

**SASTASUNDAR VENTURES LIMITED**

Azimganj House, 2nd Floor,  
7 Abanindra Nath Thakur Sarani (Formerly Camac Street),  
Kolkata 700017, India. Tel: +91 33 2282 9330; Fax: +91 33 2282 9335  
Email: info@sastasundar.com; Website: www.sastasundarventures.com  
CIN: L65993WB1989PLC047002

**Date: 19-08-2020**

**To**  
**The General Manager**  
**Department of Corporate Services**  
**BSE Limited**  
Phiroze Jeejeebhoy Tower  
Dalal Street, Mumbai – 400 001

**Manager - Listing**  
**Listing Department**  
**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra Kurla Complex  
Mumbai – 400 051

**Subject: Annual Report of the Company for the FY 2019-20**

**Ref: Scrip Code at BSE: 533259 and Symbol at NSE: SASTASUNDR**

Dear Sir/Madam,

Please find enclosed herewith copy of Annual Report of our Company for the Financial Year 2019-20, pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, with regard to filing of Annual Report in XBRL mode, the same shall be filed in due course.

The aforesaid Annual Report and Notice of Annual General Meeting are also available on the Company's website at [www.sastasundarventures.com](http://www.sastasundarventures.com).

Kindly take the aforesaid information on record and oblige.

Thanking you,

Yours faithfully,

For Sastasundar Ventures Limited

*Biplab Kumar Mani*

Biplab Kumar Mani  
Company Secretary and Compliance Officer



**Encl: Copy of Annual Report**

# INCLUSIVE HEALTHCARE



The disruption in SastaSundar model is its all-inclusive nature covering urban, semi-urban to rural territories; internet to non-internet users; all economic classes, in local languages & through personalised healthcare.



This Annual Report is available  
Online at [www.sastasundarventures.com](http://www.sastasundarventures.com)

## Corporate Information

### BOARD OF DIRECTORS

**Mr. Banwari Lal Mittal**  
Chairman and Managing Director

**Mr. Ravi Kant Sharma**  
Non-Executive Director

**Mr. Parimal Kumar Chattaraj**  
Independent Director

**Mr. Rajeew Goenka**  
Independent Director

**Mrs. Abha Mittal**  
Non-Executive Director

**Mr. Bimal Kumar Patwari**  
Independent Director  
[with effect from July 24, 2019]

**Dr. Saibal Chandra Pal**  
Independent Director  
[with effect from April 1, 2019 upto  
August 19, 2019]

### CHIEF FINANCIAL OFFICER

**Mrs. Manisha Sethia**  
[with effect from September 14, 2019]

**Mr. Deepak Kumar Agarwal**  
[with effect from March 2, 2019 upto  
September 13, 2019]

### COMPANY SECRETARY

**Mr. Biplab Kumar Mani**

### REGISTERED OFFICE

Azimganj House, 2nd Floor  
7, Abanindra Nath Thakur Sarani  
(Formerly Camac Street)  
Kolkata- 700 017  
CIN: L65993WB1989PLC047002  
Phone: + 913322829330  
Fax: +913322829335  
E-mail: [info@sastasundar.com](mailto:info@sastasundar.com)  
Website : [www.sastasundarventures.com](http://www.sastasundarventures.com)

### BANKERS

HDFC Bank Limited

### AUDITORS

Singhi & Co.  
Chartered Accountants  
161, Sarat Bose Road  
Kolkata- 700 026

### REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited  
Vaishno Chambers, 5th Floor  
Room No. 502 & 503  
6 Brabourne Road  
Kolkata 700001  
Phone: + 913340049728  
Fax : + 913340731698  
E-mail: [kolkata@linkintime.co.in](mailto:kolkata@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

## Inside this Report

### Statutory Reports 4 - 59

- Directors' Report and Annexures 4
- Management Discussion & Analysis Report 34
- Corporate Governance Report 39
- Statement Regarding Subsidiary Company 59

### Standalone Financial Statement 61 - 109

- Independent Auditors' Report 62
- Balance Sheet 70
- Statement of Profit and Loss 71
- Statement of Changes in Equity 72
- Cash Flow Statement 73
- Notes to the Financial Statements 75

### Consolidated Financial Statements 110 -172

- Independent Auditors' Report 110
- Balance Sheet 116
- Statement of Profit and Loss 117
- Statement of Changes in Equity 118
- Cash Flow Statement 119
- Notes to the Financial Statements 121

## CHAIRMAN'S INSIGHT

*Dear Shareholders,*

Greetings. An unprecedented challenge is upon us today. May God give us the strength to face this with courage, conviction & care.

SastaSundar accepted the challenge & started preparing in mid-February. So by lockdown, we were ready to seamlessly supply medicine & healthcare products (including essentials like masks, sanitisers, thermometers) to our customers' doorstep. Our Area Logistics Centres (ALCs) at Kolkata & Delhi-NCR operated throughout with most medicines being amply available. Our supply chain management proved that our values of genuineness and efficiency in terms of cost & consumer experience can stand against all odds. We have started our 3<sup>rd</sup> ALC & HB network in Maharashtra (West Bengal, Jharkhand, Odisha, Bihar, Delhi, Haryana & Uttar Pradesh networks are already active). With other states being courier-served, we are delivering almost across PAN India.

For generating awareness on COVID-19 & immunity, we have built one of the largest Knowledge Resource Centres with 1000+ articles, videos, interviews & safety protocols. Our service culture of 'Being Child' is emotionally uniting the physically apart employees & customers via technology.

COVID-19 shows that both diseases & complications demand prevention. So, compliance and availability of right medicine, diagnostic services & counselling are critical. Solid partnership with Mitsubishi Corporation & Rohto Pharmaceutical Co., Ltd., has amplified our strength.

Genu Paths Labs is growing as planned. Health data from medicine sales integrated with the lab's data help in personalising customer experience. Our data analytics use customer data for providing him/her with health insights & alerts about future complications (analysed from medicine/lab test patterns). Personalised health tech is the future of healthcare.

Learning is a cornerstone of ours. HappyMate Foods as a separate business vertical has been unsuccessful. So now, the entire private label is being aligned with SastaSundar.

As steady growth nurtures sustainability, we avoid burning cash. We only consider sustainability & cash flow benchmark metrics which our ecosystem can generate. Collaboration with local chemists and drug stores is critical for distribution & digital healthcare's growth. Our initiative Retailer Shakti's timely stock provision to local chemists ensures uninterrupted supply.

India has the world's 2<sup>nd</sup> highest population. We are Yoga's global resource centre, ranking 1st, 2nd & 3rd, respectively, in global milk, vegetable & medicine production. We provide 50% of global vaccines. Our young demography & democracy are exemplary. Still around 649 million Indians lack access to quality nutrition & healthcare. Diabetes & obesity are rampant. 53% deaths are projected from chronic diseases. Many unqualified doctors write prescriptions. Fake products are widely distributed. The reason: inefficient distribution concurrently triggering resource wastage & lack of access. Organised and accredited supply system is absent largely in suburban & rural areas. Distribution isn't integrated with data, information, counselling or resources.

We are mission-oriented to solve India's healthcare access problem; the resolution is firmed by the COVID-19 challenge. As on 7<sup>th</sup> of each month at 3 PM, we pray for global health & happiness, please join us from wherever you are. Concluding this address with the prayer:

"Sarveshaam Svastir Bhavatu | Sarveshaam Shaantir Bhavatu | Sarveshaam Purnam Bhavatu | Sarveshaam Mangalam Bhavatu"

Your's faithfully

**Banwari Lal Mittal**

*Chairman & Managing Director*

**Sastasundar.com**



## CEO'S LETTER

*Dear Shareholders,*

The Financial Year 2019-20 ended with uncertainties and threw unprecedented challenges that needed to be dealt with in the shortest span of time. Before I share updates on our performance during the year, I want to update you on some of our efforts at mitigating the impacts of the COVID-19 pandemic.

As part of a multi-faceted response, we quickly identified key areas – i) Safety of Team GenSS, Healthbuddy and Customers, ii) Stocking up on Medicines, OTC & other essentials and iii) Uninterrupted operations to ensure timely delivery to customers at their doorsteps and with swift response.

Our first priority has been the well-being and safety of our Team GenSS, Healthbuddy and Customers. Several steps have been taken like distribution of face masks and hand gloves to team members, sanitisers and hand wash facility at multiple places, maintaining social distance by introducing multiple shifts, temperature checks at all workplaces, regular sanitisation of all workplaces, home pick-up and drop arrangements for Team GenSS and continuous awareness programmes to address concerns and to avoid unnecessary worries.

At the beginning of March 2020, as a risk mitigation strategy to ensure uninterrupted delivery to the customers, we increased our stock keeping levels to deal with any unforeseen disturbance in supply of medicines & other products that may arise due to the COVID-19 situation. Our inventory as on 31st March 2020 was around Rs. 77 crores.

