

Board of Directors :

Ashok Bhandari

Ravi Goenka – Independent Director

Sudip Kumar Mukherjee – Independent Director

Gourav Periwal

Manager & CFO :

K. K. Thakur

Company Secretary :

R. R. Dalmia

Bankers :

State Bank of India

HDFC Bank Ltd.

Auditors :

D. K. Chhajer & Co.

Chartered Accountants

Kolkata

Registered Office :

21, Strand Road

Kolkata – 700 001

Phone : 22309601-03, 22307905

Fax : 2213 1650

email : digvijayfinleaselimited@gmail.com

Registrar & Share Transfer Agent

Maheshwari Datamatics Pvt. Ltd.

23, R.N. Mukherjee Road (5th Floor)

Kolkata - 700 001

Tel : 033 2243 5029

e-mail : mdpldc@yahoo.com

DIRECTORS' REPORT

To the Share Holders

Your Directors have pleasure in presenting the 28th Annual Report of your Company together with the Audited Financial Statements of the Company for the year ended 31st March, 2020. The Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified by the Central Government under Section 133 of the Companies Act, 2013 which have become applicable to the Company from the Financial Year 2019-20.

FINANCIAL RESULTS :

	(Rs in Lac)
Profit Before Taxation	4,609.80
Less: Provision for Current Tax	0
Less: Provision for Deferred Tax	46.94
Profit After Taxation	4562.86
Add : Balance of Profit from Previous year	19,731.41
	<u>24,294.27</u>

APPROPRIATIONS :

Transfer to Reserve Fund (as per RBI Guidelines)	912.57
Balance Carried to Balance Sheet	23381.70
	<u>24,294.27</u>

DIVIDEND

The Board does not recommend any dividend for the year ended 31st March, 2020 with a view to conserve resources.

TRANSFER TO RESERVES

The Board proposes to transfer ₹912.57 Lac to Reserve Fund pursuant to RBI Guidelines (for Non Banking Financial Companies (NBFC) and the balance profit is retained in the Profit and Loss Account.

REVIEW OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

Total income during the year under review amounted to ₹6898.89 Lac as against ₹4601.06 Lac (revised as per Ind AS) in the preceding year. Profit before and after tax stood at ₹4609.80 Lac and ₹4562.87 Lac respectively as against ₹2716.26 Lac and ₹2485.83 Lac respectively (revised as per Ind AS) in the previous year.

The Company continues to remain registered as a Non-Banking Financial Company with the Reserve Bank of India.

No material changes and commitments have occurred after the close of the year till the date of this report, which affect the financial position of the Company except for any effect of Covid 19 Pandemic which cannot be assessed at this stage.

SHARE CAPITAL

The Company has only one class of shares – equity shares of par value ₹10/- each. The Authorised Share Capital of the Company stands at ₹20 Crore divided into 2 Crore equity shares of ₹10/- each. The paid-up equity share capital of the Company stood at ₹1325.942 Lac as at 31st March, 2020. During the year, the Company has not issued any shares.

DEMATERIALISATION OF COMPANY'S SHARES AND REGISTRAR AND SHARE TRANSFER AGENT (RTA)

The Company has made arrangements with NSDL to offer facility of dematerialisation of securities to its shareholders. The ISIN allotted by the said depository to the Company is – INE01US01017. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate risks associated with physical shares and for ease of portfolio management and transaction of transfer. Members may contact their Depository Participant for assistance in this regard.

Maheshwari Datamatics Pvt. Ltd. is acting as Registrar and Transfer Agent (RTA) of the Company for both electronic and physical form of shareholdings including transmission and transposition. All communications relating to shares should be addressed to the RTA at 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001. Email ID of the RTA is mdpldc@yahoo.com

PUBLIC DEPOSITS

The Company has not accepted any deposit from the public during the year nor does it hold any public deposit as at the end of the financial year.

PARTICULARS OF LOANS AND GUARANTEES

The Company being a Non-Banking Financial Company registered under Chapter IIIB of the Reserve Bank of India Act, 1934 (2 of 1934) provisions of Section 186 of the Companies Act, 2013 are not applicable to the Company.

ASSOCIATE COMPANY

The Company does not have any associate.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company had not entered into any materially significant contract / arrangement / transactions with related parties, attracting the requirement of disclosure in this report as per provisions of Section 188 of the Act except for remuneration to the key managerial personnel and rent paid to the enterprise having significant influence over this Company which are in the ordinary course of business and in furtherance of the business interests of the Company and are disclosed suitably in the Notes to Accounts.

INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial control procedures commensurate with its size and nature of its business. The Company has appointed internal auditors who review the internal financial control system. The Audit Committee of the Company reviews the reports of the internal auditors and ensures implementation of their suggestion and improvement. During the year, no reportable material weakness in the design or operation was observed.

RISK MANAGEMENT

The main identified risks at the Company are Commercial Risks, Financial Risks, Operational Risks and Legal & Regulatory Risks. The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. Your Company ensures that risks to the Company's continued existence as a going concern and to its development are identified and addressed on timely basis.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Shri Ashok Bhandari (DIN: 00012210) Director of the Company retires by rotation and being eligible offers himself for re-appointment.

Shri Devendra Tripathi (DIN:02881290), a Director of the Company resigned with effect from 27th December 2019. The Board places on record its appreciation of the valuable contribution and guidance provided by Shri Devendra Tripathi during his tenure as a director.

The Board on the recommendation of the Nomination and Remuneration Committee, reappointed at its meeting held on 11th September, 2019, Shri S. K. Mukherjee (DIN: 00029362) as an Independent Director w.e.f. 11th September, 2019 for a second term of five years not liable to retire by rotation subject to members approval at the ensuing AGM. Members are required to confirm/ratify re-appointment of Mr. Mukherjee as an Independent Director.

The Board has appointed Shri Gaurav Periwal (DIN: 08643886) as an Additional Director on 27th December 2019 whose office will determine at the ensuing AGM. He is eligible for re-appointment.

The Board recommends their re-appointment and accordingly resolutions seeking approval of the members for their re-appointment have been included in the Notice of forthcoming Annual General Meeting of the Company.

Shri Ravi Goenka continues to be other Independent Director of the Company appointed for a period of five years from the date of his appointment, not liable to retire by rotation. The Independent Directors have appropriate skill, knowledge and experience in the business carried on by the Company.

The Company has received declarations from both the Independent Directors confirming that they meet the criteria of Independence as prescribed under the Companies Act, 2013. The Company has practice of conducting familiarisation program for the independent directors.

Shri K.K. Thakur is the Manager and Chief Financial Officer of the Company.

Shri Rakesh Rosan Dalmia is the Company Secretary and Compliance Officer of the Company.

AUDITORS AND AUDITORS' REPORT

M/s D.K. Chhajer & Co., Chartered Accountants having Firm Registration No.304138E, who are Statutory Auditors of the Company, were appointed by the Company at the Annual General Meeting (AGM) held on 28th December, 2017, to hold office for a period of five consecutive years from the conclusion of 25th AGM of the Company till the conclusion of 30th AGM to be held in the year 2022. The Members are required to fix remuneration of the Statutory Auditors for the financial year ending 31st March, 2021. Members may authorise the Board in the matter suitably.

The Statutory Auditors have confirmed that they satisfy the eligibility / independence criteria required under the Companies Act, 2013 and The Code of Ethics issued by the Institute of Chartered Accountants of India.

The report of the Auditors is self-explanatory and there being no comments/observations, does not call for any further comments/clarification by the Board.

COST AUDIT

In terms of provisions of section 148(1) of the Companies Act, 2013, cost audit as specified by the Central Government is not applicable to the Company.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the statutory auditor nor the secretarial auditor have reported to the audit committee/Board, under section 143(12) of the Companies Act, 2013, any instance of fraud committed against

the Company by its officers or employees, and hence the requirement to mention the same in this report is not applicable.

MEETINGS OF THE BOARD

Five meetings of the Board and one meeting of the Independent Directors were held during the year. The intervening gap between the meetings of the Board was within the period prescribed under the Companies Act, 2013.

AUDIT COMMITTEE

The Audit Committee comprises of two Independent Directors namely, Shri Sudip Kumar Mukherjee (Chairman), Shri Ravi Goenka and a Non Independent Director Shri Ashok Bhandari. Shri Rakesh Rosan Dalmia acts as Secretary to the Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination & Remuneration Committee consists of two Independent Directors namely Shri Sudip Kumar Mukherjee, Shri Ravi Goenka and one Non-independent non-executive Director namely Shri Ashok Bhandari.

REMUNERATION POLICY

The Board in consultation with the Nomination and Remuneration Committee has framed a Policy for selection and appointment of Directors, Senior Management including criteria for determining qualifications, positive attributes and independence of directors which is annexed hereto and forms part of this Report. Policy relating to remuneration for the directors, key managerial personnel and other employees is also annexed hereto and forms part of this Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee was reconstituted by the Board of Directors which now consists of three Directors namely Shri Ashok Bhandari, Shri Sudip Kumar Mukherjee and Shri Gaurav Periwal and Shri Krishna Kumar Thakur, Manager and Chief Financial Officer of the Company for the purpose of attending to investors' grievances including transfer / transmission of shares of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE & POLICY THEREOF

Provisions relating to Corporate Social Responsibility (CSR) as prescribed under the Companies Act, 2013 and Rules made there under have become applicable to the Company from the financial year 2017-18. The Board had constituted CSR Committee for formulating and overseeing the execution of the Company's CSR Policy. The CSR Committee presently comprises of two independent directors and one non-executive director namely Shri Sudip Kumar Mukherjee (Chairman), Shri Ravi Goenka and Shri Gaurav Periwal. Shri Gaurav Periwal has been inducted in to the Committee as a non-executive non-independent director on resignation of Shri Devendra Tripathi from the Board. This year the Company has contributed for promoting education and health care by extending financial support to the needy persons requiring medical care/attention.

The Annual Report on CSR activities of FY 2019-20 with requisite details in the specified format as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed hereto and forms part of this report.

The CSR Policy of the Company is also annexed hereto and forms part of this Report.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Sexual harassment of a woman at workplace is of serious concern to humanity on the whole. Keeping in view the problem of sexual harassment the company has framed a policy to prevent incidents of sexual harassment as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act,

2013 and rules framed there under. However, constitution of Internal Committee as required under the Act is not applicable to the Company since the company has less than 10 employees. Moreover, no complaint pertaining to sexual harassment was filed by any woman during the financial year under report, hence no disclosures are applicable.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return as provided under Section 92(3) of the Companies Act, 2013 is annexed hereto in the prescribed form and forms part of this Report.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant & material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby states and confirms that:

- i) in preparation of the Annual Accounts for the financial year 2019-20, the applicable Accounting Standards (Ind AS) have been followed along with proper explanation relating to material departures, if any
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the Annual Accounts for the period ended 31st March, 2020 on a going concern basis.
- v) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

None of the employees is drawing remuneration in excess of the limits set out in Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 appended to the Companies Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Since the Company has no manufacturing activity, particulars relating to Conservation of Energy and Technology Absorption stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, are not applicable.

There were no foreign exchange earnings and outgo during the year.

