Sheet	2,26,65,439.95	2,31,14,834.71	2,29,17,947.71
(Add)/ Less: Loss for the current year	1,83,183.00	2,93,949.50	1,96,887.00
Less: Tax on Proposed Preference dividend	---	---	---
<b>Items of Other Comprehensive Income recognised directly in retained earnings</b>			
<b>(a) Remeasurement of Defined benefit plan</b>			
Re-measurement (gains)/ losses on Valuation of Investments	(11,00,113.34)	(7,43,344.26)	---
Closing Balance			
<b>TOTAL</b>	<b>2,32,95,824.61</b>	<b>2,42,12,754.95</b>	<b>2,46,62,149.71</b>

**10. TRADE PAYABLE**

Outstanding dues to Micro & Small Enterprises	---	---	---
Outstanding dues to other than Micro & Small Enterprises	4,69,534.05	4,69,534.05	4,69,534.05
	<b>4,69,534.05</b>	<b>4,69,534.05</b>	<b>4,69,534.05</b>

## Additional Information:

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises as at 31st March, 2018 are as under :

PARTICULARS	As at 31/03/2019 ₹	As at 31/03/2018 ₹	As at 31/03/2017 ₹
(i) The principal amount remaining unpaid to supplier as at the end of the year	---	---	---
(ii) The interest due thereon remaining unpaid to supplier as at the end of the year	---	---	---
(iii) The amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	---	---	---
(iv) The amount of interest accrued during the year and remaining unpaid at the end of the year	---	---	---
	<u>---</u>	<u>---</u>	<u>---</u>
	<u>---</u>	<u>---</u>	<u>---</u>
<b>Note:</b>			
1) Trade payable include due to related partiesnil ( March 31,2018 Rs Nil) ( April 1, 2017 Rs Nil)			
2) Trade payables are unsecured and are usually paid within 30 to 90 days.			
3) Trade payable are non interest bearing.			
<b>11. OTHER FINANCIAL LIABILITIES</b>			
<b>Other Payable</b>			
Audit Fees Payable	10,000.00	10,000.00	10,900.00
Imp. Rajesh Kumar	---	---	38,000.00
Expenses Payable	---	---	2,250.00
Cheque issued But Not Presented	11,800.00	---	---
Interest Payable	4,26,316.00	4,26,316.00	4,26,316.00
P.S.Bathla & Associates	21,000.00	20,000.00	20,000.00
Skyline Financial Services Pvt. Ltd.	33,952.00	34,220.00	27,220.00
Adinath Textiles Ltd.	14,160.00	14,160.00	---
Karvy Stock Broking Ltd.	---	1,180.00	---
Salary Payable	11,000.00	---	10,000.00
TDS Payable	---	1,000.00	3,390.00
<b>TOTAL</b>	<u>5,28,228.00</u>	<u>5,06,876.00</u>	<u>5,38,076.00</u>

PARTICULARS	For the year ended 31/03/2019 ₹	For the year ended 31/03/2018 ₹
<b>12. OTHER INCOME</b>		
Dividend Income	5,92,696.00	6,46,199.00
	<u>5,92,696.00</u>	<u>6,46,199.00</u>
<b>13. Employees Benefits Expense</b>		
Salary, Wages & Bonus	1,30,167.00	90,968.00
	<u>1,30,167.00</u>	<u>90,968.00</u>
<b>14. FINANCE COST</b>		
Bank Charges	954.00	1,366.50
	<u>954.00</u>	<u>1,366.50</u>

PARTICULARS	For the year ended	For the year ended
	31/03/2019	31/03/2018
	₹	₹
<b>15. OTHER EXPENSES</b>		
Fees & Taxes	32643	25043
Legal & Professional Charges	45234	43820
Membership Charges	1180	1160
Listing Fees	64900	40250
E-Voting Charges	8260	8260
Demat Charges	46089	62415
Printing & Stationery	3540	3540
Accounting Charges	12000	12000
Office Expenses	6000	6000
Director Sitting Fees	10000	10000
Advertisement Expenses	38348	37162
Interest on Late Deposit of TDS	198	265
Auditor's remuneration	10000	10000
<b>TOTAL</b>	<b>2,78,392.00</b>	<b>2,59,915.00</b>

**NOTE-18.10 (A) Effect of Ind AS adoption on the standalone balance sheet as at 31<sup>st</sup> March 2018 and 1<sup>st</sup> April 2017**