The preparedness, safety measures along with higher stocking, helped us in ensuring uninterrupted operations and timely delivery to the customers and retailers at their doorsteps.

In April 2020, we delivered 6.8 lac orders, and this would not have been possible without the unwavering commitment and effort of my colleagues at SastaSundar and our Healthbuddy. They worked tirelessly to ensure that the deliveries reached the customers at their homes, with all safety measures taken. I am really grateful to them.

We took the initiative to set up our 3rd ALC in Mumbai and to expand our Healthbuddy Network in western part of the country during the last quarter of the year. We have successfully started operations in Mumbai despite the COVID-19 lockdown. With 3 operational ALCs now, we are expanding our Healthbuddy Network in 8 States.

In my last year's letter, I talked about to achieve the next 5mn order milestone within less than 12 months; I am pleased to share that the milestone was achieved within 11 months and now, we are gearing up to achieve the next 10mn order milestone in next 12 months.

Genu Path Labs Limited (our diagnostic initiative) has conducted 1.2 lac tests for 30k plus customers. The revenue from tests during the year was Rs. 208 lacs. With 'Accuracy Guaranteed' at the core of Genu, response from customers have been fascinating; we are seeing good customer retention as well.

During the year, 11k retailers signed up with Retailer Shakti, taking the total number of registered retailers to around 17k. With transparent & competitive pricing, stock availability, ease of ordering on mobile/desktop with features to manage their inventory efficiently, Retailer Shakti is becoming an important partner for many retailers.

In my last year's letter, I also talked about personalisation as the highest priority area of SastaSundar. We have taken many initiatives on that front by using technology to provide unique personalised experience to our customers and also to assist them in adopting and adhering to best health care practices.

We are continuously creating differentiated products and services that will drive meaningful value for both the consumers and the sector.

Powered by technology, we are working towards creating a platform that will enable us to transform the way healthcare is delivered in India.

I recommend you to download and use SastaSundar App and share your experience and suggestions.

"Do More with Less" is our mantra to reduce cost and increase efficiency across the board. We reviewed and made significant changes in many processes of operation that will drive efficiency and will enable us to live up to our mantra.

I believe that our ability to drive consumer engagement, manage operations efficiently and build strong relationships with all those who are connected, will continue to accelerate our revenues and earnings in the coming years.

## CEO'S LETTER

I would like to acknowledge the commitment of my colleagues across SastaSundar. Their dedication and contribution make me enthusiastic about Financial Year 2020-21 and the years to come.

I would again highlight the following paragraph from the letter I wrote to you in 2016; it keeps us driving closer to our goal.

“We learn. We innovate. We act. We transform. We get better. We continuously work on being more than what we are today. We are committed to deliver for you. Join us as we create the next wave of growth.”

We are making meaningful progress.

Your's faithfully

**Ravi Kant Sharma**  
*Chief Executive Officer*

**Sastasundar.com**

## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Thirty-first (31st) Annual Report together with Audited Annual Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2020.

### FINANCIAL HIGHLIGHTS

(Rs. in lacs)

Particulars	Standalone		Consolidated	
	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19
Total Revenue	0.97	136.60	38,543.71	21,973.65
<b>Profit/(Loss) before Interest, Depreciation &amp; Tax</b>	<b>(45.79)</b>	<b>61.22</b>	<b>(5,225.09)</b>	<b>(3,381.90)</b>
Less: Depreciation	18.48	20.70	490.19	597.23
Less: Interest	1.12	-	70.17	195.99
<b>Profit/(Loss) before Tax and Exceptional Item</b>	<b>(65.39)</b>	<b>40.52</b>	<b>(5,785.45)</b>	<b>(4,175.12)</b>
Exceptional Item	128.58	18.12	28.58	-
<b>Profit /(Loss) before Tax</b>	<b>63.19</b>	<b>58.64</b>	<b>(5,756.87)</b>	<b>(4,175.12)</b>
Less: Tax Expenses				
- Current Tax	-	24.17	8.17	28.13
- Adjustment of tax relating to earlier periods	(0.38)	(1.08)	(0.67)	(0.27)
- Deferred Tax	-	-	551.24	83.12
<b>Profit/(Loss) after Tax</b>	<b>63.57</b>	<b>35.55</b>	<b>(5,213.13)</b>	<b>(4,286.10)</b>
Other Comprehensive Income				
(a) Items that will be not reclassified subsequently to profit or loss (net of tax)				
Remeasurement gain/loss on defined benefit plans (net of tax)	(0.18)	(2.66)	(23.77)	(4.88)
(b) Items that will be reclassified subsequently to profit or loss (net of tax)				
Other Comprehensive Income	(0.18)	(2.66)	(23.77)	(4.88)
<b>Total Comprehensive Income</b>	<b>63.39</b>	<b>32.89</b>	<b>(5,236.90)</b>	<b>(4,290.98)</b>
<b>Profit/ (Loss) for the year attributable to</b>				
Owner of the company	63.57	35.55	(3,879.44)	(3,755.70)
Non-controlling Interest	-	-	(1,333.69)	(530.40)
<b>Total Comprehensive income for the period attributable to</b>				
Owner of the company	63.39	32.89	(3,903.21)	(3,760.58)
Non-controlling Interest	-	-	(1,333.69)	(530.40)

### Consolidated Financial Statements

As required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and in accordance with the Indian Accounting Standard AS-21, Consolidated Financial Statements of the Company and its subsidiaries form part of the Annual Report and are reflected in the consolidated financial statements of the Company. These statements have been prepared on the basis of audited financial statements received from the subsidiary companies as approved by their respective Boards.

### DIVIDEND

The Board of Directors do not recommend any dividend for the financial year 2019-20.

### TRANSFER TO RESERVE

The Company has not transferred any amount to the General Reserve Account during the financial year ended 31st March, 2020.

### OPERATIONAL UPDATE

The Company entered in to a Share Purchase Agreement (SPA) with Genu Path Labs Limited and Sastasundar Healthbuddy Limited on 5th March, 2019. In terms of such SPA, the Company has sold the investment in Genu Path Labs Limited to Sastasundar Healthbuddy Limited for a consideration of Rs. 6.00 crores. The entire transaction had been completed on 9th April, 2019.

## DIRECTORS' REPORT

### STATE OF COMPANY'S AFFAIRS & OPERATIONS

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance in financials market. On 11<sup>th</sup> March, 2020 the COVID-19 outbreak was declared a global pandemic by the World Health Organisation (WHO). It has also resulted in significant disruption in global and Indian economic activities. The situation has been under close watch by the company to take prompt actions for continuity of the business in the optimised manner. The company believes that impact of this outbreak will not be significant on its business and financial position.

On a standalone basis, the revenue of your Company is Rs 0.97 Lacs as against Rs. 136.60 Lacs during the previous year. EBITDA for the current year is Rs (45.79) Lacs as compared to EBITDA of Rs. 61.22 Lacs during the previous financial year. The net profit for the year under review is Rs 63.57 Lacs as against Rs. 35.55 Lacs in the previous year.

On a consolidated basis, the revenue of your Company stood at Rs. 38,453.71 Lacs as against Rs. 21,973.65 Lacs during the previous year. The EBITDA for the current year is Rs. (5,225.09) Lacs as compared to EBITDA of Rs. (3,381.90) Lacs during the previous financial year. The net loss for the year under review is Rs. 5,213.13 Lacs as against loss of Rs. 4,286.10 Lacs in the previous year.

### DEPOSITS

During the year under review, the Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

### SHARE CAPITAL

The paidup Equity share capital of the Company as at 31st March, 2020 stood at Rs. 31.81 crores divided into 31810500 equity shares of face value of Rs. 10 each. There has been no change in the Authorised and Paid-up Share Capital of the Company during the year under review.

- A) Issue of equity shares with differential rights : The Company did not issue equity shares with differential voting rights during the financial year 2019-20.
- B) Issue of sweat equity shares: The Company did not issue sweat equity shares during the financial year 2019-20.
- C) Issue of employee stock options: The Company did not issue stock options during the financial year 2019-20.
- D) Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees: The Company does not have a scheme for purchase of its own shares by employees or by trustees for the benefit of employees.

### CHANGE IN NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business of the Company during the financial year ended 31st March, 2020.

### LOANS, GUARANTEES AND INVESTMENTS

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

### MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which financial statements relate and the date of this report.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATOR/COURTS/TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant and material orders passed by the Regulators or Courts or Tribunals during the year impacting the going concern status and the operations of the Company in future.

### INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all dividends remaining unpaid or unclaimed for a period of seven years are required to be transferred by the Company to the IEPF, established by the Government of India. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority.



## DIRECTORS' REPORT

During the year, the Company has transferred the unclaimed and unpaid dividends of Rs. 1,06,951/- to IEPF. Further, 15814 corresponding shares on which dividends were unclaimed for seven consecutive years were transferred to IEPF as per the requirements of the IEPF Rules. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the Company's website at [www.sastasundarventures.com](http://www.sastasundarventures.com).