Place : Kolkata
Dated : 29th October, 2020

For and on behalf of the Board
(G. PERIWAL) **(S.K. MUKHERJEE)**
DIN: 08643886 DIN: 00029362
Directors

Annexure to the Directors' Report

Annual Report on Corporate Social Responsibility (CSR) Activities

1	A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken	The Company aims to focus on environment preservation, spreading education and supporting needy people of the society for their overall upliftment. Though its social activities are to focus primarily on areas surrounding its operations, they may include people / programs which may not be so related strictly considering overall upliftment objectives. However, in the third year of implementation the Company has emphasised mainly on promoting education (through "Shiva Trust Aurangabad" ₹50.00 Lac and "Bangur Trust" ₹19.00 Lac) and extending financial support to the needy persons requiring medical care/attention/ surgical intervention etc. (through "Shree Bangur Maheshwari Medical Welfare Society" ₹10.00 Lac).
2	The Composition of the CSR Committee	CSR Committee comprises of two Independent Directors and one Non-Independent Non-Executive Director as under: 1. Shri S.K. Mukherjee – Chairman 2. Shri Ravi Goenka - Member 3. Shri Gourav Periwal – Member
3	Average net profit of the company for the last three financial years	₹3946.05 Lac
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	The prescribed CSR Expenditure requirement for the FY 2019-20 is ₹78.93 Lac. The amount allocated i.e. ₹79.00 Lac is higher than 2% of the average net profit of the Company for the preceding three financial years.
5	Details of CSR spent during the financial year	
a	Total amount to be spent for the financial year	₹78.93 Lac (Calculated as per earlier I-GAAP Accounts)
b	Amount unspent, if any	NIL
c	Manner in which the amount spent during the financial year	As per Annexure
6	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Directors' Report	Not Applicable
7	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company	The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Place: Kolkata
Date: 29th October, 2020

For Digvijay Finlease Limited

Gourav Periwal
Director
DIN:08643886

S. K. Mukherjee
Chairman of CSR Committee
DIN: 00029362

Annexure to CSR Report (Point 5(c) of the CSR Report)

CSR Project or activity identified (1)	Sector in which the project is covered (2)	Projects or programs 1. Local Area or other 2. Specify the State and district where projects or programs was undertaken (3)	Amount outlay(budget) Project or program wise (4)	Amount spent on the projects or programs sub-heads: 1. Direct expenditure on projects or programs 2.Overheads (5)	Cumulative expenditure upto the reporting period (6)	Amount spent: Direct or through Implementing Agency (7)
Initiatives to promote education, medical help/attention/care to needy persons.	I) Education	Area: PAN India	₹69.00 Lac	₹69.00 Lac	₹79.00 Lac	Through Implementing Agencies i.e. "Shiva Trust Aurangabad", "Shree Bangur Maheshwari Medical Welfare Society" and "Bangur Trust"
	II) Health care		₹10.00 Lac	₹10.00 Lac		

Place: Kolkata
Date: 29th October, 2020

For **Digvijay Finlease Limited**

Gourav Periwal
Director
DIN:08643886

S. K. Mukherjee
Chairman of CSR Committee
DIN: 00029362

Corporate Social Responsibility Policy (CSR Policy)

Digvijay Finlease Limited (DFL) believes that for its operation and growth to be sustainable, it has to be responsive to social needs. Its progress is thus underlined by strict adherence to environment preservation, social upliftment, spread of education etc. DFL believes in making social development as an integral part of its business activities so as to bring about a meaningful change in the lives of people. DFL considers social responsibility as a voluntary act rather than an additional activity mandated by statute.

DFL has in line with / in conformity with the statutory requirement, prepared its CSR Policy. DFL will maintain that all the activities that will be undertaken by it will be in accordance with the policy and that the projects and activities that will be undertaken are in full compliance with Schedule VII of the Companies Act, 2013.

The contents of DFL's CSR Policy are given below:-

1. Vision, Objective and Scope of the Policy

DFL Programmes will focus on supporting needy people of the society for their overall upliftment. Though its social activities will be focusing primarily on areas surrounding its operations, it may include people / programs which may not be so related strictly considering overall upliftment objectives.

2. Mandate of Corporate Social Responsibility

DFL is committed to spend 2% of its Average Net Profits of last three financial years as defined in the Rules towards its social initiatives.

3. Board Committee

The CSR Committee of the Board will oversee the social activities to be undertaken by the Company.

4. Identification of Projects and Modalities of Project Execution

The projects to be undertaken by the Company shall conform to the guidelines formulated or laid down by the Government from time to time under Schedule VII to the Companies Act, 2013.

5. Organisational Mechanism

DFL will seek assistance of outside agencies and/or collaborative partnerships may be formed with like-minded stakeholders in order to widen the Company's reach in implementing its CSR Policy.

6. Implementation

CSR Committee of the Board is entrusted with implementing the social activities / initiatives and establishing a monitoring mechanism in line with the policy of the company.

7. Budget – CSR Corpus

DFL will allocate necessary budget after the beginning of relevant accounting year for social initiatives. Fund allocation for various activities will be made on suitable and/or progressive basis.

8. Performance Management

DFL will adopt suitable approach for measuring the actual performance of the projects undertaken and Audit Committee of the Board of the Company shall review the performance.

9. Information Dissemination and Policy Communication

The Company's engagement in this domain shall be disseminated through its Annual Reports.

10. Management Commitment

Our Board of Directors, Management and all of employees subscribe to the philosophy of compassionate care. We believe and act on ethos of generosity and compassion, characterised by a willingness to build a society that works for everyone. This is the cornerstone of our CSR Policy.

11. Review of Policy

CSR Committee of the Board of Digvijay Finlease Limited will review the policy from time to time based on the changing needs and aspirations of the target beneficiaries and make suitable modifications as may be necessary.

Place: Kolkata
Date: 29th October, 2020

For **Digvijay Finlease Limited**

Gourav Periwal
Director
DIN:08643886

S. K. Mukherjee
Chairman of CSR Committee
DIN: 00029362

Policy for selection and appointment of Directors, Senior Management including criteria for determining qualifications, positive attributes and independence of directors**Introduction**

Digvijay Finlease Limited (DFL) believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

DFL recognizes the importance of independent directors in achieving the effectiveness of the Board. DFL aims to have an optimum combination of Non-Executive and Independent Directors.

Scope and Exclusion

This Policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

Terms and References

In this Policy, the terms shall have the following meanings:

“**Director**” means a director appointed to the Board of the Company.

“**Nomination and Remuneration Committee**” means the committee constituted by DFL’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

“**Independent Director**” means a director referred to in Section 149(6) of the Companies Act, 2013.

Policy**Qualifications and Criteria**

The Nomination and Remuneration Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company’s business operations.

In evaluating the suitability of individual Board members, the Committee may take into account factors such as:

- General understanding of the Company’s business dynamics and social perspective;
- Educational and professional background;
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and zeal in carrying out their duties and responsibilities effectively.

The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number (DIN);
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent in prescribed form to act as a Director;
- Shall endeavor to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;

- Shall abide by the ethics policy established by the Company for Directors, employees and Senior Management Personnel;
- Shall disclose his concern or interest in any Company or Companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013 and other relevant laws.

The Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

Criteria of Independence

The Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determination of independence when any new interests or relationships are disclosed by the Director.

To follow the criteria of independence as laid down in the Companies Act, 2013.

The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

Other directorships / committee memberships

The Board members are expected to have adequate time, expertise and experience to contribute to effective Board performance. The Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

A Director shall not be a member in more than 10 committees or act as Chairman of more than 5 committees across all companies in which he holds directorship.

Note: For the purpose of considering the limit of the Committees, Audit Committee and Stake holders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

Policy relating to remuneration for the directors, key managerial personnel and other employees**Introduction**

Digvijay Finlease Limited (DFL) recognizes the importance of aligning the business objectives with specific and measurable individual objectives. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate talent to run the Company successfully.
- Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals. However, there is no incentive pay at present.

Scope and Exclusion

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

Terms and References

In this Policy, the terms shall have the following meanings:

“**Director**” means a director appointed to the Board of the Company.

“**Key Managerial Personnel**” means

- i) the Managing Director or Chief Executive Officer or Manager and in their absence a Whole-time Director;
- ii) the Company Secretary;
- iii) the Chief Financial Officer; and
- iv) such other officer as may be prescribed under the Companies Act, 2013

“**Nomination and Remuneration Committee**” means the committee constituted by DFL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

Policy

The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Executive and Non-Executive Directors of the Company within the overall limits subject to approval by the shareholders of the Company. Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. In addition to the sitting fees the Non-Executive Directors shall be entitled to be paid their reasonable travelling, hotel and other expenses incurred for attending Board and Committee meetings or otherwise incurred in the discharge of their duties as Directors.

The Board, on the recommendation of the Nomination and Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel and other Employees of the Company. Employee individual remuneration shall be determined according to their qualifications, and work experience as well as their roles and responsibilities and shall be based on various factors such as job profile, skill sets, seniority and experience.

The remuneration structure of the Executive Directors, Key Managerial Personnel and other Employees shall mainly include the following:

- a) Basic Pay
- b) Perquisites and Allowances
- c) Retiral Benefits

FORM NO. MGT-9**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March 2020
[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1)
of the Companies (Management and Administration) Rules, 2014]

I	REGISTRATION AND OTHER DETAILS	
i)	CIN	U67120WB2001PLC093899
ii)	Registration Date	1st May 1992
iii)	Name of the Company	Digvijay Finlease Limited
iv)	Category / Sub-Category of the Company	Public Company / Limited by Shares
v)	Address of the Registered Office and contact details	21 Strand Road, Kolkata-700 001 Tel : +91332230 9601 (3 Lines) +9133 2243 7725 Fax: +9133 2213 1650
vi)	Whether listed Company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Pvt. Ltd. 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001 Tel: +9133 2243 5029, 2248 2248 Email: mdpldc@yahoo.com
II	PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY	
	All the business activities contributing 10% or more of the total turnover of the Company	
	Name and Description of main products / services	NIC Code of the products / services
	NBFC Activity	9971
		% of total turnover of the Company
		99.78%
III	PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES	
		None
IV	SHARE HOLDING PATTERN (Equity Share Breakup as percentage of Total Equity)	
i)	Category-wise Shareholding	As per Attachment A
ii)	Shareholding of Promoters	As per Attachment B
iii)	Change in Promoters' Shareholding	As per Attachment C
iv)	Shareholding pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment D
v)	Shareholding of Directors and Key Managerial Personnel	None of the Directors and Key Managerial Personnel holds any share in the Company
V	INDEBTEDNESS	
	Indebtedness of the Company including interest outstanding / accrued but not due for payment	As per Attachment E
VI	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL	
A	Remuneration to MD/WTD and/or Manager	As per Attachment F
B	Remuneration to other Directors	As per Attachment G
C	Remuneration to Key Managerial Personnel other than MD / WTD / Manager	Included in remuneration of Manager in Attachment F. However remuneration of Company Secretary is provided in Attachment H
VII	PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES	
		None

Attachment A

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

i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2019]				No of Shares held at the end of the year [As on 31-March-2020]				%change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2358721	20056	2378777	17.9403	2358721	20056	2378777	17.9403	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	509470	9270291	9779761	73.7571	535184	9269691	9804875	73.9465	0.1894
e) Banks/FI									
f) Any other									
Sub-total (A)(1)	2868191	9290347	12158538	91.6974	2893905	9289747	12183652	91.8868	0.1894
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
Sub-total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	2868191	9290347	12158538	91.6974	2893905	9289747	12183652	91.8868	0.1894
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks/FI	0	13765	13765	0.1038	160	13580	13740	0.1036	-0.0002
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies	305620	128485	434105	3.2739	305620	128485	434105	3.2739	0.0000
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Alternate Investment Funds									
Foreign Portfolio Investors									
Provident Funds / Pension Funds									
Qualified Foreign Investor									
Sub-total(B)(1):-	305620	142250	447870	3.3777	305780	142065	447845	3.3775	-0.0002
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1390	14793	16183	0.1220	1020	14688	15708	0.1185	-0.0035
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	47433	506211	553644	4.1755	82904	448516	531420	4.0079	-0.1676
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	42770	39110	81880	0.6175	64770	15725	80495	0.6071	-0.0104
c) Others (Specify)									
Non Resident Indians	0	1305	1305	0.0098	300	0	300	0.0023	0.0023
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs registered with RBI									
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
Investor Education and Protection Fund Authority									
Sub-total(B)(2):-	91593	561419	653012	4.9248	148994	478929	627923	4.7358	-0.1890
Total Public Shareholding (B)=(B)(1)+ (B)(2)	397213	703669	1100882	8.3025	454774	620994	1075768	8.1133	-0.1892
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	3265404	9994016	13259420	100.00	3348679	9910741	13259420	100.00	0.0002