PARTICULARS	Note	31-03-2018		01-04-2017		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance sheet	Previous GAAP	Effect of transition to Ind AS
<b>Assets</b>						
<b>Non Current Assets</b>						
Property, Plant and Equipment	11,54,030.00	---	11,54,030.00	11,54,030.00	---	11,54,030.00
Capital Work in Progress	---	---	---	---	---	---
Other Intangible Assets	---	---	---	---	---	---
Biological Assets other than Bearer Plants	---	---	---	---	---	---
<b>Financial Assets</b>						
(i) Non Current Investments	1,69,23,628.00	1,22,55,158.00	2,91,78,786.15	1,69,23,628.00	1,32,56,295.20	3,01,79,923.20
(ii) Trade Receivable	---	---	---	---	---	---
(iii) Long Term Loans and advances	---	---	---	---	---	---
(iv) Others	---	---	---	---	---	---
Deferred Tax Assets (Net)	---	2,57,792.79	2,57,792.79	---	---	---
Other non current Assets	---	---	---	---	---	---
Tax Assets	---	---	---	---	---	---
<b>TOTAL A</b>	<b>1,80,77,658.00</b>	<b>1,25,12,950.94</b>	<b>3,05,90,608.94</b>	<b>1,80,77,658.00</b>	<b>1,32,56,295.20</b>	<b>3,13,33,953.20</b>
<b>Current Assets</b>						
Inventories	0.00	0.00	0.00	0.00	0.00	0.00
<b>Financial Assets</b>						
(i) Investments	---	---	---	---	---	---
(ii) Trade Receivable	0.00	0.00	0.00	0.00	0.00	0.00



PARTICULARS	Note	31-03-2018			01-04-2017		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance sheet
(iii) Cash and Cash equivalents		5,96,088.06	0.00	5,96,088.06	3,33,418.56	0.00	3,33,418.56
(iv) Bank balance other than (iii) above		---	---	---	---	---	---
(iv) Loans		---	---	---	---	---	---
(v) others		---	---	---	---	---	---
Current Tax assets (Net)	(e)	0.00	0.00	0.00	0.00	0.00	0.00
Asset Held for sale		---	---	---	---	---	---
Other Current Assets	(e)	40,02,468.00	0.00	40,02,468.00	40,02,388.00	0.00	4,002,388.00
<b>TOTAL</b>		<b>45,98,556.06</b>	<b>0.00</b>	<b>45,98,556.06</b>	<b>43,35,806.56</b>	<b>0.00</b>	<b>43,35,806.56</b>
<b>TOTAL (A + B)</b>		<b>2,26,76,214.06</b>	<b>1,25,12,950.94</b>	<b>3,51,89,165.00</b>	<b>2,24,13,464.56</b>	<b>1,32,56,295.20</b>	<b>3,56,69,759.76</b>
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
Equity Share Capital		1,00,00,000.00	---	1,00,00,000.00	1,00,00,000.00	---	1,00,00,000.00
Other Equity		1,16,99,804.01	1,25,12,950.94	2,42,12,754.95	1,14,05,854.51	1,32,56,295.20	2,46,62,149.71
		<b>2,16,99,804.01</b>	<b>1,25,12,950.94</b>	<b>3,42,12,754.95</b>	<b>2,14,05,854.51</b>	<b>1,32,56,295.20</b>	<b>3,46,62,149.71</b>
<b>Non Current Liabilities</b>							
<b>Financial Liabilities</b>							
(i) Borrowing	(a)	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Trade payables		---	---	---	---	---	---
(iii) Other Financial Liabilities (other than those specified in (b) below, to be specified)		---	---	---	---	---	---
Deferred Tax Liability (Net)	(b)	0.00	0.00	0.00	0.00	0.00	0.00
Provisions	(c)	---	0.00	0.00	---	0.00	0.00
Other non current Liabilities		---	---	---	---	---	---
<b>TOTAL (B)</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Current Liabilities</b>							
<b>Financial Liabilities</b>							
(i) Short Term Borrowings		0.00	0.00	0.00	0.00	0.00	0.00
(ii) Trade and other payables		4,69,534.05	0.00	4,69,534.05	4,69,534.05	0.00	4,69,534.05
(iii) Other Financial Liabilities	(d)	5,06,876.00	0.00	5,06,876.00	5,38,076.00	0.00	5,38,076.00
Other Current Liabilities	(d)	0.00	0.00	0.00	0.00	0.00	0.00
Short Term Provisions	(e)	0.00	0.00	0.00	0.00	0.00	0.00
Current Tax Liabilities (Net)		0.00	0.00	0.00	0.00	0.00	0.00
		<b>9,76,410.05</b>	<b>0.00</b>	<b>9,76,410.05</b>	<b>10,07,610.05</b>	<b>0.00</b>	<b>10,07,610.05</b>
<b>TOTAL</b>		<b>2,26,76,214.06</b>	<b>1,25,12,950.94</b>	<b>3,51,89,165.00</b>	<b>2,24,13,464.56</b>	<b>1,32,56,295.20</b>	<b>3,56,69,759.76</b>

**Reconciliation Notes****(a) Financial Liability at amortised cost**

Under the previous GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using effective interest rate method. from being appointed or continuing as Director of Companies by the SEBI/Ministry of Corporate Affairs or any such

**(b) Deferred Tax**

Under the previous GAAP, deferred tax is calculated using the income statement approach, which focuses on difference between taxable profits and accounting profits for the period. Ind AS 12 - Income Tax requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between carrying amount of an asset or liability in the balance sheet and its tax base.