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company's Internal Control Systems are commensurate with the nature, size and complexity of its business and ensure proper safeguarding of assets, maintaining proper accounting records and providing reliable financial information.

The Audit Committee have laid down internal financial controls to be followed by the Company and such policies and procedures have been adopted by the Company 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.

An external independent firm carries out the internal audit of the Company operations and reports to the Audit Committee on a regular basis. Internal Audit provides assurance on functioning and quality of internal controls along with adequacy and effectiveness through periodic reporting.

### SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

As on March 31, 2020 the Company has ten subsidiaries (both direct and step down).

In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the Company and all its subsidiaries forms part of the Annual Report. Further a statement containing the salient features of the financial statements of each of the subsidiaries in the prescribed format Form AOC-1, forms part of the Annual Report. The annual accounts of the subsidiary companies will be made available to the shareholders on request and will also be kept for inspection by the shareholders at the registered office of your Company.

Further as per section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company are available at our website at [www.sastasundarventures.com](http://www.sastasundarventures.com).

A Policy has been formulated for determining the Material Subsidiaries of the Company pursuant to Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as "SEBI (LODR) Reg, 2015"]. The said Policy has been posted on the Company's website at the [http://www.sastasundarventures.com/Pdf/SVL\\_PolicyforDeterminationofMaterialSubsidiary.pdf](http://www.sastasundarventures.com/Pdf/SVL_PolicyforDeterminationofMaterialSubsidiary.pdf)

The Company does not have any Joint Venture or Associate Company as per the provisions of the Companies Act, 2013.

### BOARD OF DIRECTORS:

#### a) Directors and Key Managerial Personnel

As per the provisions of the Companies Act, 2013 Mrs. Abha Mittal (DIN: 00519777) retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. Your Directors recommended the re-appointment of Mrs. Abha Mittal as Director.

During the year, Dr. Saibal Chandra Pal (DIN: 00518330) who was appointed as an Additional Director (Independent) w.e.f. 1st April, 2019 has resigned from the office of Independent Directorship with effect from 19th August, 2019 due to some other professional engagement.

The Board of Directors of the Company on 24th July, 2019 on the recommendation of Nomination and Remuneration Committee have appointed Mr. Bimal Kumar Patwari (DIN: 00552793), as an Additional Director of the Company, categorized as Independent Director, in terms of Section 161 of the Companies Act, 2013 till the ensuing Annual General Meeting. The members at the Annual General Meeting held on 30th September, 2019 has appointed Mr. Bimal Kumar Patwari as an Independent Director w.e.f. 24th July, 2019 upto the conclusion of 33rd Annual General Meeting of the Company.

Further, the members of the Company at the Annual General Meeting held on 30th September, 2019 has re-appointed Mr. Rajeev Goenka (DIN: 03472302) as an Independent Non-Executive Director for second term from 26th May, 2020 upto the conclusion of 32nd Annual General Meeting of the Company. The members at the said meeting, have also approved the continuation of Directorship of Mr. Parimal Kumar Chattaraj (DIN: 00893963), in terms of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the remaining period of his existing term of directorship as an Independent Director.

## DIRECTORS' REPORT

None of the Directors of the Company are disqualified for being appointed as Directors, as specified in section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014. Further, in the opinion of the Board, the Independent Directors also possess the attributes of integrity, expertise and experience as required to be disclosed under Rule 8(5)(iia) of the Companies (Accounts) Rules, 2014.

The details of Director being recommended for re-appointment as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are contained in the accompanying Notice convening the ensuing Annual General Meeting of the Company. Appropriate Resolution(s) seeking your approval to the re-appointment of Director are also included in the Notice.

During the year under review, Mrs. Manisha Sethia has been appointed as Chief Financial Officer with effect from 14th September, 2019 in place of Mr. Deepak Kumar Agarwal who has resigned from the post of Chief Financial Officer with effect from 13th September, 2019.

Pursuant to Section 203 of the Companies Act 2013, the Key Managerial Personnel of the Company are Mr. Banwari Lal Mittal, Managing Director, Mrs. Manisha Sethia, Chief Financial Officer and Mr. Biplab Kumar Mani, Company Secretary.

### b) Declaration by the Independent Director(s)

All the Independent Directors have furnished the requisite declarations that they meet the independence criteria as laid down under section 149(6) of the Companies Act, 2013 read with the rules made thereunder and Regulation 16(1)(b) of the SEBI (LODR) Reg, 2015. Further, the Board of Directors has taken on record the declaration and confirmation submitted by the Independent Director under regulation 25(8) after assessing its veracity. The Independent Directors have complied with the code for Independent Director as prescribed under Schedule IV of the Companies Act, 2013.

### c) Familiarization Programme undertaken for Independent Director

In terms of Regulation 25(7) of the SEBI (LODR) Reg, 2015, your Company is required to conduct Familiarisation Programme for Independent Directors to familiarise them about your Company including nature of Industry in which your company operates, business model, responsibilities of the Independent Directors, etc. Further, pursuant to Regulation 46 of the SEBI (LODR) Reg, 2015, your Company is required to disseminate on its website, details of familiarization programmes imparted to the Independent Directors including the Details of the same. During the year, the Company has organised one familiarisation Programme of the Independent Directors. The details of the familiarisation programme of Independent Directors are provided in the Corporate Governance Report. The link to the details of familiarization programmes imparted to the Independent Directors is <http://www.sastasundarventures.com/Pdf/FamiliarizationProgrammeForIndependentDirector.pdf>

### d) Board Evaluation

The Nomination and Remuneration Committee of the Company has formulated and laid down criteria for Performance evaluation of the Board (including Committees) and every director (including Independent Directors) pursuant to the provisions of Section 134, Section 149 read with the code of Independent Director (Schedule IV) and Section 178 of the Companies Act, 2013 read with Rules framed thereunder and Regulation 19(4) read with Part D of Schedule II of SEBI (LODR) Reg, 2015.

For annual evaluation of the Board as a whole, its Committee(s) and Individual Directors including the Chairman of the Board, the Company has formulated a questionnaire to assist in evaluation of the performance. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

During the year under review, the Independent Directors of the Company reviewed the performance of Non-independent Directors, the board as a whole and the chairperson of the Company, taking into account the views of executive and non-executive directors.

### e) Remuneration Policy

The Board has on the recommendation of the Nomination & Remuneration Committee adopted the Remuneration Policy, which inter alia includes policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management Personnel and their remuneration. The remuneration policy of the Company aims to attract, retain and motivate qualified people at the Executive and at the Board levels. The remuneration policy seeks to employ people who not only fulfill the eligibility criteria but also have the attributes needed to fit into the corporate culture of the Company. The said Policy has been disclosed in the Corporate Governance Report, which forms part of this Annual Report.

## DIRECTORS' REPORT

### MEETINGS OF THE BOARD OF DIRECTORS AND COMMITTEE

#### a) Board of Directors

The Board meets at regular intervals to discuss and decide on business policy and strategy apart from other Board business. However, in case of special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting. During the year under review, four Board Meetings were convened and held on 22nd May, 2019, 13th September, 2019, 13th December, 2019 and 14th February, 2020, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 as well as the SEBI (LODR) Reg, 2015.

#### b) Audit Committee

The composition, number of meetings held and attended and terms of reference of the Audit Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee.

#### c) Nomination and Remuneration Committee

The composition, number of meetings held and attended and terms of reference of the Nomination and Remuneration Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

#### d) Stakeholders Relationship Committee

The composition, number of meetings held and attended and terms of reference of the Stakeholders Relationship Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

#### e) Investment Committee

The composition, number of meetings held and attended and terms of reference of the Investment Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

#### f) Separate Meeting of Independent Directors

The Independent Directors met on 13th December, 2019 without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### AUDITORS

#### (a) Statutory Auditors

M/s. Singhi & Co., Chartered Accountants (Firm registration No. 302049E), the Statutory Auditors of the Company have been appointed as Statutory Auditors of the Company by the Members of the Company till the conclusion of 33rd Annual General Meeting of the Company to be held in the calendar year 2022. They have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company for financial year 2020-21.

M/s. Singhi & Co., Chartered Accountants (Firm registration No. 302049E), the Statutory Auditors have submitted their Independent Auditor Report for the financial year ended 31st March, 2020 and they have made no qualification, reservation, observation or adverse remarks or disclaimer in their report.

#### (b) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed thereunder, M/s MKB & Associates, a firm of Company Secretaries were appointed as the Secretarial Auditors of the Company to carry out the secretarial audit for the year ending 31st March, 2020.

#### Annual Secretarial Audit Report

In terms of Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (LODR) Reg, 2015, a Secretarial Audit Report given by the Secretarial Auditors in Form No. MR-3 is annexed with this Report as "Annexure- I". There are no qualifications, reservations or adverse remarks made by Secretarial Auditors in their Report.