Attachment B

ii) Shareholding of Promoters-

Sl No	Shareholder's Name	Shareholding at the beginning of the year [As on 01/04/2019]			Shareholding at the end of the year [As on 31/03/2020]			PAN
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Shree Capital Services Ltd.	3880759	29.2679	0.0000	3880759	29.2679	0.0000	AAGCS5082D
2	Rajkamal Devi Bangur	1521523	11.4750	0.0000	1961332	14.7920	0.0000	ADAPB2150P
3	Mannakrishna Investments Pvt. Limited	1215128	9.1643	0.0000	1237442	9.3325	0.0000	AACCM2323H
4	Newa Investments Pvt. Ltd.	1099290	8.2906	0.0000	1101890	8.3102	0.0000	AAACN8961G
5	Asish Creations Pvt. Ltd.	909399	6.8585	0.0000	909599	6.8600	0.0000	AADCA3805D
6	The Venkiesh Co. Limited	821521	6.1958	0.0000	821521	6.1958	0.0000	AAACT9722F
7	Didu Investments Pvt. Ltd.	720620	5.4348	0.0000	720620	5.4348	0.0000	AABCD1810F
8	The Didwana Investment Co. Ltd.	673760	5.0814	0.0000	673760	5.0814	0.0000	AABCT1524C
9	Ragini Finance Ltd.	375275	2.8303	0.0000	375275	2.8303	0.0000	AABCR2321R
10	Prashant Bangur	282642	2.1316	0.0000	282642	2.1316	0.0000	AHAPB4776F
11	Ranu Bangur	134801	1.0166	0.0000	134801	1.0166	0.0000	AEJPB0396R
12	Rajesh Vanijya Pvt. Ltd.	84001	0.6335	0.0000	84001	0.6335	0.0000	AABCR6316C
13	Hari Mohan Bangur	2	0.0000	0.0000	2	0.0000	0.0000	ADJPB0982E
14	India Paint & Commercial Co. Ltd.	1	0.0000	0.0000	1	0.0000	0.0000	AAAC16546C
15	Khemka Properties Pvt.Ltd.	1	0.0000	0.0000	1	0.0000	0.0000	AABCK0954B
16	Ramgopal Holdings Pvt.Ltd.	1	0.0000	0.0000	1	0.0000	0.0000	AADCR5146E
17	Karmayog Properties Pvt. Ltd.	1	0.0000	0.0000	1	0.0000	0.0000	AAECK0295L
18	Suryadewata Properties Pvt.Ltd.	1	0.0000	0.0000	1	0.0000	0.0000	AALCS9109G
19	Shreeman Investments Pvt. Ltd.	1	0.0000	0.0000	1	0.0000	0.0000	AAOCS5216M
20	Sci Energy Limited	1	0.0000	0.0000	1	0.0000	0.0000	AAOCS4591P
21	Shreecap Holdings Pvt. Ltd.	1	0.0000	0.0000	1	0.0000	0.0000	AAARCS8248L
22	Benu Gopal Bangur	439809	3.3170	0.0000	0	0.0000	0.0000	ADRPB5687N
	Total	12158538	91.6974	0.0000	12183652	91.8868	0.0000	

N.B.: Approximation is due to decimal and change in percentage is due inter alia to allotment of shares on amalgamation.

Attachment C

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

SI No	Name	Shareholding at the beginning [01/04/2019]/end of the year [31/03/2020]		Cumulative Shareholding during the year [01/04/2019 to 31/03/2020]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	INDIA PAINT & COMMERCIAL CO. LTD. 01/04/2019 31/03/2020	1 1	0.0000 0.0000	1	0.0000	AAACI6546C
2	NEWA INVESTMENTS PVT LTD 01/04/2019 30/06/2019 - Transfer 30/09/2019 - Transfer 31/12/2019 - Transfer 31/03/2020	1099290 -200 2000 800 1101890	8.2906 0.0015 0.0151 0.0060 8.3102	1099090 1101090 1101890 1101890	8.2891 8.3042 8.3102 8.3102	AAACN8961G
3	THE VENKTESH CO LTD 01/04/2019 31/03/2020	821521 821521	6.1958 6.1958	821521	6.1958	AAACT9722F
4	DIDU INVESTMENTS PVT LTD 01/04/2019 31/03/2020	720620 720620	5.4348 5.4348	720620	5.4348	AABCD1810F
5	KHEMKA PROPERTIES PVT.LTD. 01/04/2019 31/03/2020	1 1	0.0000 0.0000	1	0.0000	AABCK0954B
6	RAGINI FINANCE LTD. 01/04/2019 31/03/2020	375275 375275	2.8303 2.8303	375275	2.8303	AABCR2321R
7	RAJESH VANIJYA P LTD 01/04/2019 31/03/2020	84001 84001	0.6335 0.6335	84001	0.6335	AABCR6316C
8	THE DIDWANA INVESTMENT CO. LTD. 01/04/2019 31/03/2020	673760 673760	5.0814 5.0814	673760	5.0814	AABCT1524C
9	MANNAKRISHNA INVESTMENTS PVT LTD 01/04/2019 30/06/2019 - Transfer 30/09/2019 - Transfer 31/12/2019 - Transfer 31/03/2020 - Transfer	1215128 6775 6460 5000 4079	9.1643 0.0511 0.0487 0.0377 0.0308	1221903 1228363 1233363 1237442	9.2154 9.2641 9.3018 9.3325	AACCM2323H

SI No	Name	Shareholding at the beginning [01/04/2019]/end of the year [31/03/2020]		Cumulative Shareholding during the year [01/04/2019 to 31/03/2020]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
10	ASISH CREATIONS PVT. LTD. 01/04/2019 30/06/2019 - Transfer 31/03/2020	909399 200 909599	6.8585 0.0015 6.8600	909599 909599	6.8600 6.8600	AADCA3805D
11	RAMGOPAL HOLDINGS PVT.LTD. 01/04/2019 31/03/2020	1 1	0.0000 0.0000	1	0.0000	AADCR5146E
12	KARMAYOG PROPERTIES PVT. LTD. 01/04/2019 31/03/2020	1 1	0.0000 0.0000	1	0.0000	AAECK0295L
13	SHREE CAPITAL SERVICES LTD 01/04/2019 31/03/2020	3880759 3880759	29.2679 29.2679	3880759	29.2679	AAGCS5082D
14	SURYADEWATA PROPERTIES PVT.LTD. 01/04/2019 31/03/2020	1 1	0.0000 0.0000	1	0.0000	AALCS9109G
15	SHREEMAN INVESTMENTS PVT. LTD. 01/04/2019 31/03/2020	1 1	0.0000 0.0000	1	0.0000	AAOCS5216M
16	SCL ENERGY LIMITED 01/04/2019 31/03/2020	1 1	0.0000 0.0000	1	0.0000	AAQCS4591P
17	SHREECAP HOLDINGS PVT. LTD. 01/04/2019 31/03/2020	1 1	0.0000 0.0000	1	0.0000	AARCS8248L
18	RAJKAMAL DEVI BANGUR 01/04/2019 30/06/2019 - Transfer 31/03/2020	1521523 439809 1961332	11.4750 3.3170 14.7920	1961332 1961332	14.7920 14.7920	ADAPB2150P
19	HARI MOHAN BANGUR 01/04/2019 31/03/2020	2 2	0.0000 0.0000	2	0.0000	ADJPB0982E

SI No	Name	Shareholding at the beginning [01/04/2019]/end of the year [31/03/2020]		Cumulative Shareholding during the year [01/04/2019 to 31/03/2020]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
20	BENU GOPAL BANGUR	439809	3.3170			ADRPB5687N
	01/04/2019					
	05/04/2019 - Transfer	-439809	3.3170	0	0.0000	
	31/03/2020	0	0.0000	0	0.0000	
21	RANU BANGUR	134801	1.0166			AEJPB0396R
	01/04/2019					
	31/03/2020	134801	1.0166	134801	1.0166	
22	PRASHANT BANGUR	282642	2.1316			AHAPB4776F
	01/04/2019					
	31/03/2020	282642	2.1316	282642	2.1316	

Attachment D

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

Sl No	Name	Shareholding at the beginning [01/04/2019]/end of the year [31/03/2020]		Cumulative Shareholding during the year [01/04/2019 to 31/03/2020]		Folio / DP Client ID
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	Life Insurance Corporation of India 01/04/2019 31/03/2020	210310 210310	1.59 1.59	210310	1.59	10000012 IN300812
2	United India Insurance Co. Ltd. 01/04/2019 31/03/2020	128485 128485	0.97 0.97	128485	0.97	000670
3	The Orient Insurance Co. Ltd. 01/04/2019 31/03/2020	27930 27930	0.21 0.21	27930	0.21	10000560 IN300812
4	The New India Assurance Co. Ltd. 01/04/2019 31/03/2020	27805 27805	0.21 0.21	27805	0.21	10001728 IN300812
5	National Insurance Co. Ltd. 01/04/2019 31/03/2020	27175 27175	0.20 0.20	27175	0.20	10000502 IN300812
6	Preya Hardik Shah 01/04/2019 31/03/2020	27135 27135	0.20 0.20	27135	0.20	10453715 IN302461
7	Ajay Kumar 01/04/2019 31/03/2020	23385 22000	0.18 0.17	22000	0.17	10193303 IN300126
8	N.L. Mandhana & S.N. Loya 01/04/2019 31/03/2020	15725 15725	0.12 0.12	15725	0.12	011087
9	Mahendra Girdharilal 01/04/2019 31/03/2020	15635 15635	0.12 0.12	15635	0.12	10599444 IN300450
10	General Insurance Corporation Of India 01/04/2019 31/03/2020	12400 12400	0.09 0.09	12400	0.09	10000029 IN300812

Attachment E**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness as at the beginning of the financial year (01.04.2019)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness as at the end of the financial year (31.03.2020)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

Attachment F**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration MD/WTD and/or Manager (also CFO)**

Sl. No.	Particulars of Remuneration	K.K. Thakur	Total Amount (₹)
1	Gross Salary		
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	1,419,942	1,419,942
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- Others	-	-
5	Others	125,289	125,289
	TOTAL (A)	1,545,231	1,545,231
	Ceiling as per the Act	₹231.26 Lacs (being 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)	

Attachment G**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Ashok Bhandari (₹)	Ravi Goeka (₹)	Devendra Tripathi (₹)	Sudip Kumar Mukherjee (₹)	Gourav Periwal (₹)	Total Amount (₹)
1	Independent Directors						
	• Fee for attending board / committee meetings	-	31,100	-	39,500	-	70,600
	• Commission	-	-	-	-	-	-
	• Others	-	-	-	-	-	-
	TOTAL (1)	-	31,100	-	39,500	-	70,600
2	Other Non-Executive Directors						
	• Fee for attending board / committee meetings	32,300	-	18,000	-	5,200	55,500
	• Commission	-	-	-	-	-	-
	• Others	-	-	-	-	-	-
	TOTAL (2)	32,300	-	18,000	-	5,200	55,500
	TOTAL (B) = (1)+(2)	32,300	31,100	18,000	39,500	5,200	126,100
	Total Managerial Remuneration	1,671,331*					
	Overall ceiling as per the Act	₹508.78 Lac (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)					

*Total remuneration to Managing Directors / Whole-time Directors / Manager and other Directors (being total of A and B)

Attachment H**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

C. Remuneration to Key Managerial Personnel other than MD/WTD/Manager i.e. Company Secretary

Sl. No.	Particulars of Remuneration	R.R. Dalmia	Total Amount (Rs)
1	Gross Salary		
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	139,980	139,980
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- Others	-	-
5	Others		
	TOTAL	139,980	139,980

INDEPENDENT AUDITORS' REPORT

**To the Members of
DIGVIJAY FINLEASE LIMITED**

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of Digvijay Finlease Limited. ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss, Statement of Change in Equity and Statement of Cash Flows for the year then ended and notes to the 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and the profit and 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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

We draw your attention to Note No. 35 to the financial statement which explains the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide

a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matter	Auditor's Response
1.	Valuation and Existence of Investments- We have focused on the valuation and existence of the investments in Equity, Preference Shares and Mutual Funds because these represent a principal element on the net assets in the Financial Statements Refer Note 7 to the Financial Statements	We obtained independent confirmation of the number of units held and net asset value per unit for each of the of mutual fund units and market value for shares as at the yearend date, confirmation of shares and its market value We have also obtained the most recent set of audited financial statements for unquoted investments.