**NOTE-18.10 (B) Effect of Ind AS adoption on the standalone statement of profit and loss for the period ended 31<sup>st</sup> March 2018**

PARTICULARS	Note	Previous GAAP	31-03-2018 Effect of transition to Ind AS	Ind AS
Revenue from operations	(a)	0.00	0.00	0.00
Other income		6,46,199.00	---	6,46,199.00
<b>Total Income</b>		<b>6,46,199.00</b>	<b>0.00</b>	<b>6,46,199.00</b>
<b>Expenses:</b>				
Cost of materials consumed	(b)	0.00	0.00	0.00
Purchases of Stock-in-Trade		---	---	---
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(b)	---	0.00	---
Excise Duty on sale of goods	(a)	---	0.00	---
Employee benefits expense	(f)	90,968.00	0.00	90,968.00
Finance costs	(c)	1,366.50	0.00	1,366.50
Depreciation and amortization Expense		0.00	---	0.00
Prior period items (net)		---	---	---
Other expenses	(b) (d)	2,59,915.00	0.00	2,59,915.00
<b>Total Expenses</b>		<b>3,52,249.50</b>	<b>0.00</b>	<b>3,52,249.50</b>
<b>Profit before exceptional items and tax</b>		<b>2,93,949.50</b>	<b>0.00</b>	<b>2,93,949.50</b>
Exceptional items	(d)	0.00	0.00	0.00
<b>Profit before tax</b>		<b>2,93,949.50</b>	<b>0.00</b>	<b>2,93,949.50</b>
<b>Tax expense:</b>				
(1) Current tax		0.00	---	0.00
(2) Earlier Tax		---	0.00	0.00
(3) Deferred tax	(e)	0.00	0.00	0.00
<b>Profit/ (Loss) for the period</b>		<b>2,93,949.50</b>	<b>0.00</b>	<b>2,93,949.50</b>

PARTICULARS	Note	Previous GAAP	31-03-2018 Effect of transition to Ind AS	Ind AS
Other Comprehensive Income		0.00	0.00	0.00
Remeasurement of Defined Benefit Plan	(f)	0.00	(10,01,137.05)	(10,01,137.05)
Income Tax	(f)	0.00	2,57,792.79	2,57,792.79
<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>2,93,949.50</b>	<b>7,43,344.26</b>	<b>(4,49,394.76)</b>

**Reconciliation Notes****(e) Deferred Tax**

Under the previous GAAP, deferred tax is calculated using the income statement approach, which focuses on difference between taxable profits and accounting profits for the period. Ind AS 12 - Income Tax requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between carrying amount of an asset or liability in the balance sheet and its tax base.

**(b) Valuation of Investments as per Ind AS 109**

Under the Indian GAAP, the investments are shown on book value. As per IND AS 109, investments are valued on market Value. Difference is gain or loss on valuation of investments.

**NOTE -18.10 (C) Reconciliation of total equity Indian GAAP Vs. IND AS as at 31st March 2018 and 1st April 2017**

PARTICULARS	Note	31-03-2018	01-04-2017
<b>Total equity (shareholder's funds) under previous GAAP</b>		<b>1,16,99,804.01</b>	<b>1,14,05,854.51</b>
<b>Adjustment made :</b>			
Deferred tax	(a)	2,57,792.79	0.00
Others	(b)	1,22,55,158.15	1,32,56,295.20
<b>Total adjustment to equity</b>		<b>1,25,12,950.94</b>	<b>1,32,56,295.20</b>
<b>Total equity (shareholder's funds) under per IND AS</b>		<b>2,42,12,754.95</b>	<b>2,46,62,149.71</b>

**Reconciliation Notes****(a) Deferred tax as per balance sheet approach**

Under the previous GAAP, deferred tax is calculated using the income statement approach, which focuses on difference between taxable profits and accounting profits for the period. Ind AS 12 - Income Tax requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between carrying amount of an asset or liability in the balance sheet and its tax base.