## DIRECTORS' REPORT

### RELATED PARTY TRANSACTIONS

During the financial year 2019-20, your Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, which were in the ordinary course of business and on arms' length basis and in accordance with the provisions of the Companies Act, 2013, Rules issued thereunder and SEBI (LODR) Reg, 2015. During the financial year 2019-20, there were no transactions with related parties which qualifies as material transactions under the Listing Regulations. Thus a disclosure in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required.

All Related Party Transactions are placed before the Audit Committee and also before the Board for approval. Omnibus approval was obtained on a yearly basis for transactions which were of repetitive nature. Transactions entered into pursuant to omnibus approval of all the Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

The Company has formulated a policy on related party transactions for purpose of identification and monitoring of such transactions. The said policy on related party transactions as approved by the Board is posted at the Company's website at the weblink [http://www.sastasundarventures.com/Pdf/SVL\\_RelatedPartyTransactionPolicy.pdf](http://www.sastasundarventures.com/Pdf/SVL_RelatedPartyTransactionPolicy.pdf)

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

The information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as per section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as "Annexure - II".

### PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as "Annexure - III" and forms part of the Report.

### EXTRACT OF THE ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extract of the annual return in Form No. MGT - 9 is included in this report as "Annexure - IV" and forms an integral part of this report.

The Annual Return of the Company will be available at the web address of the Company at [www.sastasundarventures.com](http://www.sastasundarventures.com)

### VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and Employees to report their concern about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company at the weblink [http://www.sastasundarventures.com/Pdf/SVL\\_whistle\\_blower\\_policy.pdf](http://www.sastasundarventures.com/Pdf/SVL_whistle_blower_policy.pdf)

During the year under review, no complaints have been received/reported.

### CORPORATE SOCIAL RESPONSIBILITY

The provisions relating to the Corporate Social Responsibility ("CSR") are not applicable to the Company.

### BUSINESS RESPONSIBILITY STATEMENT:

The Securities and Exchange Board of India (SEBI) has mandated India's top 1,000 listed entities based on market capitalisation on the BSE and NSE to submit a 'Business Responsibility Report' (BRR) along with their Annual Report. This report is required to be in line with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs) as released by the Ministry of Corporate Affairs (MCA) in July 2011. This is the first Business Responsibility Report of the Company. The report is annexed herewith as "Annexure-V".

### POLICY ON PREVENTION OF INSIDER TRADING

Your Company has adopted a Code for Prevention of Insider Trading with a view to Regulate trading in equity shares of the Company by the Directors and designated employees of the Company. The said Code of Conduct is available on the website of the Company at [www.sastasundarventures.com](http://www.sastasundarventures.com). The Code requires preclearance for dealing in Company's shares and prohibit

## DIRECTORS' REPORT

the purchase or sale of shares in your company by the Directors and designated employees, while they are in possession of unpublished price sensitive information and also during the period when the Trading Window remains closed.

### **CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION ANALYSIS REPORT**

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements as set out by SEBI. The Company has also implemented several best corporate governance practices. The report on Corporate Governance and Management Discussion & Analysis Report as stipulated under Schedule V of the SEBI (LODR) Reg, 2015 forms an integral part of this report.

### **PRACTICING COMPANY SECRETARIES CERTIFICATE ON CORPORATE GOVERNANCE**

In Compliance with the provisions of Regulation 34 of the SEBI (LODR) Reg, 2015 read with Schedule V of the said Regulations, the Corporate Governance Certificate issued by the Practicing Company Secretaries M/s MKB & Associates, Company Secretaries regarding compliance with the conditions of Corporate Governance as stipulated is annexed to this report.

Your Company has taken adequate steps for strict compliance with the Corporate Governance guidelines, as amended from time to time.

### **COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS:**

The Company has complied with Secretarial Standard on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India during the year under review.

### **LISTING WITH STOCK EXCHANGES:**

Your Company is listed with BSE Ltd. and National Stock Exchange of India Ltd. and the Company has paid the Listing Fees to both the exchanges on time.

### **CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

As required under Regulation 17(8) of the SEBI (LODR) Reg, 2015, the CEO/CFO certification has been submitted to the Board and a copy thereof is contained elsewhere in this Annual Report.

### **RISK MANAGEMENT POLICY**

Your Company's risk management strategy strives to balance the trade-off between risk and return and ensure optimal risk-adjusted return on capital, and entails independent identification, measurement and management of risks across the various businesses of your Company.

The Company has formulated a Risk Assessment & Management Policy which identify, evaluate business risks and opportunities. The risk management system of the Company is reviewed by the Audit Committee and the Board of Directors on a regular basis. During the year, no major risks were noticed, which may threaten the existence of the company.

The details of the same are covered in the Corporate Governance Report forming part of the Board's Report.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors acknowledges the responsibility for ensuring compliances with the provisions of section 134(3)(c) read with section 134(5) of the Companies Act, 2013 and provisions of the SEBI (LODR) Reg, 2015 and in the preparation of the annual accounts for the year ended 31st March, 2020 states that —

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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 the year;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and



## DIRECTORS' REPORT

- (f) proper systems had been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### DISPENSATION OF PRINTING AND DESPATCHING ANNUAL REPORTS

In the wake of outbreak of Covid-19, Ministry of Corporate Affairs (MCA), vide circulars dated April 8, 2020 and April 13, 2020 and SEBI vide its SEBI/HO/CFD/CMD1/CIR/P/2020/79 dtd. May 12, 2020 has dispensed with the requirement of printing and despatching Annual Reports to its members for the FY 2019-20. Hence, this year Company will only be sending Annual Reports in the electronic mode.

### HUMAN RESOURCES

Our employees are our core resource and the Company has continuously evolved policies to strengthen its employee value proposition. Your Company was able to attract and retain best talent in the market and the same can be felt in the past growth of SastaSundar Group. The Company is constantly working on providing the best working environment to its Human Resources with a view to inculcate leadership, autonomy and towards this objective, your company spends large efforts on training. Your Company shall always place all necessary emphasis on continuous development of its Human Resources. The belief "great people create great organization" has been at the core of the Company's approach to its people.

### DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company is committed to provide a safe and secure environment to its women employees across its functions, as they are considered as integral and important part of the Organisation. Your company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

In terms of provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, your Company has duly adopted a Policy and has also complied with the provisions relating to the constitution of Internal Complaints Committee (ICC).

There was no case of sexual harassment reported during the year under review.

### ACKNOWLEDGEMENTS

This Financial Year has seen the outbreak of a global pandemic which has send tremors in all sectors of the economy. Your Company is no exception and is fighting the adversities. Yet, the trust that it has gained over the years has been of immense additional support.

Your Directors take this opportunity to thank the Regulatory and Government Authorities, Bankers, Business Associates, Shareholders and the Customers of the Company for their continued support to the Company. The Directors express their deep sense of appreciation towards all the employees and staff of the Company and wish the management all the best for achieving greater heights in the future.

For and on behalf of the Board

Date: June 29, 2020  
Place: Kolkata

**Banwari Lal Mittal**  
*Chairman & Managing Director*  
DIN: 00365809

**ANNEXURE TO THE DIRECTORS' REPORT****ANNEXURE-I**

FORM NO. MR-3

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

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

To

The Members,

**SASTASUNDAR VENTURES LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SASTASUNDAR VENTURES LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;
- v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:
  - a) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011
  - b) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - c) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
  - e) The Securities & Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008.
  - f) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
  - g) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
  - h) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998
- vi) The Company was deregistered as a Non- Banking Financial Company vide order dated 21st March, 2015 of Reserve Bank of India (RBI). Thereafter the Company is functioning as a Core Investment Company (CIC).

**ANNEXURE TO THE DIRECTORS' REPORT**

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) Provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period under audit, the Company has passed the following special resolutions:

1. To re-appoint Mr. Rajeev Goenka as an Independent Director for a second term, from 26th May, 2020, upto the conclusion of 32nd Annual General Meeting of the Company.
2. To approve the continuation of Directorship of Mr. Parimal Kumar Chattaraj, in terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the remaining period of his existing term of directorship as an Independent Director.

We further report that during the audit period:

1. The Company has transferred its entire stake in Genu Path Labs Limited, its subsidiary company, to Sastasundar Healthbuddy Limited, another subsidiary company, for a sum of Rs. 6,00,00,000/-.
2. The Company has transferred Unpaid Dividend for the Financial Year 2011-2012, amounting to Rs. 1,06,951/- to the Investor Education and Protection Fund on 3rd October, 2019.
3. The Company has transferred 15814 equity shares to the DEMAT Account of IEPF authority maintained with NSDL in respect of which dividend had remained unclaimed/unpaid for a consecutive period of seven years.

This report is to be read with our letter of even date which is annexed as **Annexure – A** which forms an integral part of this report.