Information other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the 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)(1) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of, the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Other Matter

Due to COVID 19 pandemic and the consequential nationwide lockdown announced by the Central and State Government including the travel restrictions, maintenance of social distancing etc., and the audit team could not visit the Company. We have performed the audit from remote location, on the basis of data, scan copies, documents, management estimates, assumptions, certificates and other information supplied electronically by the management on online platform. We have relied on Management assurance of the authenticity, completeness and accuracy of these records electronically submitted to us.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2020

taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;"

- (f) With respect to the adequacy of the internal financial controls 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 the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act

- (h) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as stated in Note No. 25.
 - 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 **D. K. Chhajer & Co.**
Chartered Accountants
Firm Registration No. 304138E
(Tapan Kumar Mukhopadhyay)
Partner
Membership No. 017483
Place: Kolkata
Date: 29th October, 2020

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

on the financial statements for the year ended 31st March, 2020

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
 - (b) The Property, Plant & Equipment of the Company have been physically verified by the Management at reasonable intervals and no material discrepancies have been noticed on such verification
 - (c) The title deeds of immovable properties acquired on amalgamation are held in the name of the Transferor Company and the Company is in the process of taking steps for registration of the same in its name of the Company.
- ii. The Company is in the business of Non Banking Financial activities and does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the Order are not applicable.
- iii. The Company has not granted any loans, secured or unsecured, to companies, LLPs, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)(a), (b) and (c)] of the said Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has not given any loans, made investments, provided guarantees and security covered by the provision of Section 185. In respect of other loans etc. the same are in accordance with the provisions of section 186 of the Companies Act, 2013.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under. Therefore, the provision of clause 3(v) of the order is not applicable on the Company.
- vi. The Central Government of India has not prescribed the maintenance of Cost Records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax, duty of customs, cess and other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2020 for a period of more than six months from the date of becoming payable.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales tax, wealth tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess which have not been deposited on account of any dispute:-

Nature of Statute	Nature of Dues	Amount in Lakhs	Period for which the amount is related	Forum where dispute is pending
Income Tax Act	Income Tax Demand	0.88	A.Y:-15-16	Commissioner of Income Tax (Appeals)
Income Tax Act	Income Tax Demand	68.37	A.Y:-17-18	Commissioner of Income Tax (Appeals)

- viii. The company does not have any borrowings from any financial institution or bank or government nor has it issued any debentures as at the balance sheet date, so the provisions of Clause 3(viii) of the Order are not applicable.
- ix. The Company has not raised any money by way of initial public offer/further public offer (including debt instruments)/term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company
- x. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
- xii. As the Company is not a Nidhi Company, the provisions of clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and records of the Company, transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been properly disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. No money was raised through preferential allotment/private placements of shares/fully/partly convertible debentures during the year under review, hence, the provisions of Clause 3(xiv) of the said order is not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or person connected with them
- xvi. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained.

For **D. K. Chhajer & Co.**

Chartered Accountants

Firm Registration No. 304138E

(Tapan Kumar Mukhopadhyay)

Partner

Membership No. 017483

UDIN No. 20017483AAAACB5468

Place: Kolkata

Date: 29th October, 2020

ANNEXURE 'B' TO INDEPENDENT AUDITOR'S REPORT

on the Financial Statements for the year ended 31st March, 2020

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

We have audited the internal financial controls over financial reporting of Digvijay Finlease Limited ("the Company") as of 31st March, 2020 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial controls over financial reporting to future periods are subject to 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 control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st 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 **D. K. Chhajer & Co.**

Chartered Accountants

Firm Registration No. 304138E

(Tapan Kumar Mukhopadhyay)

Partner

Membership No. 017483

UDIN No. 20017483AAAACB5468

Place: Kolkata

Date: 29th October, 2020

BALANCE SHEET AS AT 31ST MARCH, 2020

Particulars	Note	As at 31st March, 2020	As at 31st March 2019	As at 1st April,2018
ASSETS				
Financial Assets				
(a) Cash and Cash Equivalent	4	74,199,673	42,713,222	17,904,792
(b) Bank Balance other than (a) above	5	4,000,000	4,000,000	10,523,855
(c) Loan	6	1,700,000	547,650,000	345,650,000
(d) Investments	7	78,788,314,077	82,660,870,464	72,266,055,094
(e) Other Financial Assets	8	17,089,404	67,404,075	61,268,943
TOTAL		78,885,303,154	83,322,637,761	72,701,402,684
Non-Financial Assets				
(a) Current Tax Assets (net)	9	10,641,097	5,336,194	5,826,802
(b) Deferred Tax Assets (net)	10	67,575,083	–	17,852,487
(c) Property, Plant & Equipment	11	52,224,443	44,812,848	45,789,638
(d) Other Non-Financial Assets	12	676,828	643,306	643,306
TOTAL		131,117,451	50,792,348	70,112,233
TOTAL - ASSETS		79,016,420,605	83,373,430,109	72,771,514,917
LIABILITIES AND EQUITY				
Liabilities				
Financial Liabilities				
(a) Other Financial Liabilities	13	201,245	63,381	93,125
Non-Financial Liabilities				
(a) Provisions	14	1,184,221	2,505,521	2,043,341
(b) Deferred Tax Liability (Net)	10	–	502,831,184	–
(c) Other Non-Financial Liabilities	15	68,938	6,260	5,425
TOTAL		1,454,404	505,406,346	2,141,891
Equity				
(a) Share Capital	16	132,594,200	132,594,200	104,438,920
(b) Other Equity	17	78,882,372,001	82,735,429,563	72,664,934,106
TOTAL		79,014,966,201	82,868,023,763	72,769,373,026
TOTAL EQUITY AND LIABILITIES		79,016,420,605	83,373,430,109	72,771,514,917

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

In terms of our report attached
For **D K Chhajer & Co.**
Chartered Accountants
Firm Registration No. 304138E

Tapan Kumar Mukhopadhyay
Partner
Membership No.017483
Place: Kolkata
Date: 29th October, 2020

For and behalf of the board

Gourav Periwal
Director
DIN: 08643886

S. K. Mukherjee
Director
DIN: 00029362

K.K. Thakur
Manager & CFO

R.R. Dalmia
Company Secretary

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

Particulars	Note No. No.	Year ended	Year ended
		31st March 2020	31st March 2019
		₹	₹
INCOME			
Revenue from Operations			
(a) Interest Income	18	8,517,201	45,998,681
(b) Dividend Income	19	675,331,224	263,512,752
(c) Net Gain on Fair Value Changes	20	–	5,944
(d) Net Profit on Sale of Investments	21	4,513,028	6,266,494
(e) Sale of Stock-in-trade		–	144,302,169
(f) Other Income	22	1,527,983	20,190
Total Income (I)		689,889,436	460,106,230
Expenses			
(a) Purchases of Stock-in-trade		–	144,302,169
(b) Employee Benefit expenses	23	3,586,593	2,511,521
(c) Depreciation, Amortisation and Impairment	11	558,579	994,018
(d) Net Loss on Sale of Investments	20	3,768,484	–
(e) Other Expenses	24	220,995,471	40,672,340
Total Expenses (II)		228,909,127	188,480,048
Profit/(loss) before Tax (I-II)		460,980,309	271,626,182
Tax Expense	25		
(a) Current Tax		(695)	73,504,160
(b) Deferred Tax		4,693,968	(50,460,642)
Tax Expense		4,693,273	23,043,518
Profit/(Loss) for the Year (III)		456,287,036	248,582,664
Other Comprehensive Income			
(i) Items that will not be reclassified to Profit/(Loss)			
(a) Equity Instruments through OCI	26	(4,860,551,661)	10,420,566,312
(b) Income tax relating to Items that will not be reclassified to Profit/(Loss)		572,328,520	(571,031,431)
(ii) Items that will be reclassified to Profit/(Loss)			
(a) Financial Instruments through OCI	26	(23,893,171)	646,073
(b) Income tax relating to Items that may be reclassified to Profit/(Loss)		2,771,714	(112,882)
Other Comprehensive Income for the year (i + ii) (IV)		(4,309,344,598)	9,850,068,072
Total Comprehensive Income for the Year (III+IV)		(3,853,057,561)	10,098,650,736
Earnings per equity share (Face Value ₹10/- each)			
Basic & Diluted (₹)	27	34.41	18.75

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

In terms of our report attached

For and behalf of the board

For **D K Chhajer & Co.**

Chartered Accountants

Firm Registration No. 304138E

Gourav Periwal

Director

DIN: 08643886

S. K. Mukherjee

Director

DIN: 00029362

Tapan Kumar Mukhopadhyay

Partner

Membership No.017483

Place: Kolkata

Date: 29th October, 2020

K.K. Thakur
Manager & CFO

R.R. Dalmia
Company Secretary

Statement of Change in Equity for the year ended 31st March, 2020
a. Equity Share Capital

Particulars	Note	Number
Equity shares of Rs. 10 each issued, subscribed and fully paid	14	
At 1st April, 2018		10,443,892
Issue of Share Capital		2,815,528
At 31st March, 2019		13,259,420
Issue of Share Capital		-
At 31st March, 2020		13,259,420

b. Other Equity

Particulars	Share Capital Pending Allotment	Reserve & Surplus				Equity Instruments Through OCI	Financial Instruments Through OCI	Total
		Capital Reserve	Statutory Reserve	Securities Premium	Retained Earnings			
Balance as on 1st April, 2018	28,155,280	31,307,628	448,205,785	217,708,000	1,830,428,767	70,109,128,647	-	72,664,934,107
Profit/(Loss) for the Year	-	-	-	-	248,582,664	-	-	248,582,664
Other Comprehensive Income for the Year	-	-	-	-	-	9,849,534,881	533,191	9,850,068,072
Transfer to Reserve Fund	-	-	105,870,674	-	(105,870,674)	-	-	-
Share capital issued	(28,155,280)	-	-	-	-	-	-	(28,155,280)
Balance as on 31st March, 2019	-	31,307,628	554,076,459	217,708,000	1,973,140,757	79,958,663,528	533,191	82,735,429,563
Profit/(Loss) for the Year	-	-	-	-	456,287,036	-	-	456,287,036
Other Comprehensive Income for the Year	-	-	-	-	-	(4,288,223,141)	(21,121,457)	(4,309,344,598)
Transfer to Reserve Fund	-	-	91,257,407	-	(91,257,407)	-	-	-
Balance as on 31st March, 2020	-	31,307,628	645,333,866	217,708,000	2,338,170,386	75,670,440,387	(20,588,266)	78,882,372,001

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

In terms of our report attached
For **D K Chhajer & Co.**
Chartered Accountants
Firm Registration No. 304138E

Tapan Kumar Mukhopadhyay
Partner
Membership No.017483
Place: Kolkata
Date: 29th October, 2020

For and behalf of the board

Gourav Periwal
Director
DIN: 08643886

S. K. Mukherjee
Director
DIN: 00029362

K.K. Thakur
Manager & CFO

R.R. Dalmia
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2020

Particulars	Year ended 31st March 2020 ₹	Year ended 31st March 2019 ₹
A. Cash flow from operating activities		
Net Profit before Tax	460,980,309	271,626,182
Adjustments for :		
Depreciation	558,579	994,018
Allowance for doubtful loan	200,000,000	-
Provision for standards assets	(1,527,782)	429,520
Interest Income	(8,517,201)	(45,998,681)
Dividend income	(675,331,224)	(263,512,752)
Net (Gain)/Loss on Fair Value Changes of investment	3,768,484	(5,944)
Net (Gain)/Loss on Sale of Investments	(4,513,028)	(6,266,494)
	(485,562,172)	(314,360,333)
Operating Profit/(Loss) before working Capital Changes	(24,581,863)	(42,734,151)
Adjustments for :		
(Increase)/Decrease in Other Financial Assets	(807,042)	28,876,699
(Increase)/Decrease in Loan	345,950,000	(202,000,000)
(Increase)/Decrease in Other Non- Financial Assets	(33,522)	-
Increase/(Decrease) in Other Financial Liabilities	137,864	(29,744)
Increase /(Decrease) in Provision	206,482	32,660
Increase /(Decrease) in Other Non-Financial Liabilities	62,678	1,332
	345,516,460	(173,119,053)
Cash Generated from Operations	320,934,597	(215,853,204)
Net Income Tax (Paid)/Refund	(5,304,208)	(73,013,552)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES (A)	315,630,389	(288,866,756)
B. Cash Flow From Investing Activities		
Purchase of Property, Plant & Equipment	(7,970,174)	(17,228)
Sale of Mutual Funds	1,681,933,672	1,685,577,035
Purchase of Mutual Funds	(1,999,432,315)	(1,652,908,078)
Purchase of Shares	(897,290,745)	-
Sale of Shares	203,645,488	-
Investment in Fixed Deposit	-	6,523,855
Interest Received	67,227,052	18,276,850
Dividend Received	667,743,085	256,222,752
NET CASH FROM/(USED IN) INVESTING ACTIVITIES (B)	(284,143,938)	313,675,186
C. Cash Flow From Financing Activities		
NET CASH FROM/(USED IN) FINANCING ACTIVITIES (C)		
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	31,486,451	24,808,430
Cash and Cash Equivalents at the beginning of the Year	42,713,222	17,904,792
Cash and Cash Equivalents at the end of the Year	74,199,673	42,713,222

