

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF  
SARESHWAR TRADING & FINANCE PRIVATE LIMITED**

**Report on the Audit of the Standalone Ind AS Financial Statements**

**Opinion**

We have audited the standalone Ind AS Financial Statements of **SARESHWAR TRADING & FINANCE PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity, Statement of cash flows for the year then ended, and notes to the Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2020, its loss (including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

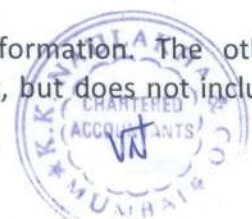
**Emphasis of Matter – Effects of COVID-19**

We draw attention to Note 24 of the Ind AS Financial Statements, which involves the economic and social consequences / disruption that the Company is facing as a result of COVID-19, which is impacting financial markets / personnel available for work and being able to access offices. The audit processes were carried out based on remote access to the extent feasible and the necessary accounting records, information and inputs made available to us through digital medium by the Management.

Our opinion is not modified in respect of this matter.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include



the Ind AS Financial Statements and our Auditor's Report thereon.

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

In connection with our audit of the Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained in the 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.

### **Responsibility of Management and Those Charged with Governance for Standalone Ind AS Financial Statements**

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those



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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in Annexure 'A', statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its Directors.
3. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2020 from being appointed as a director in terms of section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'B'.
- (g) 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 does not have any pending litigations which would impact its financial position.
  - 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.

For K K Naulakha & Co.  
Chartered Accountants  
Firm Registration No.: 314049E

*V Naulakha*

Vidhan Naulakha  
Partner  
Membership No.: 155939  
UDIN: 20155939AAAAAD9829



Place: Mumbai  
Date: 16<sup>th</sup> July 2020

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

Statement referred to in paragraph 1 of our Report on Other Legal & Regulatory Requirements of even date on the accounts of SARESHWAR TRADING & FINANCE PRIVATE LIMITED for the year ended 31<sup>st</sup> March 2020.

In terms of the information and explanations sought by us and given by the Company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. There are no fixed assets. Hence this clause is not applicable.
- ii. There are no inventories during the year. Hence this clause is not applicable.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence this clause is not applicable.
- iv. The Company being an investment company is exempt from provisions of section 186, except sub-section (1), of the Act and the relevant rules in respect of investments made by the Company. There are no loans, guarantees and securities granted in respect of which provisions of section 185 and section 186 of the Act are applicable and hence not commented upon.
- v. The Company has not accepted any deposits, hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder are not applicable.
- vi. Maintenance of cost records is not applicable to the Company.
- vii. (a) The Company is generally regular in depositing undisputed statutory dues as are applicable to the Company such as Income Tax and other statutory dues with the appropriate authorities. There are no undisputed dues outstanding as on 31st March 2020 for a period of more than six months from the date they became payable.  
  
(b) There are no disputes pending regarding any statutory dues with any forum, and hence this clause of depositing dues is not applicable.
- viii. The Company does not have any loans or borrowings from any bank or Government, nor has it issued any debentures. The Company has not defaulted in repayment of dues to financial institutions.
- ix. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. The Company has raised money by way of term loans during the year and they were applied for the purposes for which those were raised.
- x. Based on the audit procedure performed, no fraud by or on the Company by its officers or employees has been noticed or reported during the year.



- xi. Payment of managerial remuneration under the provisions of section 197 read with Schedule V to the Companies Act, 2013 is not applicable to the Company, and hence this clause is not applicable.
- xii. The Company is not a Nidhi Company and accordingly this clause is not applicable to the Company.
- xiii. Based on the audit procedure performed, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable and the details have been disclosed in the Ind AS Financial Statements etc., as required by the applicable Indian Accounting Standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence the requirement of section 42 of the Companies Act, 2013 is not applicable.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with him under the provisions of section 192 of the Companies Act, 2013.
- xvi. The Company is not required to be registered under Section 45-IA of the RBI Act and accordingly this clause is not applicable.

For KK Naulakha & Co.  
Chartered Accountants  
Firm Registration No.: 314049E

*V Naulakha*

Vidhan Naulakha  
Partner  
Membership No.: 155939  
UDIN: 20155939AAAAAD9829



Place: Mumbai  
Date: 16<sup>th</sup> July 2020

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") of even date on the Ind AS Financial Statements of SARESHWAR TRADING & FINANCE PRIVATE LIMITED for the year ended 31<sup>st</sup> March 2020**

We have audited the internal financial controls over financial reporting of **SARESHWAR TRADING & FINANCE PRIVATE LIMITED** as of 31st March 2020 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

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

The Company's management is responsible for laying down and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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, to the extent applicable to an audit of internal financial controls and the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note"), both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS Financial Statements.

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

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

### **Opinion**

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

For KK Naulakha & Co.  
Chartered Accountants  
Firm Registration No.: 314049E

  
Vidhan Naulakha  
Partner  
Membership No.: 155939  
UDIN: 20155939AAAAAD9829  
Place: Mumbai  
Date: 16<sup>th</sup> July 2020



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SARESHWAR TRADING & FINANCE PRIVATE LIMITED  
BALANCE SHEET AS AT 31ST MARCH, 2020

(Rs in '000)

Sr. No	Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>A</b>	<b>ASSETS</b>				
<b>1</b>	<b>Financial asset</b>				
	(i) Cash and cash equivalents	3	36.43	16.72	116.76
	(ii) Investments	4	19,355.37	26,830.77	27,789.63
			<b>19,391.80</b>	<b>26,847.49</b>	<b>27,906.39</b>
<b>2</b>	<b>Non Financial assets</b>				
	(i) Current tax assets (Net)	5	2.12	4.72	0.18
	(ii) Other non- financial assets	6	4.56		
			<b>6.678</b>	<b>4.72</b>	<b>0.18</b>
	<b>TOTAL ASSETS</b>		<b>19,398.48</b>	<b>26,852.22</b>	<b>27,906.57</b>
<b>B</b>	<b>LIABILITIES AND EQUITY</b>				
<b>1</b>	<b>Financial Liabilities</b>				
	(a) Borrowings	7	50.00	-	-
	(b) Payables	8			
	(I) Trade payables				
	(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		20.00	5.00	8.72
	(II) Other payables				
			<b>70.00</b>	<b>5.00</b>	<b>8.72</b>
<b>2</b>	<b>Non-Financial Liabilities</b>				
	Deferred tax liabilities (Net)	9	567.58	1,345.02	1,731.59
			<b>567.58</b>	<b>1,345.02</b>	<b>1,731.59</b>
<b>3</b>	<b>Equity</b>				
	Equity share capital	10	1,542.00	1,542.00	1,542.00
	Other equity	11	17,218.90	23,960.19	24,624.26
			<b>18,760.90</b>	<b>25,502.19</b>	<b>26,166.26</b>
	<b>TOTAL LIABILITIES AND EQUITY</b>		<b>19,398.48</b>	<b>26,852.22</b>	<b>27,906.57</b>
	Significant Accounting policies	1-2			
	The accompanying notes are integral part of Financial Statements	3-26			