For **MKB & Associates**  
Company Secretaries

**Neha Somani**  
[Partner]

ACS no. 44522

COP no. 17322

FRN: P2010WB042700

Date: 29th June, 2020

Place: Kolkata

UDIN : A044522B000398656

**ANNEXURE TO THE DIRECTORS' REPORT****Annexure- A**

To

The Members,

**SASTASUNDAR VENTURES LIMITED**

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

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

***Note: There is national lockdown declared by the Central Government due to the COVID-19 pandemic since 24th March, 2020. Due to the lockdown, the documents and information have been provided by the Company through electronic mode only and the same have been audited by us, accordingly.***

For **MKB & Associates**  
Company Secretaries

**Neha Somani**  
[Partner]

ACS no. 44522

COP no. 17322

FRN: P2010WB042700

Date: 29th June, 2020

Place: Kolkata

UDIN : A044522B000398656

**ANNEXURE TO THE DIRECTORS' REPORT****Annexure- II****DISCLOSURE OF THE PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014****A) CONSERVATION OF ENERGY:**

i)	the steps taken or impact on conservation of energy;	The Company is a Core Investment Company engaged in the business of healthcare services through its subsidiary companies and as such its operations do not account for energy consumption. However, the Company is taking all possible measures to conserve energy by using efficient computer systems and procuring energy efficient equipment. As an ongoing process, your Company evaluates new technologies and techniques to make its infrastructure more energy efficient.
ii)	the steps taken by the company for utilising alternate sources of energy	
iii)	the capital investment on energy conservation equipments;	

**B) TECHNOLOGY ABSORPTION:**

<i>Disclosure of particulars with respect to Technology absorption</i>	
<b>Technology, absorption, adaptation and innovation:-</b>	
Efforts made towards technology absorption	There is no change in technology used by the company
The benefits derived like product improvement, cost reduction, product development or import substitution	
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Not Applicable
<b>Research &amp; Development (R &amp; D) -</b>	
The expenditure incurred on Research and Development	There were no activities in the nature of research and development involved in the business of the Company.

**C) FOREIGN EXCHANGE EARNING AND OUTGO:**

	<b>FY 2019-20</b>	<b>FY 2018-19</b>
Foreign Exchange earnings	NIL	NIL
Foreign Exchange outgo	NIL	NIL

For and on behalf of the Board

Date: 29th June, 2020  
Place: Kolkata

**Banwari Lal Mittal**  
Chairman & Managing Director  
DIN: 00365809



**ANNEXURE TO THE DIRECTORS' REPORT****Annexure-III****INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

	<b>Requirements of Rule 5(1)</b>	<b>Details</b>
i)	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr. Banwari Lal Mittal, Managing Director - Nil Mr. Ravi Kant Sharma, Non-Executive Director - Nil Mr. Parimal Kumar Chattaraj, Independent Director – 0.15:1 Mrs. Abha Mittal, Non-Executive Director - Nil Mr. Rajeev Goenka, Independent Director – 0.07:1 Mr. Bimal Kumar Patwari, Independent Director – 0.06:1 (*Independent Directors are only entitled to sitting fees and no fees being paid to Non-Executive Directors)
ii)	the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<b>Director:</b> Mr. Banwari Lal Mittal : Nil Mr. Ravi Kant Sharma : Nil Mr. Parimal Kumar Chattaraj : Nil Mrs. Abha Mittal : Nil Mr. Rajeev Goenka : Nil Mr. Bimal Kumar Patwari : Nil <b>Key Managerial Personnel:</b> Mrs. Manisha Sethia, CFO – 47.06% (appointed w.e.f. 14 <sup>th</sup> September, 2019) Mr. Deepak Kumar Agarwal, CFO - 0% (till 13 <sup>th</sup> September, 2019) Mr. Biplab Kumar Mani, CS - 14.90%
iii)	the percentage increase in the median remuneration of employees in the financial year;	During the year under review, the percentage increase in the median remuneration of employees as compared to previous year was approximately 23.53%
iv)	the number of permanent employees on the rolls of company	There were 3 employees as on 31.03.2020
v)	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	During the year under review, the average salary increase of managerial and non-managerial employees is 17.99%. There are no exceptional circumstances for increase in the managerial remuneration.
vi)	affirmation that the remuneration is as per the remuneration policy of the company.	The remuneration paid during the financial ended 31st March, 2020 is as per the remuneration policy of the Company.

**ANNEXURE TO THE DIRECTORS' REPORT****THE STATEMENT SHOWING THE LIST OF TOP TEN EMPLOYEES AND THEIR REMUNERATION AS ON 31<sup>ST</sup> MARCH, 2020:**

Sr. No.	Name of Employee	Designation	Remuneration (Rs. in lacs)	Qualification and experience of the employee	Date of commencement of employment	Age of the employee	The last employment held by such employee before joining the Company	the percentage of equity shares held by the employee in the Company within meaning of clause (iii) of sub rule (2) above	whether such employee is a relative of any other director or manager of the company	Nature of employment, whether contractual or otherwise
1	Biplab Kumar Mani	Company Secretary	19.46	ACS, LL.B.	19.02.2007	44	RCL Cements Limited	50 equity shares	No	Permanent
2	Subir Basu	Manager - Accounts	4.30	M.Com	11.02.2011	51	Merit Investment Ltd.	NIL	No	Permanent
3	Manisha Sethia#	Chief Financial Officer	7.34	CA, CS	01.04.2017	32	Sastasundar Healthbuddy Limited	NIL	No	Permanent
4	Deepak Kumar Agarwal ##	Chief Financial Officer	11.92	CA, CS	02.03.2019	42	Microsec Wealth Management Ltd.	NIL	No	Permanent

# appointed w.e.f. 14th September, 2019

## resigned w.e.f. 13th September, 2019

For and on behalf of the Board

Date: 29th June, 2020

Place: Kolkata

**Banwari Lal Mittal**  
Chairman & Managing Director  
DIN: 00365809

**ANNEXURE TO THE DIRECTORS' REPORT**

Annexure - IV

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

as on the financial year ended 31.03.2020

[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:**

CIN	L65993WB1989PLC047002
Registration Date	6th June, 1989
Name of the Company	Sastasundar Ventures Limited
Category / Sub-Category of the Company	Public Limited Company
Address of the Registered office and contact details	Azimganj House, 2nd Floor, 7 Abanindra Nath Thakur Sarani (formerly Camac Street), Kolkata – 700 017 Tel: 033 2282 9330 Fax: 033 2282 9335
Whether listed company (Yes / No)	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited Vaishno Chambers, 6 Brabourne Road, Flat No. 502 & 503, 5th Floor, Kolkata - 700 001 Tel : 033 4004 9728 & 033 4073 1698

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

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Other Financial Service Activities	64990	34.82%
2.	Rental Income	68100	65.18%

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

Sl. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Microsec Resources Private Limited Azimganj House, 7 Camac Street, 2nd Floor, Kolkata - 700017	U51109WB1994PTC066509	Subsidiary	100	2(87)
2.	Innogrow Technologies Limited Innovation Tower, Premises No. 16-315, Plot No. DH6/32, Action Area - 1D, Newtown, Rajarhat, Kolkata - 700156	U72200WB2002PLC094642	Subsidiary	100	2(87)
3.	Sastasundar Healthbuddy Limited Innovation Tower, Premises No. 16-315, Plot No. DH6/32, Action Area - 1D, Newtown, Rajarhat, Kolkata - 700156	U15411WB2011PLC160195	Subsidiary	72.14	2(87)
4.	Bharatiya Sanskriti Village Private Limited Microsec Block, Azimganj House, 2nd Floor, 7 Abanindra Nath Thakur Sarani (formerly Camac Street), Kolkata - 700017	U92140WB2011PTC166740	Subsidiary	100	2(87)

**ANNEXURE TO THE DIRECTORS' REPORT**

Sl. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
5.	Myjoy Technologies Private Limited Microsec Block, Azimganj House, 7 Camac Street, 2nd Floor, Kolkata - 700 017	U72200WB2011PTC164402	Step Down Subsidiary	100	2(87)
6.	Sastasundar Marketplace Limited Innovation Tower, Premises No. 16-315, Plot No. DH6/32, Action Area - 1D, Newtown, Rajarhat, Kolkata - 700156	U74999WB2011PTC165465	Step Down Subsidiary	72.14	2(87)
7.	Retailer Shakti Supply Chain Private Limited Innovation Tower, Premises No. 16-315, Plot No. DH6/32, Action Area - 1D, Newtown, Rajarhat, Kolkata - 700156	U51100WB2015PTC205351	Step Down Subsidiary	72.14	2(87)
8.	Genu Path Labs Limited Innovation Tower, Premises No. 16-315, Plot No. DH6/32, Action Area - 1D, Newtown, Rajarhat, Kolkata - 700156	U85320WB2017PLC222577	Step Down Subsidiary	72.14	2(87)
9.	Microsec Wealth Management Limited Azimganj House, 2nd Floor, 7 Abanindra Nath Thakur Sarani (formerly Camac Street), Kolkata - 700017	U65990WB2018PLC224460	Step Down Subsidiary	100	2(87)
10.	Happymate Foods Limited Innovation Tower, Premises No. 16-315, Plot No. DH6/32, Action Area - 1D, Newtown, Rajarhat, Kolkata - 700156	U15118WB2018PLC226457	Step Down Subsidiary	72.14	2(87)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding:**