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

In terms of our report attached
For **D K Chhajer & Co.**
Chartered Accountants
Firm Registration No. 304138E

Tapan Kumar Mukhopadhyay
Partner
Membership No.017483
Place: Kolkata
Date: 29th October, 2020

For and behalf of the board

Gourav Periwal
Director
DIN: 08643886

S. K. Mukherjee
Director
DIN: 00029362

K.K. Thakur
Manager & CFO

R.R. Dalmia
Company Secretary

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31st MARCH, 2020****1. Corporate Information**

Digvijay Finlease Limited ("the Company") is a public unlisted company, limited by share incorporated on 5th November, 2001 and domiciled in India. The Company is carrying on business as a "Non-Banking Financial Company" (NBFC). The Company is engaged mainly in investment in shares in securities & financial activity. The Company is registered with Reserve Bank of India as NBFC. The Company's registered office is 21, Strand Road Kolkata – 700 001.

2. Basis of Preparation of Financial Statements

- a. **Statement of compliance-** The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other provisions of the Companies Act, 2013 ("the Act").

For all periods up to and including the year ended 31st March, 2019, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). The financial statements for the year ended 31st March, 2020 are the first financials of the Company prepared in accordance with Ind AS. The date of transition to Ind AS is 1st April, 2018. The figures for the year ended 31st March, 2019 have now been restated under Ind AS to provide comparability. Refer to note No.35 on First time adoption to Ind AS for information on adoption of Ind AS by the Company.

b. **Basis of Measurement**

The financial statements have been prepared on historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities that are measured at fair value/ amortised cost. (Refer note 3.3 below). The financial statements are presented in Indian Rupees (INR) which is also its functional currency.

3. SIGNIFICANT ACCOUNTING POLICIES**3.1. Recognition of interest income**

Interest income for all financial instruments measured at fair value through profit or loss (FVTPL) is recognised using the contractual interest rate.

3.2. Recognition of Dividend Income

Dividend income (including from Investments measured at FVTOCI) is recognised when the Company's right to receive the payment is established. This is established when it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

3.3 Financial Instruments

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

(i) Financial Assets -

☞ Recognition And Initial Measurement

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

☞ Classification and Subsequent Measurement

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

- Debt Instruments at Amortized Cost;
- Debt Instruments at Fair Value Through Other Comprehensive Income (FVOCI);
- Debt Instruments at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- o Debt Instruments at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
 - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
 - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- o Debt Instruments at FVOCI: A debt instrument is measured at the FVOCI if both of the following conditions are met:
 - The objective of the business model is achieved by collecting contractual cash flows and selling the financial assets; and
 - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in Other Comprehensive Income. However, the interest income, losses & reversals, and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Interest calculated using the EIR (Effective Rate Interest) method is recognized in the Statement of Profit and Loss as investment income.

- o *Measured at FVTPL:* FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as amortized cost or as FVOCI, is classified as FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity Instruments measured at FVOCI: All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value. The Company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable. In case the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument are recognized in the Other Comprehensive Income. There is no reclassification of the amounts from Other Comprehensive Income to profit or loss, even on sale of investment. Dividends on investments are credited to profit or loss.

- o *Equity Investments:* Investments in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment, if any.

☞ *Derecognition*

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

☞ *Impairment of Financial Assets*

The Company assesses at the end of the reporting period whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii) Financial Liabilities

☞ *Recognition And Initial Measurement*

Financial liabilities are initially measured at fair value. All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

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

☞ *Subsequent Measurement*

Financial liabilities are measured subsequently at amortized cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR (Effective Rate Interest) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR (Effective Rate Interest) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

☞ *Derecognition*

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

☞ *Offsetting Financial Instruments*

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

3.4. Cash and cash equivalents

Cash and cash equivalent comprise cash at banks and on hand, term deposits with original maturity of less than three months from the date of acquisition. Term deposits held with bank, with original maturity of more than three months but less than twelve months is a part of bank balance other than cash and cash equivalents.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short- term deposits, as defined above, net of outstanding bank overdrafts if any, as they are considered an integral part of the Company's cash management.

3.5. Property, plant and equipment (PPE)

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Advances paid towards the acquisition of PPE, outstanding at each reporting date are shown under other non-financial assets. The cost of property, plant and equipment not ready for its intended use at each reporting date are disclosed as capital work-in-progress.

Subsequent expenditure related to the asset are added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards

of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

3.6. Depreciation

Depreciation on Property, Plant and Equipment is provided on written down value method (WDV) to write down their residual values over their estimated useful life specified in Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

3.7. Impairment of non-financial assets

The Company assesses at each reporting date to determine if there is any indication of impairment, based on internal/external factors. If any such indication exists, then an impairment review is undertaken and the recoverable amount is calculated as the higher of fair value less costs of disposal and the asset's value in use.

3.8. Employee Benefits Expenses

3.8.1. Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences, which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

3.8.2. Defined contribution schemes

A defined contribution plan is a post-employment benefit plan under which the Company pays specified monthly contributions to Provident Fund. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

3.9. Taxes

Income tax expense represents the sum of current tax and deferred tax.

3.9.1 Current Tax

The current tax is based on taxable profit for the year under the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

3.9.2 Deferred tax

Deferred tax is recognized on all temporary differences between the tax bases of assets and liabilities and their carrying amounts in the Company's financial statements except when the deferred tax arises from the initial recognition of goodwill or initial recognition of an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profits or loss at the time of transaction. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent it is probable that future taxable profits will be available against which the deductible temporary difference, the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in the Statement of Profit and Loss, except when the same relate to items that are recognised in Other Comprehensive Income or directly in Equity, in which case, the current and deferred tax relating to such items are also recognised in Other Comprehensive Income or directly in Equity respectively.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

3.10. Provisions, Contingent Liabilities and assets

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control

of the entity.

3.11. Earnings per Share

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

3.12. Cash-flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

3.13. USE OF ESTIMATES, JUDGEMENTS AND ADJUSTMENT

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, and disclosures of contingent assets and liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the paragraphs that follow.

(i) Useful Economic Lives and Impairment of Other Assets

The estimated useful life of property, plant and equipment (PPE) is based on a number of factors including the effects of obsolescence, usage of the asset and other economic factors (such as known technological advances).

The Company reviews the useful life of PPE at the end of each reporting date and any changes could affect the depreciation rates prospectively.

The Company also reviews its property, plant and equipment for possible impairment if there are events or changes in circumstances that indicate that the carrying value of the assets may not be recoverable. In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits, such as the Company's business plans and changes in regulatory environment are taken into consideration.

(ii) Contingencies and Commitments

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims

against the Company. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability.

(iii) *Fair Value Measurements and Valuation Processes*

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

(iv) *Recognition of Deferred Tax Assets For Carried Forward Tax Losses and Unused Tax Credit*

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised. In addition significant judgement is required in assessing the impact of any legal or economic limits.

Notes to the Financial Statements for the year ended 31st March, 2020**NOTE 4:- CASH & CASH EQUIVALENT**

Particular	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Cash on Hand	400,740	400,740	400,496
Balances with Banks			
a) in current accounts	68,684,463	2,780,267	614,741
b) in fixed deposit (maturing within a period of three months)	5,114,470	39,532,215	16,889,555
	74,199,673	42,713,222	17,904,792

NOTE 5:- BANK BALANCE OTHER THAN CASH & CASH EQUIVALENT

Particular	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Fixed Deposits with Bank (maturing after period of three months)	4,000,000	4,000,000	10,523,855
	4,000,000	4,000,000	10,523,855

NOTE 6:- LOAN

Particular	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Unsecured Loan, measured at Amortised Cost			
Intercompany Loans (Refer Note 6.1)	201,000,000	541,950,000	339,950,000
Loan to Others	700,000	5,700,000	5,700,000
	201,700,000	547,650,000	345,650,000
Less: Impairment loss allowance	200,000,000	-	-
	1,700,000	547,650,000	345,650,000
Loan outside India	-	-	-
Loan in India	1,700,000	547,650,000	345,650,000

6.1 Out of the above, Rs. 20 crore loan was given to a company in FY 2018-19 against whom Insolvency proceedings have been initiated by a lender in NCLT in Dec 2019. Therefore loss allowance has been provided. Due to pandemic, the Company could not initiate legal action against the borrower for recovery

Notes to the Financial Statements for the year ended 31st March, 2020

NOTE 7: INVESTMENT

Particular	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Investment measured at FVTPL			
i) Mutual funds	396,675,051	78,431,863	130,728,480
Investment measured at FVOCI			
i) Preference Shares	265,707,879	192,990,750	82,830,750
ii) Equity Shares	78,125,931,147	82,389,447,851	72,052,495,864
Total	78,788,314,077	82,660,870,464	72,266,055,094
Investment outside India	-	-	-
Investment in India	78,788,314,077	82,660,870,464	72,266,055,094

7.1 Details of investments are as follows :-

Mutual funds

Particulars	Face Value	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
		Units	Amount	Units	Amount	Units	Amount
UTI Floating Rate Fund - Growth Plan	1,000	-	-	-	-	44,728	126,336,137
UTI Arbitrage Fund- Regular Dividend Plan	10	341,878	5,448,889	4,469,208	71,507,329	-	-
UTI Ultra Short Term Fund	1,000	-	-	2,218	6,718,336	-	-
HDFC Floating Rate Income Fund	10	-	-	6,818	206,198	145,232	4,392,343
Kotak Equity Arbitrage Fund	10	3,794,807	100,306,620	-	-	-	-

Particulars	Face Value	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
		Units	Amount	Units	Amount	Units	Amount
Kotak Equity Arbitrage Fund	10	2,862,111	80,275,907	-	-	-	-
HDFC Arbitrage Fund	10	9,043,892	205,658,099	-	-	-	-
HDFC Overnight Fund	1,000	925	2,745,873	-	-	-	-
ICICI Prudential Floating Interest Fund - Growth	100	7,261	2,179,661	-	-	-	-
ICICI Prudential Overnight Fund Direct Plan Growth	100	557	60,002	-	-	-	-
Sub Total			396,675,051		78,431,863		130,728,480

Notes to the Financial Statements for the year ended 31st March, 2020
Equity Instrument