As per our report of even date  
For K. K. Naulakha & Co.  
Chartered Accountants  
FRN : 314049E



V. Naulakha  
Vidhan Naulakha  
Partner  
Membership No. 155939

Place : Mumbai  
Date : 16th July, 2020

For and on behalf of the Board of Directors



Pramod Patil  
Director  
DIN: 00066441

Place : Mumbai  
Date : 16th July, 2020

Chirag Doshi  
Director  
DIN: 03137690

SARESHWAR TRADING & FINANCE PRIVATE LIMITED  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs in '000)

Sr. No	Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
I	Revenue from Operations			
	Net gain on fair value changes	12	-	193.60
II	Other Income		-	-
III	Total Income (I + II)		-	193.60
IV	Expenses			
	Finance cost	13	12.49	-
	Other expenses	14	27.07	13.37
	Total Expenses (IV)		39.56	13.37
V	Profit / (Loss) before tax ( III - IV )		(39.56)	180.23
VI	Tax Expenses			
	(1) Current tax		-	286.18
	(2) Deferred tax	9	-	(288.32)
	(3) Income tax for earlier years		3.78	-
	Total tax expenses		3.78	(2.14)
VII	Profit / (Loss) for the year ( V- VI )		(43.34)	182.37
VIII	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	Unrealised gain / (loss)		(7,475.40)	(944.69)
	(ii) Income tax on above		777.44	98.25
	Total Other Comprehensive Income		(6,697.96)	(846.44)
IX	Total Comprehensive Income ( VII + VIII )		(6,741.30)	(664.07)
X	Earning per equity share (FV of Rs. 10/- per Equity share)	16		
	(1) Basic (Rs.)		(0.28)	1.18
	(2) Diluted (Rs.)		(0.28)	1.18
	Significant Accounting policies	1-2		
	The accompanying notes are integral part of Financial Statements	3-26		

As per our report of even date

For K. K. Naulakha & Co.

Chartered Accountants

FRN : 314049E

*V Naulakha*

Vidhan Naulakha

Partner

Membership No. 155939

Place : Mumbai

Date : 16th July, 2020



For and on behalf of the Board of Directors

*Pr*

Pramod Patil

Director

DIN: 00066441

Place : Mumbai

Date : 16th July, 2020

*Chirag Doshi*

Chirag Doshi

Director

DIN: 03137690

SARESHWAR TRADING & FINANCE PRIVATE LIMITED  
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH, 2020

**A Equity Share Capital**

(Rs in '000)

Particulars	Balance as at 1st April, 2018	Changes in equity share capital during the year	Balance as at 31st March, 2019
Equity Share Capital	1,542.000	-	1,542.000

Particulars	Balance as at 1st April, 2019	Changes in equity share capital during the year	Balance as at 31st March, 2020
Equity Share Capital	1,542.000	-	1,542.000

**B Other Equity**

(Rs in '000)

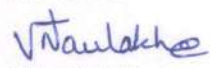
Particulars	Reserve & Surplus		Item of Other Comprehensive income	Total Other Equity
	Security Premium	Retained Earnings		
Balance as at April 1st, 2018	1,800.00	471.40	22,352.86	24,624.26
Profit/ (Loss) for the year	-	182.37	-	182.37
Other comprehensive income for the year (net of tax)	-	-	(846.44)	(846.44)
Balance as at 31st March, 2019	1,800.00	653.77	21,506.43	23,960.19
Profit/ (Loss) for the year	-	(43.34)	-	(43.34)
Other comprehensive income for the year (net of tax)	-	-	(6,697.96)	(6,697.96)
Balance as at 31st March, 2020	1,800.00	610.43	14,808.46	17,218.90
Significant Accounting policies	1-2			
The accompanying notes are integral part of Financial Statements	3-26			

As per our report of even date

For K. K. Naulakha & Co.

Chartered Accountants

FRN : 314049E



Vidhan Naulakha

Partner


Membership No. 155939

Place : Mumbai

Date : 16th July, 2020



For and on behalf of the Board of Directors

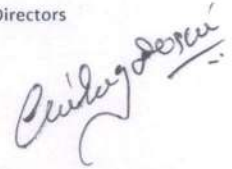
  
Pramod Patil

Director

DIN: 00066441

Place : Mumbai

Date : 16th July, 2020



Chirag Doshi

Director

DIN: 03137690

SARESHWAR TRADING & FINANCE PRIVATE LIMITED  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs in '000)

Particulars	For the year ended		For the year ended	
	31st March, 2020	31st March, 2020	31st March, 2019	31st March, 2019
<b>A. Cash flow from operating activities</b>				
Net Profit before extraordinary items and tax		(39.56)		180.23
Adjustments for:				
Finance cost	0.89			
Interest cost on income tax	11.60			
Realised gain on financial instruments valued through profit and loss (FVTPL)	-	12.49	(193.60)	(193.60)
Operating profit / (loss) before working capital changes		(27.07)		(13.37)
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Other Non Current asset	(4.55)			
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	15.00	10.45	(3.72)	(3.72)
Cash generated from operations		(16.62)		(17.09)
Net income tax paid		(12.78)		(290.73)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>(29.40)</b>		<b>(307.82)</b>
<b>B. Cash flow from investing activities</b>				
Purchase & Sale of investments				
Purchase of investments	-		(3,000.06)	
Sale of investments	-		3,207.84	
<b>Net cash flow from / (used in) investing activities (B)</b>				<b>207.78</b>
<b>C. Cash flow from financing activities</b>				
Borrowing				
Proceeds from borrowings	50.00			
Repayments of borrowings	-			
Finance Cost	(0.89)	49.11		
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>49.11</b>		
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>19.71</b>		<b>(100.04)</b>
Cash and cash equivalents at the beginning of the year		16.72		116.76
Cash and cash equivalents at the end of the year		36.43		16.72
<b>Cash and cash equivalents at the end of the year *</b>				
* Comprises:				
(a) Cash on hand		5.20		3.37
(b) Balances with banks		31.23		13.35
(i) In current accounts				
<b>Total</b>		<b>36.43</b>		<b>16.72</b>
Significant Accounting Policies	1-2			
The accompanying notes are an integral part of the Financial Statements	3-26			

The above statement of Cash Flows has been prepared under the "indirect Method" as set out in Ind AS 7 "Statement of Cash Flows."