Sl. No.	Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	12693293	0	12693293	39.90	12693293	0	12693293	39.90	0.00
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									
(e)	Bodies Corporate	10966064	0	10966064	34.47	10972322	0	10972322	34.49	+0.02
	<b>Sub Total (A)(1)</b>	<b>23659357</b>	<b>0</b>	<b>23659357</b>	<b>74.38</b>	<b>23665615</b>	<b>0</b>	<b>23665615</b>	<b>74.40</b>	<b>+0.02</b>

**ANNEXURE TO THE DIRECTORS' REPORT**

Sl. No.	Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)</b>	<b>23659357</b>	<b>0</b>	<b>23659357</b>	<b>74.38</b>	<b>23665615</b>	<b>0</b>	<b>23665615</b>	<b>74.40</b>	<b>+0.02</b>
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Foreign Portfolio Investor	73382	0	73382	0.23	58317	0	58317	0.18	-0.05
(f)	Financial Institutions / Banks	0	0	0	0.00	25	0	25	0.00	0.00
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (Specify)									
	<b>Sub Total (B)(1)</b>	<b>73382</b>	<b>0</b>	<b>73382</b>	<b>0.23</b>	<b>58342</b>	<b>0</b>	<b>58342</b>	<b>0.18</b>	<b>-0.05</b>
[2]	Central Government/ State Government(s)/ President of India									
	<b>Sub Total (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	1519695	60	1519755	4.78	1406774	57	1406831	4.42	-0.36
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1429106	0	1429106	4.49	3102140	0	3102140	9.75	+5.26
(b)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00



**ANNEXURE TO THE DIRECTORS' REPORT**

Sl. No.	Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(c)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									
	IEPF	4031	0	4031	0.01	19845	0	19845	0.06	+0.05
	Trusts	1483400	0	1483400	4.66	0	0	0	0.00	-4.66
	Hindu Undivided Family	205362	0	205362	0.65	227875	0	227875	0.72	+0.07
	Non Resident Indians (Non Repat)	305124	0	305124	0.96	453886	0	453886	1.43	+0.47
	Non Resident Indians (Repat)	32469	0	32469	0.10	12567	0	12567	0.04	-0.06
	Clearing Member	66757	0	66757	0.21	14960	0	14960	0.05	-0.16
	Bodies Corporate	3031757	0	3031757	9.53	2848439	0	2848439	8.95	-0.58
	<b>Sub Total (B)(3)</b>	<b>8077701</b>	<b>60</b>	<b>8077761</b>	<b>25.39</b>	<b>8086486</b>	<b>57</b>	<b>8086543</b>	<b>25.42</b>	<b>+0.03</b>
	<b>Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>8151083</b>	<b>60</b>	<b>8151143</b>	<b>25.62</b>	<b>8144828</b>	<b>57</b>	<b>8144885</b>	<b>25.60</b>	<b>-0.02</b>
	<b>Total (A)+(B)</b>	<b>31810440</b>	<b>60</b>	<b>31810500</b>	<b>100.00</b>	<b>31810443</b>	<b>57</b>	<b>31810500</b>	<b>100.00</b>	<b>0.00</b>
(C)	Non Promoter - Non Public (C1) Shares Underlying DRs									
[1]	Custodian/DR Holder (C2) Shares Held By Employee Trust	0	0	0	0.00	0	0	0	0.00	0.00
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Total (A)+(B)+(C)</b>	<b>31810440</b>	<b>60</b>	<b>31810500</b>	<b>100.00</b>	<b>31810443</b>	<b>57</b>	<b>31810500</b>	<b>100.00</b>	<b>0.00</b>

**ANNEXURE TO THE DIRECTORS' REPORT****(ii) Shareholding of Promoters**

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Banwari Lal Mittal	10616000	33.37	0.00	10616000	33.37	0.00	0.00
2	Topview Enclaves LLP	7877745	24.77	0.00	7877745	24.77	0.00	0.00
3	Luv Kush Projects Limited	1788778	5.62	0.00	1795036	5.64	0.00	+0.02
4	Longrange Management Services Private Limited	1299541	4.09	0.00	1299541	4.09	0.00	0.00
5	Ravi Kant Sharma Jointly with Luv Kush Projects Limited as trustees of Microsec Vision Trust One	1241000	3.90	0.00	1241000	3.90	0.00	0.00
6	Ravi Kant Sharma	497393	1.56	0.00	497393	1.56	0.00	0.00
7	Bharati Sharma	323200	1.02	0.00	323200	1.02	0.00	0.00
8	Abha Mittal	15700	0.05	0.00	15700	0.05	0.00	0.00
	<b>Total</b>	<b>23659357</b>	<b>74.38</b>		<b>23665615</b>	<b>74.40</b>	<b>0.00</b>	<b>+0.02</b>

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

Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):

Date	Reason	No. of shares purchased / sell	% of total shares of the company	Cumulative No. of shares	Cumulative % of total shares of the company
<b>Luv Kush Projects Limited</b>					
As on 01.04.2019				1788778	5.62
27 Mar 2020	Transfer	3142	0.01	1791920	5.63
31 Mar 2020	Transfer	3116	0.01	1795036	5.64

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

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Deepak Kumar Agarwal, Biplab Kumar Mani and Sanjay Agarwal as Trustees of Microsec Vision Employees Trust	1483400	4.66	1333400	4.19
2.	Neelkamal Suppliers Private Limited	500000	1.57	500000	1.57
3.	Lekh Raj Juneja	300000	0.94	450000	1.41
4.	Sushil Lahoti	387470	1.22	279856	0.88
5.	Girdhar Fiscal Services Private Limited	188792	0.59	222070	0.70
6.	Bimal Kumar Patwari	69418	0.22	221676	0.70
7.	Sri Salasar Suppliers Private Limited	200501	0.63	200501	0.63
8.	Jajodia Finance Limited	133069	0.42	158069	0.50
9.	Nikita Invconsultants LLP	134774	0.42	134774	0.42
10.	Sapna Patwari	79323	0.25	133604	0.42

**ANNEXURE TO THE DIRECTORS' REPORT**

Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):

	Date	Reason	No. of shares purchased / sell	% of total shares of the company	Cumulative No. of shares	Cumulative % of total shares of the company
<b>1</b>	<b>DEEPAK KUMAR AGARWAL, BIPLAB KUMAR MANI AND SANJAY AGARWAL AS TRUSTEES OF MICROSEC VISION EMPLOYEES TRUST</b>					
	As on 01.04.2019				1483400	4.66
	17 May 2019	Transfer	(150000)	(0.47)	1333400	4.19
<b>2</b>	<b>NEELKAMAL SUPPLIERS PRIVATE LIMITED</b>					
	As on 01.04.2019	-			500000	1.57
	As on 31.03.2020	-			500000	1.57
<b>3</b>	<b>LEKH RAJ JUNEJA</b>					
	As on 01.04.2019				330000	1.05
	17 May 2019	Transfer	150000	0.47	450000	1.41
<b>4</b>	<b>SUSHIL LAHOTI</b>					
	As on 01.04.2019				387470	1.21
	21 Jun 2019	Transfer	(3650)	(0.01)	383820	1.20
	30 Aug 2019	Transfer	(110000)	(0.35)	273820	0.86
	27 Sep 2019	Transfer	6036	0.02	279856	0.88
<b>5</b>	<b>GIRDHAR FISCAL SERVICES PVT LTD</b>					
	As on 01.04.2019				188792	0.59
	05 Apr 2019	Transfer	200	0.00	188992	0.59
	24 May 2019	Transfer	5939	0.02	194931	0.61
	14 Jun 2019	Transfer	5052	0.02	199983	0.63
	30 Aug 2019	Transfer	3600	0.01	203583	0.64
	13 Sep 2019	Transfer	(10000)	(0.03)	193583	0.61
	30 Sep 2019	Transfer	14981	0.05	208564	0.66
	18 Oct 2019	Transfer	1000	0.00	209564	0.66
	15 Nov 2019	Transfer	34101	0.11	243665	0.77
	10 Jan 2020	Transfer	2121	0.01	245786	0.77
	17 Jan 2020	Transfer	354	0.00	246140	0.77
	21 Feb 2020	Transfer	(12500)	(0.04)	233640	0.73
	13 Mar 2020	Transfer	(11570)	(0.04)	222070	0.70
<b>6</b>	<b>BIMAL KUMAR PATWARI</b>					
	As on 01.04.2019				69418	0.22
	05 Apr 2019	Transfer	2825	0.01	72243	0.23
	12 Apr 2019	Transfer	6154	0.02	78397	0.25
	19 Apr 2019	Transfer	37054	0.12	115451	0.36
	26 Apr 2019	Transfer	55000	0.17	170451	0.54
	17 May 2019	Transfer	5014	0.02	175465	0.55
	24 May 2019	Transfer	466	0.00	175931	0.55
	31 May 2019	Transfer	7350	0.02	183281	0.58
	07 Jun 2019	Transfer	7169	0.02	190450	0.60
	14 Jun 2019	Transfer	17945	0.06	208395	0.66
	21 Jun 2019	Transfer	4500	0.01	212895	0.67
	29 Jun 2019	Transfer	1899	0.01	214794	0.68
	05 Jul 2019	Transfer	1420	0.00	216214	0.68
	12 Jul 2019	Transfer	500	0.00	216714	0.68
	19 Jul 2019	Transfer	900	0.00	217614	0.68
	26 Jul 2019	Transfer	911	0.00	218525	0.69
	06 Dec 2019	Transfer	3151	0.01	221676	0.70