Particulars	Face Value	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
		Units	Amount	Units	Amount	Units	Amount
Quoted (Fully Paid-Up)							
3M india Ltd	10	7,880	148,364,246	7,880	191,175,498	-	-
Agro Tech Foods Ltd.	10	38,570	14,745,311	38,570	23,022,433	38,570	24,532,449
Asian Paints Limited	2	194,500	324,134,250	100,000	149,270,000	124,626	139,630,970
Bajaj Auto Ltd	10	24,760	50,073,386	24,760	72,078,836	24,760	67,958,772
Bata India Ltd.	5	-	-	-	-	70,700	51,611,000
Bayer Cropscience Limited (Refer 7.2 (ii))	10	8,100	27,993,195	-	-	-	-
Bharat Forge Ltd	2	106,500	25,022,175	106,500	54,570,600	-	-
Bosch Ltd.	10	9,569	89,906,018	9,569	174,010,830	9,214	166,013,706
Britania Industries Ltd	2	-	-	-	-	42,779	212,637,297
Cummins India Ltd	2	10,000	3,267,000	10,000	7,460,000	10,000	7,002,500
Foseco India Ltd	10	14,377	12,965,897	14,377	19,613,822	14,377	21,456,954
Gillette India Ltd	10	2,232	12,209,263	2,232	14,719,928	2,232	14,636,452
GSK Consumer Healthcare Ltd.	10	18,948	188,992,089	5,809	42,096,661	19,724	120,318,372
HDFC Bank Ltd (Refer 7.2 (i))	1	123,800	106,703,220	61,900	143,539,910	61,900	116,749,590
HDFC Ltd.	2	44,500	72,672,950	34,000	66,920,500	34,000	62,070,400
ICICI Lombard General Insurance Co Ltd	10	127,745	138,175,379	-	-	-	-
India Cements Ltd	10	1,025,700	108,570,345	-	-	-	-
J K Lakshmi Cement Ltd	5	25,000	4,900,000	-	-	-	-
Kansai Nerolac Paints Ltd.	1	580,681	224,984,853	580,681	266,242,239	348,198	176,118,548
Kokuyo Camlin Ltd.	1	126,215	5,099,086	126,215	12,186,058	94,500	10,980,900
Kotak Mahindra Bank Ltd	5	100,000	129,605,000	126,534	168,859,623	126,534	132,582,325
Marico Ltd	1	86,500	23,774,525	86,500	29,985,225	80,000	26,084,000
Maruti Suzuki Ltd	5	26,400	113,211,120	26,400	176,155,320	26,400	233,930,400
Monsanto India Ltd. (Refer 7.2 (ii))	10	-	-	9,138	23,757,886	9,138	25,213,113
Motherson Sumi Systems Ltd	1	983,630	60,050,612	983,630	147,249,411	539,554	167,801,294
MRF Ltd	10	935	54,383,761	935	54,217,985	890	64,536,570
N.B.I. Industrial Finance Co. Ltd.	5	471,478	665,114,015	471,478	490,431,416	471,478	643,968,226
Nestle India Ltd	10	30,593	498,684,256	30,593	335,328,343	30,593	250,984,972
New Central Jute Mills Co. Ltd.	10	9	9	9	1,053	9	753
Orient Cement Ltd	1	160,600	7,178,820	-	-	-	-
P & G Hygiene & Healthcare Ltd	10	6,603	67,808,518	6,603	71,533,931	6,603	63,096,617
Rites Ltd	10	-	-	147,500	38,158,250	-	-
Sanofi India Ltd	10	6,082	38,032,875	6,082	35,566,624	-	-

Notes to the Financial Statements for the year ended 31st March, 2020

Particulars	Face Value	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
		Units	Amount	Units	Amount	Units	Amount
SBI Cards and Payment Services Ltd	10	5,659	3,500,940	–	–	–	–
Schaeffler India Ltd (Fag Bearing Ltd)	10	11,294	41,975,845	11,294	62,160,482	6,495	33,781,469
Shree Cement Ltd.	10	4,234,780	74,304,932,053	4,234,780	79,053,390,867	4,234,780	68,588,402,531
Shree Synthetics Ltd.	10	–	–	9,184	2,296	9,184	2,296
United Sprits Ltd (Refer 7.2 (iii))	2	151,900	73,610,740	66,200	36,668,180	13,240	41,436,566
Wabco India Ltd	5	1,576	9,678,689	1,576	10,499,391	1,576	12,498,941
Whirlpool of India Ltd.	10	79,522	144,642,565	57,822	87,606,112	57,822	87,325,676
Zee Entertainment Enterprises Ltd	1	–	–	–	–	286,437	164,987,712
Sub Total			77,794,963,006		82,058,479,710		71,728,351,371

7.2

- i) HDFC Bank Ltd. Shares split in ratio 1:2 in 19-20
- ii) 6092 Equity Shares of Bayer Cropscience Limited received in lieu of 9138 Equity Share of Monsanto India limited on account of Amalgamation.
- iii) United Sprits Ltd Shares split in ratio 1:5 in 18-19

Particulars	Face Value	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
		Units	Amount	Units	Amount	Units	Amount
Unquoted (Fully Paid-Up)							
Alfa Buildhome Pvt. Ltd.	10	2,600	2,769,650	2,600	2,769,650	2,600	2,381,236
Aqua infra Projects Ltd.	10	820,185	68,911,944	820,185	68,911,944	820,185	45,790,929
Asish Creations Pvt. Limited	10	217,000	47,844,160	217,000	47,844,160	217,000	46,398,940
Cast Solutions Ltd	10	1	1,329	1	1,329	1	1,327
Cem Logistics Pvt Ltd	10	1	4,765	1	4,765	1	4,766
Didu Investments Pvt Ltd	10	1,667	555,044	1,667	555,044	1,667	496,099
Karmayog Properties Pvt Ltd	10	1,559,000	171,427,640	1,559,000	171,427,640	1,559,000	191,008,680
Newa Investments Pvt Ltd	10	15,000	9,492,900	15,000	9,492,900	15,000	8,674,800
Ragini Finance Ltd	10	29,000	19,854,270	29,000	19,854,270	29,000	18,731,100
Ramgopal Holdings Pvt. Ltd.	10	223,750	7,826,775	223,750	7,826,775	223,750	8,428,966
Ragini Properties Pvt Ltd	10	79,600	776,100	79,600	776,100	79,600	779,284
SCL Energy Ltd	10	100	442	100	442	100	463

Notes to the Financial Statements for the year ended 31st March, 2020

Particulars	Face Value	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
		Units	Amount	Units	Amount	Units	Amount
Shree Cement Marketing Limited	10	5,000	87,850	5,000	87,850	5,000	91,277
Shreecap Holdings Pvt Ltd	10	7,000	75,670	7,000	75,670	7,000	71,990
Shreeman Investments Pvt Ltd	10	10,000	143,800	10,000	143,800	10,000	136,000
Suryadewata Prop. Pvt Ltd	10	5,800	618,802	5,800	618,802	5,800	605,636
The Kamla Co Ltd	10	25,000	577,000	25,000	577,000	25,000	543,000
Sub Total			330,968,141		330,968,141		324,144,493
Preference Shares							
Quoted (Fully Paid-Up)							
2.95% Zee Entertainment Enterprises Ltd - NCPS	4(6)	61,992,247	182,877,129	20,250,000	110,160,000	-	-
Unquoted (Fully Paid -Up)							
9% Cast Solutions Pvt Ltd - NCNCRP	100	70,000	7,000,000	70,000	7,000,000	70,000	7,000,000
Particulars	Face Value	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
		Units	Amount	Units	Amount	Units	Amount
9% CEM Logistics Pvt. Ltd.-NCNCRP	100	530,000	53,000,000	530,000	53,000,000	530,000	53,000,000
5% Tanushree Logistics Pvt. Ltd.- NCNCRP- redeemable in 2020	100	165,000	22,830,750	165,000	22,830,750	165,000	22,830,750
Sub Total			265,707,879		192,990,750		82,830,750
TOTAL INVESTMENT			78,788,314,077		82,660,870,464		72,266,055,094

Notes to the Financial Statements for the year ended 31st March, 2020

NOTE 8:-OTHER FINANCIAL ASSETS

Particular	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Dividend Receivable	14,878,139	7,290,000	–
Interest accrued on Loan	716,827	58,826,996	29,685,933
Interest accrued on Bank Deposits	250,313	849,996	2,269,228
Security Deposits	318,000	298,000	208,000
Advance to Staff	159,500	54,500	171,000
Other Advances	196,894	84,583	28,934,782
Other Financial Assets	569,731	–	–
	<u>17,089,404</u>	<u>67,404,075</u>	<u>61,268,943</u>

NOTE 9:-CURRENT TAX ASSETS

Particular	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Advance Tax	265,921,097	261,516,194	188,506,802
Less: Provision for Tax	(255,280,000)	(256,180,000)	(182,680,000)
	<u>10,641,097</u>	<u>5,336,194</u>	<u>5,826,802</u>

NOTE 10:-DEFERRED TAX LIABILITIES (NET)

Particular	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Deferred Tax Liabilities			
- On Fair value Gain of investment (FVTOCI)	8,272,623	583,372,857	12,228,544
- On Fair value Gain of investment (FVTPL)	–	1,039	183,827
	<u>8,272,623</u>	<u>583,373,896</u>	<u>12,412,371</u>
Deferred Tax Assets			
- Property, Plant & Equipment	9,138	10,004	10,798
- Provision for Grautity	220,136	192,563	171,303
- Provision for Leave Salary	107,165	89,904	89,468
- On Fair value Gain of investment (FVTPL)	629,035	–	–
- MAT Credit	74,882,232	80,250,241	29,993,289
	<u>75,847,706</u>	<u>80,542,712</u>	<u>30,264,858</u>
Deferred Tax (Assets)/ Liabilities (Net)	<u>(67,575,083)</u>	<u>502,831,184</u>	<u>(17,852,487)</u>

Notes to the Financial Statements for the year ended 31st March, 2020**NOTE 11: PROPERTY, PLANT & EQUIPMENT**

Particulars	Land	Building	Furniture & Fixtures	Data Processing Equipments	Fax Machine	TOTAL
Gross Block (Deemed Cost)						
As at 1st April, 2018	43,575,720	2,205,498	4,554	3,034	832	45,789,638
Additions	–	–	–	17,228	–	17,228
Sale/Deduction	–	–	–	–	–	–
As at 31st March, 2019	43,575,720	2,205,498	4,554	20,262	832	45,806,866
Additions	7,968,474	–	1,700	–	–	7,970,174
Sale/Deduction	–	–	–	–	–	–
As at 31st March, 2020	51,544,194	2,205,498	6,254	20,262	832	53,777,040
Accumulated Depreciation						
As at 1st April, 2018	–	–	–	–	–	–
For the year	–	994,018	–	–	–	994,018
Adjustment	–	–	–	–	–	–
As at 31st March, 2019	–	994,018	–	–	–	994,018
For the year	–	546,014	190	12,375	–	558,579
Adjustment	–	–	–	–	–	–
As at 31st March, 2020	–	1,540,032	190	12,375	–	1,552,597
Net Book Value						
As at 31st March, 2020	51,544,194	665,466	6,064	7,887	832	52,224,443
As at 31st March, 2019	43,575,720	1,211,480	4,554	20,262	832	44,812,848
As at 1st April, 2018	43,575,720	2,205,498	4,554	3,034	832	45,789,638

Notes to the Financial Statements for the year ended 31st March, 2020

NOTE 12:-OTHER NON-FINANCIAL ASSETS

Particular	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
IT Refund Receivable	676,828	643,306	643,306
	<u>676,828</u>	<u>643,306</u>	<u>643,306</u>

NOTE 13:-OTHER FINANCIAL LIABILITIES

Particular	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Other Payable - For Expenses	201,245	63,381	93,125
	<u>201,245</u>	<u>63,381</u>	<u>93,125</u>

NOTE 14:-PROVISIONS

Particular	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Provision for Employee Benefits:			
a) Gratuity	791,285	661,275	615,755
b) Leave Salary	385,208	308,736	321,596
Contingent Provision against Standard Assets	7,728	1,535,510	1,105,990
	<u>1,184,221</u>	<u>2,505,521</u>	<u>2,043,341</u>

14.1 Movement in provisions:

Particular	Provision for Leave Salary	Provision for Gratuity	Provision for Standard Assets
Balance As At 1st April, 2018	321,596	615,755	1,105,990
Provision Utilised	50,428	72,733	–
Provision Reversed	–	–	–
Provision Created	37,568	118,253	429,520
Balance As At 31st March, 2019	308,736	661,275	1,535,510
Provision Utilised	–	–	–
Provision Reversed	–	–	1,527,782
Provision Created	76,471	130,010	–
Balance As At 31st March, 2020	<u>385,207</u>	<u>791,285</u>	<u>7,728</u>

Notes to the Financial Statements for the year ended 31st March, 2020**NOTE 15:-OTHER NON-FINANCIAL LIABILITIES**

Particular	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Statutory Dues	68,938	6,260	5,425
	68,938	6,260	5,425

NOTE 16: EQUITY SHARE CAPITAL

Particular	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Authorised:			
2,00,00,000 (31st March, 2019: 2,00,00,000 & 1st April, 2018: 1,50,00,000) Equity Shares of Rs. 10 /- each	200,000,000	200,000,000	150,000,000
Issued, Subscribed & Fully Paid:			
1,32,59,420 (31st March, 2019: 1,32,59,420 & 1st April, 2018: 1,04,43,892) Equity Shares of Rs 10/- each	132,594,200	132,594,200	104,438,920
	132,594,200	132,594,200	104,438,920

16.1 Terms/ rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. Dividend, if any, proposed by the board of directors is subject to approval of the shareholders in the ensuing AGM. In the event of liquidation of the company, the holders of equity shares will be entitled to the remaining assets of the company after distribution of all preferential amounts in proportion to the no. of equity shares held by them.