**Note**

- Purchase and sale of investments has been classified into operating and investing activity based on the intention of the Management at the time of purchase of securities, if any.
- Reconciliation of changes in financial liabilities arising from financing activities including both changes arising from cash flow and non-cash flow changes as per the requirement of amendment to Ind AS 7

Particulars	1st April, 2018	Cash Flow	Non cash items - Accrued Interest	31st March, 2019
Borrowings ( Refer note no.7 )				
Particulars	1st April, 2019	Cash Flow	Non cash items - Accrued Interest	31st March, 2020
Borrowings ( Refer note no.7 )		50.00		50.00

As per our report of even date

For K. K. Naulakha & Co.  
Chartered Accountants  
FRN : 314049E

*V. Naulakha*  
Vidhan Naulakha  
Partner  
Membership No. 155939

Place : Mumbai  
Date : 16th July, 2020



For and on behalf of the Board of Directors

*Pramod Patil*  
Pramod Patil  
Director  
DIN: 00066441

Place : Mumbai  
Date : 16th July, 2020

*Chirag Doshi*

Chirag Doshi  
Director  
DIN: 03137690

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# SARESHWAR TRADING AND FINANCE PRIVATE LIMITED

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

### 1. CORPORATE INFORMATION:

The Company is engaged in investment activity. Since the Company is eligible to function as Core Investment Company (CIC) and having its Assets size less than 100 Crores, it is exempt from registration and regulations of Reserve Bank of India.

The Standalone Financial Statements for the year ended 31st March, 2020 have been reviewed and approved by the Board of Directors at their meetings held on 16th July, 2020.

### 2. SIGNIFICANT ACCOUNTING POLICIES:

#### A. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES :

##### Subsidiaries:

Subsidiaries are all entities over which the company has control. The Company controls an entity when the company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

##### Associates:

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

Investments in Subsidiaries and Associates are accounted at cost net off impairment loss, if any.

#### B. FINANCIAL INSTRUMENTS :

##### Recognition of Financial Instruments

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

Financial assets primarily comprise of loans and advances, premises and other deposits, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings, trade payables and other financial liabilities

##### Initial Measurement of Financial Instruments

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

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

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

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



# SARESHWAR TRADING AND FINANCE PRIVATE LIMITED

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

### Subsequent Measurement of Financial Assets

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

- **Classification of Financial Assets**

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

➤ Debt instruments at amortized cost :

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

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

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

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument by instrument basis, but at a higher level of aggregated portfolios. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated financial assets going forward.

The business model of the Company for assets subsequently measured at amortized cost category is to hold and collect contractual cash flows. However, considering the economic viability of carrying the delinquent portfolios in the books of the Company, it may sell these portfolios to banks and/or asset reconstruction companies.

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

➤ Debt instruments at FVOCI

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

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

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

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



# SARESHWAR TRADING AND FINANCE PRIVATE LIMITED

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

### ➤ Debt / equity instruments at FVTPL

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

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

### ➤ Equity instruments designated at FVOCI

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

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

### **Derecognition of Financial Assets**

A financial asset is derecognized only when:

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

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

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

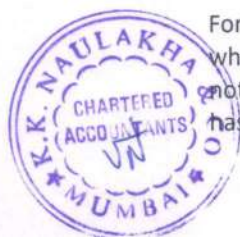
### **Write-off**

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

### **Impairment of Financial Assets**

The Company follows 'simplified approach' for recognition of impairment loss allowance on receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECL) at each reporting date, right from its initial recognition.

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 a subsequent period, credit quality of the



# SARESHWAR TRADING AND FINANCE PRIVATE LIMITED

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

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-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original EIR.

**Note: All the financial assets, other than measured at fair value or amortized cost, which are realized within 12 months, from reporting date, are recorded at cost & not at fair value or amortized cost but tested for impairment.**

### Financial liabilities

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

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

### Subsequent measurement

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

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

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

### De-recognition

A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**Note: All the financial liabilities, other than measured at fair value or amortized cost, which are settled within 12 months, from reporting date, are recorded at cost & not at fair value or amortized cost.**

### Fair value measurement

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

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

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



# SARESHWAR TRADING AND FINANCE PRIVATE LIMITED

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

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

For group companies and some other companies, for which latest audited balance sheet are available (not later than 1 year) are classified under level 2. Accordingly, their fair value can be derived from the latest audited balance sheet by applying below formula:

Net worth of company / no of equity shares = value per share

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

For the investments, where data is not available, are classified under Level 3 input & valued at cost & tested for impairment.

### Offsetting of financial instruments

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

## C. REVENUE RECOGNITION

### A) Brokerage Income

The company recognizes income and expenditure on accrual basis. Revenue on Brokerage income is recognized net of service tax/GST on the date of transaction.

### B) Interest Income

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

### C) Dividend Income

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

### D) Net gain on fair value changes

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

### E) Other revenue from operations

#### a. Fees

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

#### b. Other

Other includes income from leading of shares based on contract note issued.

### F) Other Income

Other incomes are accounted on accrual basis.

## D. EXPENDITURES

### a. Finance costs

Borrowing costs on financial liabilities are recognised using the EIR.

### b. Others

Other expenses are accounted on accrual basis.



# SARESHWAR TRADING AND FINANCE PRIVATE LIMITED

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

### E. CASH AND CASH EQUIVALENTS

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

### F. INCOME TAXES

#### a) Current income tax

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

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

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

#### b) Deferred tax

Deferred income tax is recognised using the balance sheet approach.