**ANNEXURE TO THE DIRECTORS' REPORT**

	Date	Reason	No. of shares purchased / sell	% of total shares of the company	Cumulative No. of shares	Cumulative % of total shares of the company
<b>7</b>	<b>SRI SALASAR SUPPLIERS PRIVATE LIMITED</b>					
	As on 01.04.2019				200501	0.63
	As on 31.03.2020				200501	0.63
<b>8</b>	<b>JAJODIA FINANCE LIMITED</b>					
	As on 01.04.2019				133069	0.42
	20 Mar 2020	Transfer	25000	0.08	158069	0.50
<b>9</b>	<b>NIKITA INVCONSULTANTS LLP</b>					
	As on 01.04.2019				134774	0.42
	As on 31.03.2020				134774	0.42
<b>10</b>	<b>SAPNA PATWARI</b>					
	As on 01.04.2019				79323	0.25
	05 Apr 2019	Transfer	2079	0.01	81402	0.26
	12 Apr 2019	Transfer	7494	0.02	88896	0.28
	19 Apr 2019	Transfer	7652	0.02	96548	0.30
	26 Apr 2019	Transfer	4842	0.02	101390	0.32
	17 May 2019	Transfer	5113	0.02	106503	0.33
	07 Jun 2019	Transfer	2308	0.01	108811	0.34
	14 Jun 2019	Transfer	8023	0.03	116834	0.37
	21 Jun 2019	Transfer	4500	0.01	121334	0.38
	29 Jun 2019	Transfer	1371	0.00	122705	0.39
	05 Jul 2019	Transfer	1230	0.00	123935	0.39
	12 Jul 2019	Transfer	704	0.00	124639	0.39
	19 Jul 2019	Transfer	977	0.00	125616	0.39
	26 Jul 2019	Transfer	301	0.00	125917	0.40
	16 Aug 2019	Transfer	284	0.00	126201	0.40
	30 Aug 2019	Transfer	3037	0.01	129238	0.41
	06 Sep 2019	Transfer	1208	0.00	130446	0.41
	06 Dec 2019	Transfer	3000	0.01	133446	0.42
	03 Jan 2020	Transfer	20	0.00	133466	0.42
	10 Jan 2020	Transfer	138	0.00	133604	0.42

**(v) Shareholding of Directors and Key Managerial Personnel:**

Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>Directors</b>				
Mr. Banwari Lal Mittal	10616000	33.37	10616000	33.37
Mr. Ravi Kant Sharma	497393	1.56	497393	1.56
Mrs. Abha Mittal	15700	0.05	15700	0.05
Mr. Rajeev Goenka	78916	0.25	80916	0.25
Mr. Bimal Kumar Patwari	69418	0.22	221676	0.70
<b>Key Managerial Personnel</b>				
Mr. Biplab Kumar Mani	50	0.00	50	0.00
Mr. Deepak Kumar Agarwal*	-	-	-	-
Mrs. Manisha Sethia**	-	-	-	-

Note: Mr. Parimal Kumar Chattaraj, Director do not hold any share of the Company.

\* Mr. Deepak Kumar Agarwal resigned as CFO of the Company w.e.f. 13th September, 2019

\*\* Mrs. Manisha Sethia appointed as CFO w.e.f. 14th September, 2019

**ANNEXURE TO THE DIRECTORS' REPORT****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 at the beginning of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total ( i + ii + iii)</b>	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
• Addition	NIL	NIL	NIL	NIL
• Reduction				
<b>Net Change</b>	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year:				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total ( i + ii + iii)</b>	NIL	NIL	NIL	NIL

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

(Rs. in Lacs)

Sl. No.	Particulars of Remuneration	Name of Managing Director - Mr. Banwari Lal Mittal	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit	-	-
5.	Others – Employers Contribution to PF and insurance premium		
	<b>Total (A)</b>	-	-
	Ceiling as per the Act	Section 197 of the Companies Act, 2013 read with Schedule V	



**ANNEXURE TO THE DIRECTORS' REPORT****B. Remuneration to other directors:**

(Rs. in Lacs)

1.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Parimal Kumar Chatteraj	Mr. Saibal Chandra Pal #	Mr. Bimal Kumar Patwari ##	Mr. Rajeev Goenka	
	Fee for attending board / committee meetings	2.00	0.25	0.85	0.90	4.00
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	2.00	0.25	0.85	0.90	4.00

# Mr. Saibal Chandra Pal resigned from directorship w.e.f. 19th August, 2019

## Mr. Bimal Kumar Patwari appointed as Director w.e.f. 24th July, 2019

2.	Other Non-Executive Directors	Mr. Ravi Kant Sharma	Mrs. Abha Mittal	Total Amount
	Fee for attending board / committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	-	-	-
	Total Managerial Remuneration	-	-	-
	Overall Ceiling as per the Act*	-	-	-

\* All the Independent Directors have been paid only sitting fees for attending board meetings and committee meetings which is well within the limits prescribed under the Companies Act, 2013.

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

(Rs. in Lacs)

	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr. Deepak Kumar Agarwal, Chief Financial Officer*	Mrs. Manisha Sethia, Chief Financial Officer**	Mr. Biplab Kumar Mani, Company Secretary	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11.58	7.04	18.54	37.16
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	0.32	0.32
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit	-	-	-	-
5	Others - Employers Contribution to PF and insurance premium	0.34	0.30	0.60	1.24
	<b>Total</b>	<b>11.92</b>	<b>7.34</b>	<b>19.46</b>	<b>38.72</b>

\* upto 13th September, 2019

\*\* w.e.f. 14th September, 2019

**ANNEXURE** TO THE DIRECTORS' REPORT**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY:					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS:					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT:					
Penalty	None				
Punishment					
Compounding					

For and on behalf of the Board

Date: 29th June, 2020  
Place: Kolkata

**Banwari Lal Mittal**  
Chairman & Managing Director  
DIN: 00365809

**ANNEXURE TO THE DIRECTORS' REPORT****ANNEXURE V****BUSINESS RESPONSIBILITY REPORT**

[See Regulation 34(2)(f)]

**SECTION A: GENERAL INFORMATION ABOUT THE COMPANY**

1.	Corporate Identity Number (CIN) of the Company	L65993WB1989PLC047002
2.	Name of the Company	SASTASUNDAR VENTURES LIMITED
3.	Registered address	Azimganj House, 2nd Floor, 7 Abanindra Nath Thakur Sarani (formerly Camac Street), Kolkata – 700 017
4.	Website	<a href="https://www.sastasundarventures.com">https://www.sastasundarventures.com</a>
5.	E-mail id	investors@sastasundar.com
6.	Financial Year reported	1 April 2019 - 31 March 2020
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Financial Services (NIC code - 64990) Rental Income (NIC code – 68100)
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Investment in subsidiaries
9.	Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	One-through Registered Office at Kolkata
10.	Markets served by the Company – Local/State/National/International	India

**SECTION B: FINANCIAL DETAILS OF THE COMPANY**

1.	Paid up Capital (INR)	Rs 3,181.05 Lacs
2.	Total Turnover (INR)	Consolidated: Rs 38,543.71 Lacs Standalone: Rs 0.97 Lacs
3.	Total profit / (loss) after taxes (INR)	Consolidated: Rs (5,213.13) Lacs Standalone: Rs 63.57 Lacs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The provision relating to CSR is not applicable to the Company during the year under review.
5.	List of activities in which expenditure in 4 above has been incurred	Not Applicable

**SECTION C: OTHER DETAILS**

1.	Does the Company have any Subsidiary Company/ Companies?	Yes.
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	None of the subsidiaries participate in the BR Initiatives of the parent company
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	Our business associates are not directly involved with the 'Responsible Business' initiatives. However, policies relating to HSE, Ethics, and Human Rights that our business associates are obliged to adhere to strictly.