16.2 Reconciliation of the number and amount of Equity Shares

Particular	In Number	Amount
As at 1st April, 2018	10,443,892	104,438,920
As at 31st March, 2019	13,259,420	132,594,200
As at 31st March, 2020	13,259,420	132,594,200

Notes to the Financial Statements for the year ended 31st March, 2020

16.3:-Details of Shareholders holding more than 5% Equity Shares in the Company

Name	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	No. of Shares held	% holding	No. of Shares held	% holding	No. of Shares held	% holding
Asish Creations Pvt. Ltd.	909,599	6.86%	909,399	6.86%	909,374	8.71%
Didu Investments Pvt. Ltd.	720,620	5.43%	720,620	5.43%	679,500	6.51%
Mannakrishna Investments Pvt. Ltd.	1,237,442	9.33%	1,215,128	9.16%	1,135,455	10.87%
Newa Investments Pvt. Ltd.	1,101,890	8.31%	1,099,290	8.29%	1,027,800	9.84%
Shree Capital Services Ltd.	3,880,759	29.27%	3,880,759	29.27%	3,683,959	35.27%
The Didwana Investment Co. Ltd.	673,760	5.08%	673,760	5.08%	673,760	6.45%
The Venkatesh Co. Ltd.	821,521	6.20%	821,521	6.20%	750,001	7.18%
Rajkamal Devi Bangur	1,961,332	14.79%	1,521,523	11.48%	20,051	0.19%

Notes to the Financial Statements for the year ended 31st March, 2020
NOTE 17: OTHER EQUITY

Particulars	<u>As at 31st March, 2020</u>	<u>As at 31st March, 2019</u>
Share Capital Pending Allotment		
Opening Balance	–	28,155,280
Less: Shares allotted	–	(28,155,280)
Closing Balance	(A) –	–
Reserve & Surplus		
Capital Reserve	31,307,628	31,307,628
Securities Premium	217,708,000	217,708,000
Statutory Reserve		
Opening Balance	554,076,459	448,205,785
Add: Transfer from retained earnings	91,257,407	105,870,674
Closing Balance	645,333,866	554,076,459
Retained Earnings		
Opening Balance	1,973,140,757	1,830,428,767
Add: Profit for the year	456,287,036	248,582,664
Less: Transfer to Statutory Reserve	(91,257,407)	(105,870,674)
Closing Balance	2,338,170,386	1,973,140,757
	(B) 3,232,519,880	2,776,232,844
Equity Instruments Through OCI		
Opening Balance	79,958,663,527	70,109,128,647
Add:- Fair Value Gain/(Loss) during the Year (Net of Tax)	(4,288,223,140)	9,849,534,881
Closing Balance	(C) 75,670,440,387	79,958,663,528
Financial Instruments Through OCI		
Opening Balance	533,191	–
Add:- Fair Value Gain/(Loss) during the Year (Net of Tax)	(21,121,457)	533,191
Less:- Reclassified to Consolidated Statement of Profit and Loss	–	–
Closing Balance	(D) (20,588,266)	533,191
TOTAL	(A+B+C+D) 78,882,372,001	82,735,429,563

Share Capital Pending Allotment

Represents value of Shares Pending Allotment

Capital Reserve

This reserve represents the difference between value of the net assets transferred. Consideration received for such assets in excess of original cost and excess value is received in amalgamation and also relates to forfeiture

Notes to the Financial Statements for the year ended 31st March, 2020

of shares.

Securities Premium

This reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Statutory Reserve

Statutory Reserve represents the Reserve Fund created under Section 45 IC of the Reserve Bank of India Act, 1934. Accordingly an amount representing 20% of Profit for the period is transferred to the fund for the year.

Retained Earnings

This reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

Equity Instruments through Other Comprehensive Income

This reserve represents the cumulative gains (net of losses) arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income net of tax.

Cumulative Realised Gain on Sale Of Equity Instrument

Particular	Realised Gain
Opening Balance	–
Realised Gain of 18-19	324,662,562
Realised Gain of 19-20	38,765,175
Closing Balance	363,427,738

Financial Instruments through Other Comprehensive Income

This reserve represents the cumulative gains (net of losses) arising on the revaluation of preference instruments measured at fair value through Other Comprehensive income, net of tax. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

NOTE 18:- INTEREST INCOME

Particulars	As at 31st March, 2020	As at 31st March, 2019
Interest on Fixed Deposits	837,436	1,764,855
Interest on Loans	7,679,765	44,233,826

Notes to the Financial Statements for the year ended 31st March, 2020**NOTE 19:- DIVIDEND INCOME**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Dividend Income from		
a) Mutual Fund	8,366,138	1,247,322
b) Preference Shares	21,341,750	7,290,000
c) Equity Shares	645,623,336	254,975,430
	675,331,224	263,512,752

NOTE 20:- NET GAIN ON FAIR VALUE CHANGE

Particulars	As at 31st March, 2020	As at 31st March, 2019
Net Gain on Financial Instruments at Fair Value through Profit/(Loss)	(3,768,484)	5,944
	(3,768,484)	5,944

NOTE 21:- NET GAIN ON SALE OF INVESTMENT

Particulars	As at 31st March, 2020	As at 31st March, 2019
Mutual Fund	4,513,028	6,266,494
	4,513,028	6,266,494

NOTE 22:- OTHER INCOME

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Standard Assets Written Back	1,527,782	-
Miscellaneous Income	201	20,190
	1,527,983	20,190

NOTE 23:- EMPLOYEE BENEFIT EXPENSE

Particulars	As at 31st March, 2020	As at 31st March, 2019
Salaries and Allowances	3,159,486	2,163,067
Gratuity	130,010	139,373
Leave Salary	110,257	46,296
Staff Welfare Expenses	186,840	162,785
	3,586,593	2,511,521

Notes to the Financial Statements for the year ended 31st March, 2020

NOTE 24:- OTHER EXPENSE

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advertisement Charges	2,000	66,057
Amalgamation Expenses	–	909,337
Bank Charges	1,820	4,171
Communication Charges	285,161	239,425
CSR Expenditure [Refer Note 24.1]	7,900,000	5,575,000
Custodian Fees	53,100	44,250
Depository Charges	28,173	294,331
Directors Meeting Fees	126,100	211,200
Donations	10,000,000	28,000,000
Filing Fees	12,650	10,425
Goods & Services Tax	29,178	154,324
Miscellaneous Expenses	39,524	52,545
Payment to Auditors [Refer Note-24.2]	54,754	70,390
Printing & Stationary	255,630	423,645
Professional & Legal Charges	597,923	2,206,423
Allowance for doubtful loan	200,000,000	–
Provision for Standard Assets	–	429,520
Rates & Taxes	4,650	9,300
Rent	219,338	247,658
Repairs & Maintenance - Others	564,198	556,828
Securities Transaction Tax	775,600	1,145,659
Travelling & Conveyance	45,672	21,852
	220,995,471	40,672,340

Note 24.1-Details of CSR expenditure:

Particulars	2019-20	2018-19
(a) Gross amount required to be spent by the Company during the Year	7,892,100	5,573,428
(b) Amount spent during the Year	7,900,000	5,575,000

Notes to the Financial Statements for the year ended 31st March, 2020**Note 24.2-Payment to Auditor**

Particulars	2019-20	2018-19
For Statutory Audit	23,000	22,000
For Tax Audit	5,800	5,500
For Other Services	25,954	42,890
	<u>54,754</u>	<u>70,390</u>

NOTE 25:- TAX EXPENSE**25.1 Amount recognised in profit or loss**

	As at 31st March, 2020	As at 31st March, 2019
Current tax:		
Income tax for the year	–	73,500,000
Charge/(credit) in respect of current tax for earlier years	(695)	4,160
Total Current Tax	(695)	73,504,160
Deferred tax:		
Origination and reversal of temporary differences	(674,041)	(203,691)
MAT Credit Utilised/(Availed)	5,368,009	(50,256,951)
Total Deferred Tax	4,693,968	(50,460,642)
Total tax expenses	4,693,273	23,043,518

25.2 Amount recognised in other comprehensive income

The tax (charge)/ credit arising on income and expenses recognised in other comprehensive income is as follows:

Deferred tax

On items that will not be reclassified to profit or loss

Related to fair value change in equity instruments (FVTOCI)	572,328,520	(571,031,431)
Related to fair value change in financial instruments (FVTOCI)	2,771,714	(112,882)

Notes to the Financial Statements for the year ended 31st March, 2020

25.3 Reconciliation of effective tax rate

	<u>As at 31st March, 2020</u>	<u>As at 31st March, 2019</u>
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	460,980,309	271,626,182
Tax Rate	27.82%	29.12%
Income tax expense calculated	128,244,722	79,097,544
Expenses disallowed	62,403,640	12,121,630
Effect of tax relating to expenses allowed on payment basis	(9,399)	(35,864)
Effect of tax relating to uncertain tax positions	(674,041)	(203,691)
Effect of income not taxable	(188,302,175)	(76,734,914)
Tax due to Ind AS adjustments	2,095,837	(276,581)
Tax at differential rate	988,766	8,844,409
Income tax relating to earlier years	(695)	4,160
Other differences	(53,383)	226,825
Tax expenses	<u>4,693,272</u>	<u>23,043,518</u>

25.4 The tax rate used for the year 2019-20 reconciliations above is the corporate tax rate of 27.82% (25% + surcharge @ 7% and education cess @ 4%) (2018-19: 29.12% (25%+12%+4%)) payable on taxable profits under the Income Tax Act, 1961. The effective tax rate is 1.02% (2018-19: 8.48%).

NOTE 26:- OTHER COMPREHENSIVE INCOME

a) Equity shares measured through OCI

Particulars	<u>2019-20</u>	<u>2018-19</u>
Realised Gain/(Loss)	14,117,615	56,048,923
Unrealised Gain/(Loss)	(4,874,669,276)	10,364,517,389
	<u>(4,860,551,661)</u>	<u>10,420,566,312</u>

b) Preference Shares measured through OCI

Particulars	<u>2019-20</u>	<u>2018-19</u>
Unrealised Gain/(Loss)	(23,893,171)	646,073
	<u>(23,893,171)</u>	<u>646,073</u>

Notes to the Financial Statements for the year ended 31st March, 2020**NOTE 27:- EPS****Earnings Per Share (EPS)**

	Year ended 31st March, 2020	Year ended 31st March, 2019
i) Net Profit after Tax as per Statement of Profit and Loss	456,287,036	248,582,664
ii) Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	13,259,420	13,259,420
iii) Weighted Average Potential Equity Shares	-	-
iv) Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	13,259,420	13,259,420
v) Basic Earnings per Shares (Rs.)	34.41	18.75
vi) Diluted Earnings per Share (Rs.)	34.41	18.75
vii) Face Value per Equity Share (Rs.)	10.00	10.00

NOTE 28:- SEGMENT REPORTING

The Company has only one line of business i.e. Non Banking Financial activities. There are no separate reportable segments as per Ind As 108.