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

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

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

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

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

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

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

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



# SARESHWAR TRADING AND FINANCE PRIVATE LIMITED

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

### G. PROVISIONS AND CONTINGENT LIABILITIES

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

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

### H. STATEMENT OF CASH FLOWS

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

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

### I. EARNINGS PER SHARE

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

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



**SARESHWAR TRADING & FINANCE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**

**Note 3. Cash and Cash Equivalents**

Particulars	(Rs in '000)	
	As at 31st March, 2020	As at April 1st, 2018
a) Cash on hand	5.20	18.48
b) Balance with bank	31.23	98.28
<b>Total</b>	<b>36.43</b>	<b>116.76</b>

**Note 4. Investments**

Particulars	As at 31st March, 2020		As at 31st March, 2019		As at April 1st, 2018	
	Quantity/ Units	Total	Quantity/ Units	Total	Quantity/ Units	Total
(A) At fair value through other comprehensive income						
(i) Investment in Other equity instruments						
Quoted Equity share						
Winro Commercial (India) Limited (FV of Rs 10/-)	36,000.00	8,819.93	36,000.00	8,819.93	36,000.00	8,401.40
Unquoted Equity share						
Singularity Holdings Limited (FV of Rs 10/-)	123,438.00	10,535.44	123,438.00	18,010.84	100,000.00	16,374.00
		<b>19,355.37</b>		<b>26,830.77</b>		<b>24,775.40</b>
(B) At fair value through profit and loss						
Unquoted fund						
HDFC Liquid fund- Direct- Growth					883.79	3,014.23
		<b>19,355.37</b>		<b>26,830.77</b>		<b>27,789.63</b>
<b>Total</b>						
Aggregate market value of quoted investments		8,819.93		8,819.93		8,401.40
Aggregate cost value of quoted investments		384.94		384.94		384.94
Aggregate amount of unquoted investments;		10,535.44		18,010.84		19,388.23
Aggregate cost value of unquoted investments		3,371.42		3,371.42		371.36
Aggregate amount of impairment in value of investments;						

All investments are made in India.

**Note 5. Current tax assets (Net)**

Particulars	(Rs in '000)	
	As at 31st March, 2020	As at April 1st, 2018
Advance Income tax (Net of Provision)	2.12	4.72
<b>Total</b>	<b>2.12</b>	<b>0.18</b>

**Note 6. Other Non-Financial assets**

Particulars	(Rs in '000)	
	As at 31st March, 2020	As at April 1st, 2018
Goodwill, secured and good		
Prepaid expenses	4.56	
<b>Total</b>	<b>4.56</b>	



SARESHWAR TRADING & FINANCE PRIVATE LIMITED  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Note 7. Borrowings

(Rs in '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at Arpil 1st, 2018
At amortised cost			
a) Loan repayable on demand			
Unsecured and considered good			
Loan taken from related party	50.00	-	-
<b>Total</b>	<b>50.00</b>	<b>-</b>	<b>-</b>

Loan repayable on demand

The company has loan which is repayable on demand from group company amount to Rs. 50 (Rs. In '000) as at 31st March, 2020, Rs. Nil (Rs. In '000) as at 31st March, 2019 and Rs. Nil (Rs. In '000) at at 1st April, 2018.

Note 8. Payables

(Rs in '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at Arpil 1st, 2018
Payables			
(a) Trade payables			
Total outstanding dues of			
(i) micro enterprises and small enterprises	-	-	-
(ii) creditors other than micro enterprises and small enterprises	20.00	5.00	8.72
<b>Total</b>	<b>20.00</b>	<b>5.00</b>	<b>8.72</b>

Based on and to the extent of information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year-end are furnished below:

(Rs in '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at Arpil 1st, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	-	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-	-
(iv) The amount of interest due and payable for the year.	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-	-

Note 9. Deferred tax liabilities (Net)

(Rs In '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at Arpil 1st, 2018
Deferred tax liabilities in relation to:			
Financial instruments measured at fair value through OCI - Equity Shares	790.54	1,567.98	1,666.23
Financial instruments measured at fair value through profit & loss - Mutual fund	-	-	65.36
Deferred tax assets in relation to:			
MAT Credit entitlement	(222.96)	(222.96)	-
<b>Total</b>	<b>567.58</b>	<b>1,345.02</b>	<b>1,731.59</b>

Movement in Deferred tax liabilities

For the year ended 31st March 2020

(Rs in '000)

Deferred Tax (Assets) / Liabilities	Opening Balance	Recognised in statement of Profit & loss [(credit) / debit]	Recognised in of Other Comprehensive Income	Closing Balance
Deferred tax liabilities in relation to:				
Financial instruments measured at fair value through OCI - Equity Shares	1,567.98	-	(777.44)	790.54
Deferred tax assets in relation to:				
MAT Credit entitlement	(222.96)	-	-	-222.96
<b>Total</b>	<b>1,345.02</b>	<b>-</b>	<b>(777.44)</b>	<b>567.58</b>

For the year ended 31st March 2019

(Rs in '000)

Deferred Tax (Assets) / Liabilities	Opening Balance	Recognised in statement of Profit & loss [(credit) / debit]	Recognised in of Other Comprehensive Income	Closing Balance
Deferred tax liabilities in relation to:				
Financial instruments measured at fair value through OCI - Equity Shares	1,666.23	-	(98.25)	1,567.98
Financial instruments measured at fair value through profit & loss - Mutual fund	65.36	(65.36)	-	-
Deferred tax assets in relation to:				
MAT Credit entitlement	-	(222.96)	-	(222.96)
<b>Total</b>	<b>1,731.59</b>	<b>(288.32)</b>	<b>(98.25)</b>	<b>1,345.02</b>



**SARESHWAR TRADING & FINANCE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**

**Note 10. Equity share capital**

Particulars	As at March 31st, 2020		As at March 31st, 2019		As at April 1st, 2018	
	Number	Rs (in '000)	Number	Rs (in '000)	Number	Rs (in '000)
<b>Authorised share capital</b>						
Equity Shares of Rs. 10 each with voting rights	2,45,000	2,450.00	2,45,000	2,450.00	2,45,000	2,450.00
9% Redeemable Non-Cumulative Preference Shares of Rs.10/- each.	5,000	0.50	5,000	0.50	5,000	0.50
<b>Issued,Subscribed &amp; Paid up share capital</b>						
Equity Shares of Rs. 10 each, fully paid	1,54,200	1,542.00	1,54,200	1,542.00	1,54,200	1,542.00
<b>Total</b>	<b>1,54,200</b>	<b>1,542.00</b>	<b>1,54,200</b>	<b>1,542.00</b>	<b>1,54,200</b>	<b>1,542.00</b>

**(1) Rights of Equity Shareholders:**

- The Company has only one class of Equity Shares having par value of Rs.10. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount.
- The company does not have any subsidiary or associate company.
- There are no shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestments.
- There are no Equity Shares issued pursuant to contract without payment being received in cash or bought back during the immediately preceding 5 years.