**For JS Bahl & Company**  
**Chartered Accountants**

**(JAGPREET SINGH BAHL)**

Proprietor

**M NO: 091647**

**PLACE : LUDHIANA**

**DATED : 29.05.2019**

**(SAMRIDHI SETH)**  
Company Secretary  
and CFO

**For and on behalf of the Board of Directors of**  
**Shreyans Financial & Capital Services Ltd.**

**(KIRTI KUMAR JAIN)**  
Executive Director  
& CEO

**(RAMESH CHANDER JUNEJA)**  
Independent Director

**SHREYANS FINANCIAL & CAPITAL SERVICES LIMITED**

Regd. Office: Shree Rishabh Paper Mill Premises,  
 Village Banah, Nawanshahar, Punjab - 144 522  
 Tel: +91 1881-273627, 273628 Fax: +91 1881-273645 CIN: L65921PB1984PLC005967  
 Email: [sfcs141@gmail.com](mailto:sfcs141@gmail.com) Website: [www.sfcs1.co.in](http://www.sfcs1.co.in)

**Form No. MGT-11  
 Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):

Registered address:

E-mail Id:

Folio No/ Client Id: DP ID:

I/We, being the member(s) of ..... Shares of Shreyans Financial & Capital Services Ltd, hereby appoint:

1. Name : .....
2. Address : .....
3. E-mail Id : .....
4. Signature : ....., or failing him

1. Name : .....
2. Address : .....
3. E-mail Id : .....
4. Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34<sup>th</sup> Annual general meeting of the company, to be held on Thursday, 26th September, 2019 At 11.00 a.m. at the registered office of the company at Shree Rishabh Paper Mill Premises, Village Banah, Nawanshahar, Punjab- 144522 and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution(s):**

1 ..... 2 .....

Signed this..... day of ..... 2019

Signature of shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp here

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

-----<----->-----  
**SHREYANS FINANCIAL & CAPITAL SERVICES LIMITED**  
**ATTENDANCE SLIP**

I here by record my presence at the 34<sup>th</sup> ANNUAL GENERAL MEETING of the Company being held on Thursday, 26th September, 2019 at 11.00 a.m. at the Registered Office of the Company Shree Rishabh Paper Mill Premises, Village Banah, Nawanshahar, Punjab - 144522

.....  
 Full Name of the Shareholder  
 (IN BLOCK LETTERS)

Signature

Folio No .....

Client ID. ....

Full Name of Proxy .....  
 (IN BLOCK LETTERS)

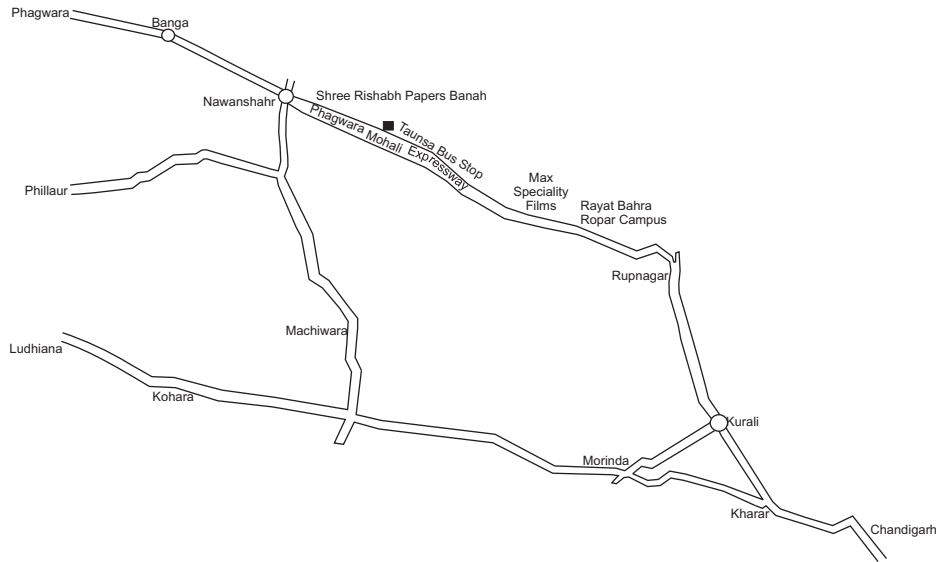
D. P. ID. ....

**NOTE :** 1. The Proxy Form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.  
 2. A proxy need not be a member.



Route map to the venue of the AGM

Venue : **SHREYANS FINANCIAL & CAPITAL SERVICES LIMITED**  
Shree Rishabh Paper Mill Premises,  
Village Banah, Nawanshahr, Punjab - 144 522



**If undelivered, please return to :**  
**SHREYANS FINANCIAL & CAPITAL SERVICES LIMITED**

Shree Rishabh Paper Mill Premises,  
Village Banah, Nawanshahr, Punjab - 144 522  
CIN: L65921PB1984PLC005967  
Tel: +91 1881-273627, 273628 Fax: +91 1881-273645  
Email: [sfcs1141@gmail.com](mailto:sfcs1141@gmail.com) Website: [www.sfcs1.co.in](http://www.sfcs1.co.in)