NOTE 29:- RELATED PARTY DISCLOSURE

Name of Related Party

a) Key Management Personnel

Mr. K.K Thakur

Degination

Manager & CFO

b) Enterprise having significant influence over the Company

Shree Capital Services Ltd

Related Party Transaction during the Year:

Particular	Year ended 31st March, 2020	Year ended 31st March, 2019
Remuneration to Mr. K. K. Thakur	1,376,517	1,376,517
Office Rent Paid to Shree Capital Services Ltd.	56,640	56,640

NOTE 30:- CONTINGENT LIABILITIES**Particular**

	As at 31st March, 2020	As at 31st March, 2019
Contingent liability not provided for income tax demand disputed in appeal.	6,925,402	2,335,674

Notes to the Financial Statements for the year ended 31st March, 2020**NOTE 31:- DISCLOSURE WITH REGARD TO MICRO, MEDIUM & SMALL ENTERPRISES**

Based on the information available with the Company, there is no supplier in the aforesaid company. Thus no disclosures relating to principal amounts unpaid as at the period ended 31st March, 2020 together with interest paid /payable are required to be furnished.

NOTE 32:- CAPITAL MANAGEMENT

The primary objective of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

NOTE 33:- RISK MANAGEMENT

"The Company has a system-based approach to risk management, anchored to policies & procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities.

The Company's financial liabilities includes Other Financial Liabilities- comprising of general expenses. The Company's principal financial assets include Investments, Cash and Cash Equivalents and Other Financial Assets that are derived directly from its operations.

"Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset."Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the underlying business, the Company maintains sufficient cash and liquid investments available to meet its obligation."

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The management also considers the cash flow projections and level of liquid assets necessary to meet these on a regular basis.

Risk	Exposure arising from	Mitigation
Market Risk – Securities Price	Investments in equity securities	Continuous monitoring of performance of investments.
Credit Risk	Failure of either counterparty to abide by the terms of any financial contract.	Rigorous loan approval along with strong NPA monitoring and collection .

Market Risk : Securities Price

Equity price risk is related to change in market reference price of investments in equity securities held by the Company. The fair value of quoted investments held by the Company exposes the Company to equity price risks. In general, these investments are not held for trading purposes. The fair value of quoted investments in equity, classified as fair value through Other Comprehensive Income as at 31st March, 2020 is Rs. 7,779.50 Lacs (31st March, 2019: Rs. 8,205.85 Lacs). A 1% change in equity prices of such securities held as at 31st March, 2020 and 31st March, 2019, would result in an impact of Rs. 77.79 Lacs, and Rs. 82.06 Lacs respectively.

Notes to the Financial Statements for the year ended 31st March, 2020**NOTE 34:- DISCLOSURE ON FINANCIAL INSTRUMENTS**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the financial statements.

Categories of Financial Instruments

Particulars	Note	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Financial Assets				
a) Measured at Amortised Cost				
i) Cash and Cash Equivalents	4	74,199,673	42,713,222	17,904,792
ii) Other Bank Balances	5	4,000,000	4,000,000	10,523,855
iii) Other Financial Assets	8	17,089,404	67,404,075	61,268,943
Sub-Total		95,289,077	114,117,297	89,697,590
b) Measured at Fair Value through OCI (FVOCI)				
i) Investment in Equity Shares	7	78,125,931,147	82,389,447,851	72,052,495,864
ii) Investment in Preference Shares	7	265,707,879	192,990,750	82,830,750
Sub-Total		78,391,639,026	82,582,438,601	72,135,326,614
c) Measured at Fair Value through Profit and Loss (FVTPL)				
i) Investment in Mutual Fund	7	396,675,051	78,431,863	130,728,480
Sub-Total		396,675,051	78,431,863	130,728,480
Total Financial Assets		78,883,603,154	82,774,987,761	72,355,752,684
Financial Liabilities				
a) Measured at Amortised Cost				
i) Other Financial Liabilities	13	201,245	63,381	93,125
Total Financial Liabilities		201,245	63,381	93,125

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standards.

Notes to the Financial Statements for the year ended 31st March, 2020

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Valuation Technique used to determine Fair Value

Specific valuation techniques used to value financial instruments include:

- the fair value of investment in quoted equity shares and mutual funds is measured at quoted price or NAV.
- the fair value of level 2 instruments is valued using inputs based on information about market participants assumptions and other data that are available.

(iii) Fair value of Financial Assets and Liabilities measured at Fair value - recurring Fair Value Measurements

Particulars	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	Level 1	Level 2	Level 1	Level 2	Level 1	Level 2
Financial Assets						
Investment in Equity Instruments	77,794,963,006	330,968,141	82,058,479,710	330,968,141	71,728,351,371	324,144,493
Investment in Financial Instruments	182,877,129	82,830,750	110,160,000	82,830,750	-	82,830,750
Investment in Mutual Fund	396,675,051	-	78,431,863	-	130,728,480	-
Total Financial Assets	78,374,515,186	413,798,891	82,247,071,573	413,798,891	71,859,079,851	406,975,243

(iv) Significant Estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (ii) above.

NOTE 35:-FIRST TIME ADOPTION OF IND AS

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

Notes to the Financial Statements for the year ended 31st March, 2020

to Ind AS. These financial results may require further adjustments, if any, necessitated by the guidelines / clarifications / directions issued in the future by RBI, Ministry of Corporate Affairs, or other regulators, which will be implemented as and when the same are issued and made applicable. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April, 2018 and the financial statements as at and for the year ended 31st March, 2020.

Exemptions applied:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

Deemed Cost

Ind AS 101 permits a first time adopter to elect to continue the carrying value of all its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost after making necessary adjustments to decommissioning liabilities.

Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of facts and circumstances at the date of transition to Ind AS.

Ind AS 109 requires a financial asset to be measured at amortised cost if it meets two tests that deal with the nature of the business that holds the assets and the nature of the cash flows arising on those assets. A first-time adopter must assess whether a financial asset meets the conditions on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Para B8-B8C Ind AS 101 also contains mandatory exception related to classification of financial asset which states that conditions for classifying financial assets to be tested on the basis of facts and circumstances existing at the date of transition to Ind AS instead of the date on which it becomes party to the contract.

Notes to the Financial Statements for the year ended 31st March, 2020**Mandatory exceptions****Estimates:**

The estimates at 1st April, 2018 and at 31st March, 2019 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

Fair valuation of financial instruments carried at FVTPL

Determination of discounted value for financial instruments carried at amortized cost

Investment in equity instruments carried at FVOCI and FVTPL

Classification and Measurement of Financial Assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist at the date of transition to Ind AS.

Statement of Cash Flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

Other Comprehensive Income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

Investments

Under the Indian GAAP, investments in mutual funds were classified as current investments based on the intended holding period and realisability. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value through profit or loss. The resulting fair value changes of these investments has to be recognised in retained earnings as at the date of transition and subsequently in the statement of profit and loss for the year ended 31st March, 2019.

Under Indian GAAP, the Company accounted for long term investments in unquoted and quoted equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has designated the investments in unquoted equity shares as FVOCI investments. Ind AS requires FVOCI investments to be measured at fair value. At the date of transition to Ind AS, difference between the instruments fair value and Indian GAAP carrying amount has been recognised as a separate component of equity, in the FVOCI reserve, net of related deferred taxes.

Deferred Tax

Indian GAAP requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the Period.

Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in

Notes to the Financial Statements for the year ended 31st March, 2020

correlation to the underlying transaction either in retained earnings or a separate component of equity.

Notes to Ind As Adjustments:**i) Fair Valuation of Investments**

As required under Ind AS 32, investments are measured at fair value. "Equity Investments have been designated as fair value through OCI. Accordingly, the fair value changes with respect to such investments have been recognised in OCI – 'Equity Investments at FVOCI' and subsequently in other comprehensive income for the year ended 31st March, 2019.

Investments in Preference Share have been designate as fair value through OCI. Accordingly, the fair value changes with respect to such investments have been recognised in OCI – 'Financial Investments at FVOCI' and subsequently in other comprehensive income for the year ended 31st March, 2019.

Other investments have been measured through profit or loss, fair value change is recognised in profit or loss.

ii) Deferred Tax

The various transitional adjustments lead to different temporary differences, the Company has to account for such differences. Deferred tax adjustments are recognised in relation to the underlying transactions either in retained earnings or a separate component of equity.

iii) Statement of Cash Flows

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2019 as compared with the previous GAAP.

NOTE 35.1- Equity Reconciliation

Particulars	As at 1st April, 2018
Other Equity under previous GAAP	2,524,633,937
Add:- Fair Valuation of	
Equity instruments through OCI	70,121,357,191
Financial instruments through OCI	-
Mutual Fund	1,101,290
Less:- Deferred Tax	17,841,689
Total Adjustment to Equity	70,140,300,170
Other Equity under Ind AS	72,664,934,107
Particulars	As at 31st March, 2019
Other Equity under previous GAAP	3,020,357,581
Add:- Fair Valuation of	
Equity instruments through OCI	80,217,260,940
Financial instruments through OCI	646,073
Mutual Fund	5,944
Less:- Deferred Tax	(502,840,976)
Total Adjustment to Equity	79,715,071,982
Other Equity under Ind AS	82,735,429,563

Notes to the Financial Statements for the year ended 31st March, 2020**NOTE 36:-**

Due to outbreak of COVID 19 globally and in India, the Company's management has made initial assessment of likely adverse impact on business and financial risks, and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the Company's ability to continue as going concern and meeting its liabilities as and when they fall due. "Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

NOTE 37:-

Particulars required under Paragraph 18 of the Master Direction Non-Banking Financial Company- Non-Sytemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 are given in the Annexure appended hereto.

NOTE 38:-

The previous year figures have been reclassified and regrouped where considered necessary to confirm to this year's presentations.

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

In terms of our report attached
For **D K Chhajer & Co.**
Chartered Accountants
Firm Registration No. 304138E

Tapan Kumar Mukhopadhyay
Partner
Membership No.017483
Place: Kolkata
Date: 29th October, 2020

For and behalf of the board

Gourav Periwal
Director
DIN: 08643886

K.K. Thakur
Manager & CFO

S. K. Mukherjee
Director
DIN: 00029362

R.R. Dalmia
Company Secretary

PARTICULARS	(Rs in Lakhs)	
	As on 31.03.2020	
	Amount Outstanding	Amount Overdue
(4) Break-up of Investments:		
Current Investments:		
1. Quoted:		
(i) Shares: (a) Equity	NIL	
(b) Preference	NIL	
(ii) Debentures and Bonds	NIL	
(iii) Units of mutual funds	NIL	
(iv) Government Securities	NIL	
(v) Others (please specify)	NIL	
2. Unquoted:		
(i) Shares: (a) Equity	NIL	
(b) Preference	NIL	
(ii) Debentures and Bonds	NIL	
(iii) Units of mutual funds	3966.75	
(iv) Government Securities	NIL	
(v) Others (Please specify)	NIL	
Long Term investments		
1. Quoted:		
(i) Share: (a) Equity	777949.63	
(b) Preference	1828.77	
(ii) Debentures and Bonds	NIL	
(iii) Units of mutual funds	NIL	
(iv) Government Securities	NIL	
(v) Others (Please specify)	NIL	
2. Unquoted:		
(i) Shares:		
(a) Equity	3309.68	
(b) Preference	828.31	
(ii) Debentures & Bonds	NIL	
(iii) Units of mutual funds	NIL	
(iv) Government Securities	NIL	
(v) Others (Please specify)	NIL	

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	NIL	NIL
2. Other than related parties	NIL	17.00	17.00
TOTAL	NIL	17.00	17.00

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	Market Value / Break up/ or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	NIL	NIL
(c) Other related parties	NIL	NIL
2. Other than related parties	787883.14	35,028.60
TOTAL	787883.14	35,028.60

(7) Other information

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	NIL
(b) Other than related parties	NIL
(ii) Net Non-Performing Assets	
(a) Related parties	NIL
(b) Other than related parties	NIL
(iii) Assets acquired in satisfaction of debt	NIL

In terms of our report attached
For **D K Chhajer & Co.**
Chartered Accountants
Firm Registration No. 304138E

Tapan Kumar Mukhopadhyay
Partner
Membership No.017483
Place: Kolkata
Date: 29th October, 2020

For and behalf of the board

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