**(2) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Particulars	As at March 31st, 2020		As at March 31st, 2019		As at April 1st, 2018	
	Number	Rs (in '000)	Number	Rs (in '000)	Number	Rs (in '000)
Shares outstanding at the beginning of the year	1,54,200	1,542.00	1,54,200	1,542.00	1,54,200	1,542.00
Add : Shares Issued during the year	-	-	-	-	-	-
Less : Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	1,54,200	1,542.00	1,54,200	1,542.00	1,54,200	1,542.00

**(3) Shares held by Holding Company**

Particulars	As at March 31st, 2020		As at March 31st, 2019		As at April 1st, 2018	
	Number	Rs (in '000)	Number	Rs (in '000)	Number	Rs (in '000)
Saraswati Commercial (India) Limited	93,700	937.00	93,700	937.00	93,700	937.00

**(4) The details of shareholders holding more than 5% shares**

Name of Shareholder	As at March 31st, 2020		As at March 31st, 2019		As at April 1st, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Winro Commercial (India) Limited	12,000	7.78%	12,000	7.78%	12,000	7.78%
Saraswati Commercial (India) Limited	93,700	60.77%	93,700	60.77%	93,700	60.77%
Singularity Holdings Limited	48,500	31.45%	48,500	31.45%	48,500	31.45%



**SARESHWAR TRADING & FINANCE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**

**Note 11. Other equity**

(Rs in '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>A. Security Premium</b>			
Opening Balance	1,800.00	1,800.00	1,800.00
Add : Addition during the year	-	-	-
<b>Closing balance</b>	<b>1,800.00</b>	<b>1,800.00</b>	<b>1,800.00</b>
<b>B. Retained Earnings</b>			
Opening Balance	653.77	471.40	(770.41)
Add : Net profit/ (Net loss) for the current year	(43.34)	182.37	-
Add : Ind AS Adjustment			
Fair valuation gain on financial instruments valued through Profit and Loss	-	-	1,307.17
Tax adjustment on on above	-	-	(65.36)
<b>Closing balance</b>	<b>610.43</b>	<b>653.77</b>	<b>471.40</b>
<b>C. Other Comprehensive Income</b>			
Opening Balance	21,506.43	22,352.86	-
Add : Addition during the year	(6,697.96)	(846.44)	22,352.86
<b>Closing balance</b>	<b>14,808.46</b>	<b>21,506.43</b>	<b>22,352.86</b>
<b>Total</b>	<b>17,218.90</b>	<b>23,960.19</b>	<b>24,624.26</b>

**Nature and purpose of Reserves:**

- a) **Security premium:** It represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.
- b) **Retained earnings:** It represents total profit/(loss) earned by the company since its inception less any appropriations.
- c) **Other Comprehensive income:** It represents the changes in fair value of certain investment in equity securities in other comprehensive income. These changes are accumulated in the FVOCI equity instruments reserve. The company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.



SARESHWAR TRADING & FINANCE PRIVATE LIMITED  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Note 12. Net gain on Fair value changes

(Rs in '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Investment at Fair value through profit and loss		
Fair value gain on mutual fund investment:		
i) Realised gain on sale of mutual fund	-	193.60
<b>Total</b>	-	193.60

Note 13. Finance Cost

(Rs in '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest paid on borrowing	0.89	-
Interest paid on late payment of income tax	11.60	-
<b>Total</b>	12.49	-

Note 14. Other expenses

(Rs in '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rates and taxes	5.20	5.72
Audit fees (Refer note 14.1 below)	20.00	5.00
Miscellaneous expenses	1.87	2.65
<b>Total</b>	27.07	13.37

Note 14.1. Payment to Auditors as

(Rs in '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Statutory audit	20.00	5.00
<b>Total</b>	20.00	5.00

Note 15. Tax Expenses

(Rs in '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Current Tax</b>		
In respect of the current year	-	286.18
In respect of earlier years	3.78	-
<b>Deferred Tax</b>		
Increase in deferred tax	-	(288.32)
<b>Total</b>	3.78	(2.14)

Note 15.1. The income tax expense for the year can be reconciled to the accounting profit as follows

(Rs in '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Net profit before tax	(39.56)	180.23
Income tax rate	26.00%	26.0%
Income tax expenses (A)	(10.29)	46.86
<b>Tax Effects of (B) :</b>		
(i) amounts which are not deductible (taxable) in calculating taxable income:		
Disallowance of Interest paid to income tax	3.02	-
(ii) Unutilised business losses for which no deferred tax asset has been recognised	7.27	(0.20)
(iii) Adjustment in respect of earlier years (net)	3.78	-
(iv) Loss/ (Income) taxable at differential rate (net)	-	22.26
(v) Reversal of Deferred Tax liabilities on fair value of financial instruments through profit & loss	-	(65.36)
(vi) recognised MAT assets of earlier years	-	(5.71)
<b>Tax Expenses recognised in Statement of Profit and Loss (A+B)</b>	3.78	(2.14)

Note 16. Earning Per share

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(1) Net profit/ (Loss) attributable to Equity shareholders (Rs. in '000)	(43.34)	182.37
(2) Weighted average of Equity shares outstanding	1,54,200	1,54,200
(3) Face value per Equity share	10.00	10.00
<b>Basic/ Diluted EPS (Per share) (1)/(2)</b>	(0.28)	1.18



**SARESHWAR TRADING & FINANCE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**

**Note 17. Financial Instruments**

**A Financial Risk Management (Ind AS 107)**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

**Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors are responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

**1 Credit Risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from receivables from customers, investment in group instruments. The Company has adopted a Policy of dealing with counter parties that have sufficiently high credit rating. The Company's exposure and credit ratings of its counter parties are continuously monitored.

**Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However company mitigates this risk by dealing with only creditworthy counterparties. Cash at bank balance are placed with credit worthy financial institution.

**Credit exposure**

Company's credit period generally ranges from 10 to 20 days (Rs in '000)

Particulars	31st March, 2020	31st March, 2019	1st April, 2018
Trade receivables	-	-	-
Other receivable	-	-	-

**Investment in various instruments**

Credit risk on investment in various instruments is limited as we generally invest in financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units/ debts mutual fund units of AMC having high credit ratings.

**2 Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's principal sources of liquidity are cash and cash equivalents, investment in liquid mutual and the cash flow that is generated from operations. In case of any shortfall, company has availed revolving loan facilities from its Group Companies.

As at 31st March, 2020, the Company had a cash and cash equivalents of Rs. 36.43 ('000). As at 31st March, 2019, the Company had a cash and cash equivalents of Rs. 16.72 ('000) And As at 1st April, 2018, the Company had a cash and cash equivalents of Rs. 116.76 ('000)

**Exposure to liquidity risk**

The details regarding the contractual maturities of significant financial liabilities as at 31st March, 2020 are as follows :

Particulars	(Rs in '000)			
	Less than 1 year	1 - years	2 - 4 years	Total
Borrowings	50.00	-	-	50.00
Trade Payable	20.00	-	-	20.00

The details regarding the contractual maturities of significant financial liabilities as at 31st March, 2019 are as follows :

Particulars	(Rs in '000)			
	Less than 1 year	1 - years	2 - 4 years	Total
Borrowings	-	-	-	-
Trade Payable	5.00	-	-	5.00

The details regarding the contractual maturities of significant financial liabilities as at 1st April, 2018 are as follows :

Particulars	(Rs in '000)			
	Less than 1 year	1 - years	2 - 4 years	Total
Borrowings	-	-	-	-
Trade Payable	8.72	-	-	8.72

Note : The above borrowings includes interest accrued but not due.

**3 Market risk**

Market risk is the risk that changes in market prices – such as interest rates and commodity prices– will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments. We are exposed to market risk primarily related interest rate risk. Thus, our exposure to market risk is a function of investing activities and revenue generating and operating activities. The objective of market risk management is to avoid excessive exposure to these risks in our revenues and costs.

**a Interest rate risk**

The Company is exposed to interest rate risk pertaining to fund borrowed at fixed interest rate. Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The Company do have short term borrowings of Rs. 50 ('000), Rs. Nil ('000) and Rs. Nil ('000) as on 31st March, 2020, 31st March, 2019 and as on 1st April, 2018 respectively from its group company at fixed rate.

The company has not defaulted in repayment of the dues to its group company with respect to its borrowings.

**b Currency risk**

The Company's primary business activities are within India and does not have any exposure in foreign currency.

**c Equity price risk**

Equity price risk is related to the change in market reference price of the instruments in quoted securities. The fair value of some of the Company's investments exposes to company to equity price risks. The Fair value of equity instruments which are not held for trading purpose are as at 31st March, 2020, 31st March, 2019 and 1st April, 2018 was Rs. 19,355.37 (Rs. '000) , Rs. 26,830.77 (Rs. '000) and Rs.24,775.40 (Rs.'000) respectively. The company does not have any equity instruments for trading are as 31st March, 2020, 31st March, 2019 and 1st April, 2018.



**SARESHWAR TRADING & FINANCE PRIVATE LIMITED**  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

**B Financial Instruments measurements and disclosures (Ind AS 113)**

**a Accounting Classification**

Particulars	31st March, 2020			31st March, 2019			1st April, 2018		
	Fair value through profit or loss (FVTPL)	Fair value through other comprehensive income (FVOCI)	Amortised Cost	Fair value through profit or loss (FVTPL)	Fair value through other comprehensive income (FVOCI)	Amortised Cost	Fair value through profit or loss (FVTPL)	Fair value through other comprehensive income (FVOCI)	Amortised Cost
<b>Financial Assets</b>									
Cash and Cash equivalents	-	-	36.43	-	-	16.72	-	-	116.76
Investments (Equity shares and Mutual Funds)	-	19,355.37	-	-	26,830.77	-	3,014.23	24,775.40	-
<b>Total Financial Assets</b>	-	19,355.37	36.43	-	26,830.77	16.72	3,014.23	24,775.40	116.76
<b>Financial Liabilities</b>									
Borrowings	-	-	50.00	-	-	-	-	-	-
Trade payables	-	-	20.00	-	-	5.00	-	-	8.72
<b>Total Financial Liabilities</b>	-	-	70.00	-	-	5.00	-	-	8.72

**b Fair Value**

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, trade receivables, balances other than cash and cash equivalents and trade payables without a specific maturity. Such amounts have been classified as Level 1 / Level 2 / Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

**c Fair value hierarchy**

The following table presents the fair value hierarchy of assets and liabilities measured at fair value basis

Particulars	31st March, 2020			31st March, 2019			1st April, 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>									
Cash and Cash equivalents	36.43	-	-	16.72	-	-	116.76	-	-
Investments (Equity shares and Mutual Funds)	8,819.93	10,535.44	-	8,819.93	18,010.84	-	11,415.63	16,374.00	-
<b>Total Financial Assets</b>	8,856.36	10,535.44	-	8,836.65	18,010.84	-	11,532.39	16,374.00	-
<b>Financial Liabilities</b>									
Borrowings	-	-	50	-	-	-	-	-	-
Trade payable	-	-	20	-	-	5.00	-	-	8.72
<b>Total Financial Liabilities</b>	-	-	70.00	-	-	5.00	-	-	8.72

**Fair value hierarchy:**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

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

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

(c) **Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Financial instruments such as unlisted equity shares, loans are included in this hierarchy. The company has no financial instruments to be valued in Level 3 hierarchy.

**d Inter level transfers:**

There are no transfers between levels 1 and 2 as also between levels 2 and 3 during the year.

**e Valuation technique used to determine fair value**

- Closing NAV Statement from Mutual fund is used to determine fair value of unquoted Mutual Fund, if any.
- Fair values of quoted investments held for trading and other than held for trading purpose under FVTPL are valued using the closing price of NSE / BSE as at the reporting period, if any.
- Fair values of quoted investments routed through FVTOCI are valued using the closing price of NSE / BSE as at the reporting period, if any.
- For unlisted investments, if any, for which latest consolidated audited balance sheet are available (not later than 1 year) are classified under level 2. Accordingly, their fair value can be derived from the latest consolidated audited balance sheet by applying below formula: "(Share capital + other equity - prepaid expenses) / no of equity shares = value per share." However, if latest consolidated audited balance sheet is not available then standalone audited balance sheet will be considered for valuation. Any reciprocal interest held by the group company reduced from above formula & calculate the value per share.

**Note 18. Capital Management (Ind AS 1)**

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves attributable to the equity shareholders of the Company. The primary objective of the company, when managing capital, is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure, so as to maximize shareholders' value.

As at 31st March, 2020, the Company has only one class of equity shares and has debt of Rs 200.00 (000's). Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or reinvestments into business based on its long term financial plans.

The Company monitors capital structure on the basis of total debt to equity and maturity profile of overall debt portfolio of the Company.

The company has not defaulted in repayment of the dues to its group company with respect to its borrowings.

**Note 19. Segment Reporting (Ind AS 108)**

The company's business activity falls within single segment viz. Investment activities. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable operating or geographical segments applicable to the Company.

**Note 20. Distribution made and proposed (Ind AS 1)**

The Company has not distributed or not proposed



**SARESHWAR TRADING & FINANCE PRIVATE LIMITED**  
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Note 21. Disclosure of transactions with related parties as required by Ind AS 24

List of related parties

Description of relationship	Names of related parties
(a) Holding Company	Saraswati Commercial (India) Limited
(b) Associate Concerns	Singularity Holdings Limited (Formerly known as Geecee Investments Limited)
(c) Other Group company	Winro Commercial (India) Limited
(d) Directors as on 31st March, 2020	<ul style="list-style-type: none"> <li>• Shri Pramod Patil- Non Executive Director</li> <li>• Shri Chirag Doshi- Non Executive Director</li> <li>• Shri Bhargav Upadhyay - Non Executive Director</li> </ul>

Note: Related parties have been identified by the Management.

21.1 Details of related party transactions during the year ended March 31st, 2020 and balances outstanding as at March 31st, 2020:

(Rs in '000)

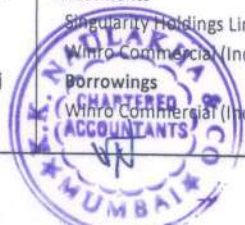
Sr. No	Particulars	Associates Concerns	Other Group Company	Directors	Total
a	Interest Expenses				
	Interest on borrowings	0.87	0.02	-	0.89
		(-)	(-)	(-)	(-)
b	Finance & Investment				
	Investment Purchase	-	-	-	-
		(3,000.06)	-	-	(3,000.06)
c	Borrowings				
	Loan taken	25.00	50.00	-	75.00
		(-)	(-)	(-)	(-)
	Loan Repaid	25.00	-	-	25.00
		(-)	(-)	(-)	(-)
	<b>Balances outstanding at the end of the year</b>				
d	Non-current Investments	10,535.44	8,819.93	-	19,355.37
		(18,010.84)	(8,819.93)	-	(26,830.77)
e	Borrowings	-	50.00	-	50.00
		(-)	(-)	(-)	(-)

Note: Figures in bracket relates to the previous year i.e 2019-20.

Disclosure in respect of Material Related Party Transactions during the year

(Rs in '000)

Sr. No	Particulars	Relation	2019-20	2018-19
f	Interest Expenses			
	Singularity Holdings Limited	Associate Concerns	0.87	-
	Winro Commercial (India) Limited	Other Group Company	0.02	-
g	Finance & Investment			
	Investment purchase:			
	Singularity Holdings Limited	Associate Concerns	-	3,000.06
h	Borrowings			
	Loan Taken			
	Winro Commercial (India) Limited	Other Group Company	50.00	-
	Singularity Holdings Limited	Associate Concerns	25.00	-
	Loan Repaid			
	Singularity Holdings Limited	Associate Concerns	25.00	-
	<b>Balances outstanding at the end of the year</b>			
i	Investments			
	Singularity Holdings Limited	Associate Concerns	10,535.44	18,010.84
	Winro Commercial (India) Limited	Other Group Company	8,819.93	8,819.93
j	Borrowings			
	Winro Commercial (India) Limited	Other Group Company	50.00	-



**SARESHWAR TRADING & FINANCE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**

**Note 22. Disclosures as required by Ind AS 101 "First Time Adoption of Ind AS"**

**Transition to Ind AS**

In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act ("previous GAAP"). The exemptions and exceptions applied by the Company in accordance with Ind AS 101 'First-time Adoption of Indian Accounting Standards' along with the reconciliations of equity, total comprehensive income and statement of cash flows in accordance with Previous GAAP to Ind AS are explained below:

**A. Ind AS mandatory exceptions**

**a. Estimates :**

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence that those estimates were in error. However, estimates, if any, that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

**b. Classification and Measurement of financial asset :**

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly the Company has classified the financial assets as per Ind AS 109 on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

**B . Reconciliations between previous GAAP and Ind AS**

**1. Reconciliation statement of Balance sheet as previously reported under IGAAP to IND AS:**

(Rs in '000)

Particulars	Notes to first-time adoption	As at 31st March, 2019			As at 1st April, 2018		
		IGAAP	Effect of transition to IND AS	IND AS	IGAAP	Effect of transition to IND AS	IND AS
<b>Financial Asset</b>							
Cash and Cash equivalents		16.72	-	16.72	116.76	-	116.76
Investments	1	3,756.36	23,074.41	26,830.77	2,463.36	25,326.27	27,789.63
<b>Non Financial Assets</b>							
Current tax assets (Net)		4.72	-	4.72	0.18	-	0.18
Deferred tax assets (Net)	2	222.97	(222.97)	-	-	-	-
<b>TOTAL ASSETS</b>		<b>4,000.77</b>	<b>22,851.44</b>	<b>26,852.22</b>	<b>2,580.30</b>	<b>25,326.27</b>	<b>27,906.57</b>
<b>Financial Liabilities</b>							
(b) Payables		5.00	-	5.00	8.72	-	8.72
<b>Non-Financial Liabilities</b>							
Deferred tax liabilities (Net)	2	-	1,345.02	1,345.02	-	1,731.59	1,731.59
<b>Equity</b>							
Equity share capital		1,542.00	-	1,542.00	1,542.00	-	1,542.00
Other equity		2,453.77	21,506.42	23,960.19	1,029.58	23,594.68	24,624.26
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>4,000.77</b>	<b>22,851.44</b>	<b>26,852.22</b>	<b>2,580.30</b>	<b>25,326.27</b>	<b>27,906.57</b>

**2. Reconciliation statement of Profit and Loss as previously reported under I-GAAP to IND AS:**

(Rs in '000)

Particulars	Notes to first-time adoption	As at 31st March, 2019		
		IGAAP	Effect of transition to IND AS	IND AS
Revenue from Operations	1	1,500.77	(1,307.17)	193.60
Other Income		-	-	-
<b>Total income</b>		<b>1,500.77</b>	<b>(1,307.17)</b>	<b>193.60</b>
<b>Expenses</b>				
Other expenses		13.37	-	13.37
<b>Total expenses</b>		<b>13.37</b>	<b>-</b>	<b>13.37</b>
<b>Profit / (Loss) before tax ( III - IV )</b>		<b>1,487.40</b>	<b>(1,307.17)</b>	<b>180.23</b>
<b>Tax expenses</b>				
Current tax		286.18	-	286.18
Deferred tax	2	(222.96)	(65.36)	(288.32)
<b>Profit after tax</b>		<b>1,424.18</b>	<b>(1,241.81)</b>	<b>182.37</b>
<b>Other comprehensive income</b>	3	<b>-</b>	<b>(846.44)</b>	<b>(846.44)</b>
<b>Total comprehensive income</b>		<b>1,424.18</b>	<b>(2,088.25)</b>	<b>(664.07)</b>

**3. Statement of cash flow for the year ended March 31st, 2019:**

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.



**SARESHWAR TRADING & FINANCE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**

**Note 22. Disclosures as required by Ind AS 101 "First Time Adoption of Ind AS"**

Reconciliation of total equity as at 31st March 2019 and 1st April 2018

(Rs in '000)

Particulars	Note No	As at 31st March, 2019	As at 1st April, 2018
Total Equity as reported under Indian GAAP		3,995.77	2,571.59
Add / (Less) :			
Fair valuation of financial assets	1	23,074.41	25,326.27
Deferred Tax on above	2	(1,567.99)	(1,731.59)
Total Equity as reported under Ind AS		25,502.19	26,166.26

Reconciliation of total comprehensive income for the year ended 31st March 2019

(Rs in '000)

Particulars	Note No	As at 31st March, 2019
Standalone Net profit after tax as reported under Indian GAAP		1,424.18
Add / (Less) : Adjustments Increasing/(decreasing) net profit after tax reported under		
Fair valuation of financial assets through profit and loss (net of tax)	1	(1,241.81)
Net Profit after tax as per Ind AS		182.37
Other comprehensive Income (net of tax)	3	(846.44)
Total comprehensive income under Ind AS		(664.07)

**Notes to reconciliation:**

**1. Fair Value of Financial Instruments:**

**a. Fair valuation of investments (mutual funds) :**

Under the previous GAAP, long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. Fair value changes with respect to investments in Mutual fund designated as at fair value through Profit & loss (FVTPL) have been recognised in Equity (net of related deferred taxes) as at the date of transition and subsequently in the profit & loss for the year ended 31st March, 2019.

**b. Fair valuation of investments (Listed Equity shares) :**

Under the previous GAAP, long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. Fair value changes with respect to investments in Listed Equity shares (not held for trade) designated as at fair value through Other comprehensive Income (FVTOCI) have been recognised in Equity (net of related deferred taxes) as at the date of transition and subsequently in the Other comprehensive Income for the year ended 31st March, 2019.

**c. Fair valuation of investments (Unlisted Equity shares) :**

Under the previous GAAP, long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. Fair value changes with respect to investments in Unlisted Equity shares (not held for trade) designated as at fair value through Other comprehensive Income (FVTOCI) have been recognised in Equity (net of related deferred taxes) as at the date of transition and subsequently in the Other comprehensive Income for the year ended 31st March, 2019. Their fair value can be derived from the latest audited balance sheet by applying below formula: "(Share capital + other equity - prepaid expenses) / no of equity shares = value per share." Any reciprocal interest held by the group company reduced from above formula & calculate the value per share.

**2. Deferred Tax**

Under the previous GAAP, MAT credit entitlement was presented as part of long-term loans and advances. Under Ind AS, MAT credit entitlement is required to be presented as part of Deferred tax assets.

Deferred taxes have been recognised on the adjustments made on transition to Ind AS.

**3. Other Comprehensive Income**

Under Ind AS, all items of income and expenses recognised in a period should be included in the Statement of Profit and Loss for the period, unless a standard requires or permits otherwise. Items of income and expenses that are not recognised in profit or loss but are shown in the Statement of Profit and Loss as 'other comprehensive income' includes fair value changes in equity shares which are not for trading purpose. The concept of other comprehensive income did not exist under previous GAAP.



**SARESHWAR TRADING & FINANCE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**

**Note 23 : Balance Confirmation**

Trade receivable, Trade payables, borrowings are subject to confirmation. The identification of vendors as a "Supplier" under the Act has been done on the basis of the information to the extent provided by the vendors to the Company. This has been relied upon by the auditors.

**Note 24 : COVID-19 impact**

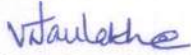
COVID - 19 pandemic has caused serious disruption on the global economic and business environment. There is a huge uncertainty with regard to its impact which cannot be reasonably determined at this stage. However, The Company did not face any major operational issues. The Company is monitoring the situation closely and to mitigate the financial impact.

**Note 25 :** There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the Balance sheet date.

**Note 26 :** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date

For K. K. Naulakha & Co.  
Chartered Accountants  
FRN : 314049E



Vidhan Naulakha  
Partner  
Membership No. 155939

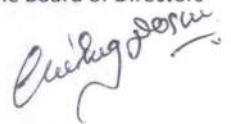


Place : Mumbai  
Date : 16th July, 2020

For and on behalf of the Board of Directors:



Pramod Patil  
Director  
DIN: 00066441



Chirag Doshi  
Director  
DIN: 03137690



Place : Mumbai  
Date : 16th July, 2020