**SECTION D: BR INFORMATION****1. Details of Director/Directors responsible for BR**

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

1.	DIN Number (if applicable)	00365809
2.	Name	Mr. Banwari Lal Mittal
3.	Designation	Chairman & Managing Director

**ANNEXURE TO THE DIRECTORS' REPORT**

## (b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	Not Applicable
2	Name	Mr. Biplab Kumar Mani
3	Designation	Company Secretary
4	Telephone number	033 22829330
5	e-mail id	bmani@sastasundar.com

**2. Principle-wise (as per NVGs) BR Policy/policies**

## (a) Details of compliance (Reply in Y/N)

**Preface**

The Securities and Exchange Board of India (SEBI) has mandated India's top 1,000 listed entities based on market capitalisation on the BSE and NSE to submit a 'Business Responsibility Report' (BRR) along with their Annual Report. This report is required to be in line with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs) as released by the Ministry of Corporate Affairs (MCA) in July 2011. This is the first Business Responsibility Report of the Company.

**Name of principles:**

P1 – Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

P2 – Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle

P3 – Businesses should promote the well-being of all employees

P4 – Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

P5 – Businesses should respect and promote human rights

P6 – Businesses should respect, protect, and make efforts to restore the environment

P7 – Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

P8 – Businesses should support inclusive growth and equitable development

P9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner

No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for....	Y	NA	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	NA	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	NA	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	NA	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	NA	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	<a href="http://sastasundarventures.com/Pdf/SVLCodeofConductandEthics.pdf">http://sastasundarventures.com/Pdf/SVLCodeofConductandEthics.pdf</a>								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	NA	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/ policies	Y	NA	Y	Y	Y	Y	Y	Y	Y

**ANNEXURE TO THE DIRECTORS' REPORT**

9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	NA	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Being the first year of BR, the Company has undertaken an internal exercise to evaluate the implementation and workings of the policy.								

NA = Not Applicable

**3. Governance related to BR**

(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The Executive Committee, comprising of the Key Management Personnel, is responsible for the strategic day to day management. This Committee of the Company oversees the implementation of and monitors the BR performance on a regular basis. This Committee meets once a month.
(b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Company has not published a Sustainability Report till date.

**SECTION E: PRINCIPLE-WISE PERFORMANCE****Principle 1: Businesses should conduct and govern themselves with Ethics,****Transparency and Accountability****1. Does the policy relating to ethics, bribery and corruption cover only the company?**

The codes and policies governing this subject cover employees, business associates and also subsidiaries of the company.

**2. Does it extend to the Group/Joint Ventures/Suppliers/ Contractors/ NGOs/Others?**

Yes, they extend to business associates and also subsidiaries of the company. Business associates well as their employees are covered by the written Code of Business Conduct that all Business associates have to accept before providing any service to the company.

**3. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so provide details thereof in about 50 words.**

During the financial year 2019-20, no complaint was received relating to ethics, bribery or corruption from any stakeholder.

**Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle****1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and or opportunities:**

The Company is a Core Investment Company exempted from registration with the Reserve Bank of India. 90% of the funds are invested in the subsidiaries of the Company. Thus, product or service is not applicable to the Company.

**2. For each such product provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

- Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?
- Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Being a Core Investment Company the particular relating to energy, water and raw material etc. are not applicable to the Company.

**3. Does the company have procedures in place for sustainable sourcing (including transportation)?**

No. Being a Core Investment Company the particular relating to procedures in place for sustainable sourcing (including transportation) are not applicable to the Company.

**ANNEXURE TO THE DIRECTORS' REPORT**

**If yes what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

Not Applicable

4. **Has the company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?**

No. Being a Core Investment Company the particular relating to procurement of goods and services from local and small producers, including communities surrounding place of work are not applicable to the Company.

- (a) **If yes what steps have been taken to improve their capacity and capability of local and small vendors?**

Not Applicable

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste? (Separately as < 5%, 5-10%, >10%). Also provide details thereof in about 50 words or so.**

No. Being a Core Investment Company the particular relating to mechanism to recycle products and waste are not applicable to the Company.

**Principle 3: Businesses should promote the wellbeing of all employees**

- Please indicate the total number of employees – 3
- Please indicate the total number of employees hired on temporary/contractual/casual basis – NIL
- Please indicate the number of permanent women employees - 1
- Please indicate the number of permanent employees with disabilities - NIL
- Do you have an employee association that is recognized by the management – No
- What percentage of your permanent employees is members of this recognized employee association? – Not Applicable
- Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour / forced labour / involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety and skill upgradation training in the last year? – 3 employee
- Permanent employees – 100 per cent
  - Permanent women employees – 100 per cent
  - Casual/temporary/contractual employees – NIL (0 percent)
  - Employees with disabilities – NIL (0 per cent)

**Principle 4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**

1. **Has the company mapped its internal and external stakeholders? Yes/No**

Yes. The company has mapped its internal and external stakeholders as follows: employees, technical collaborators, service provider, shareholders, regulatory authorities and members of the society who are directly or indirectly affected by the Company's operations.

2. **Out of the above, has the company identified the disadvantaged, vulnerable and marginalised stakeholders?**

The company being a service company does not have any manufacturing plant. Being the first year of implementation of BR, the Company is in the process of identifying disadvantaged, vulnerable and marginalised stakeholders.



**ANNEXURE TO THE DIRECTORS' REPORT**

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Not applicable

**Principle 5: Businesses should respect and promote human rights**

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

The company's policy on human rights presently covers the Company, its subsidiaries and business associates.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

The company did not receive any complaint regarding human rights violation from any quarter during the financial year 2019-20.

**Principle 6: Business should respect, protect and make efforts to restore the environment**

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others

The company's policy on environment covers the company and its subsidiaries.

2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming etc? Y/N. If yes, please give hyperlink for webpage etc

The company being a Core Investment Company and engage in the business of investment in subsidiaries only. The Company has not taken any initiatives towards global environmental issues.

3. Does the company identify and assess potential environmental risks? Y/N

No.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

No. The company being a service company does not have any manufacturing plant.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy etc. Y/N. If yes, please give hyperlink for web page etc.

No, the particulars are not applicable to the Company.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The Company does not have any manufacturing plant/ factory. Hence, particulars relating to Emissions/Waste generated not applicable.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of the financial year.

No showcase or legal notices from the pollution control authorities are pending as at the end of the financial year 2019-20.

**Principle 7: Businesses, when engaged in influencing public and regulatory policy should do so in a responsible manner**

1. Is your company a member of any trade and chamber or association? If yes name only those major ones that your business deals with:

No

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; If yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)

Not applicable

**ANNEXURE TO THE DIRECTORS' REPORT****Principle 8: Businesses should support inclusive growth and equitable development**

1. **Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

Being the first year of implementation of Business Responsibility initiatives the Company is evaluating socio economic projects in and around Kolkata for implementation.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organisation?**

Not applicable as no project undertaken so far.

3. **Have you done any impact assessment of your initiative?**

Not applicable as no project undertaken so far.

4. **What is your company's direct contribution to community development projects – amount in INR and the details of the projects undertaken**

Being the first year of implementation of Business Responsibility initiatives the Company is evaluating socio economic projects in and around Kolkata for implementation.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.**

Being the first year of implementation of Business Responsibility initiatives the Company is evaluating socio economic projects in and around Kolkata for implementation.

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner**

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year**

Nil percentage

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Answer with Yes/No/NA/Remarks (additional information)**

Not applicable as the Company does not have any product.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof in about 50 words or so.**

None

4. **Did your Company carry out any consumer survey/consumer satisfaction trends?**

Not applicable as the Company does not have any product.

For and on behalf of the Board

Date: June 29, 2020  
Place: Kolkata

**Banwari Lal Mittal**  
Chairman & Managing Director  
DIN: 00365809

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### ECONOMIC OUTLOOK

India's real GDP grew by 4.2% in FY 2020, as compared to the 6.1% growth in FY 2019. The GDP growth rate was the weakest in 11 years as the COVID-19 pandemic took hold in March 2020 adding pressures to an already slowing economy.

As per S&P Global Ratings, Indian economy is expected to shrink, for the first time since 1980, by 5% in current fiscal FY21 due to coronavirus lockdown halting economic activity. However the growth is expected to rebound sharply to 8.5% in the following fiscal FY22. FICCI Economy Outlook Survey and other International Agencies also expects a similar view of contraction in Indian economy in FY21.

In order to revive the Indian economy, stalled by coronavirus lockdown, the Indian Government announced a mega stimulus package to the tune of INR 20lakh crore (close to 10% of Indian GDP) in current fiscal. The stimulus package announced had a mix of fiscal support, monetary support, ease of doing business processes, as well as some fundamental reforms. The stimulus broadly aimed at: -

Providing free ration and money transfer to the poor through Direct Benefit Transfer (DBT) using the Jan-Dhan account model.

Supporting small formal and informal businesses through loan guarantees for SMEs and interest payment moratorium etc.

Providing and improving health care available to citizens by increasing spending on healthcare.

### Industry Developments

The healthcare industry in India is rapidly growing and as per ASSOCHAM-RNCOS joint paper, the industry is expected to reach US\$ 372 billion by 2022 as a result of rising income level, greater health awareness, increased incidence of lifestyle diseases and improved access to insurance.

In the current scenario, the private sector accounts for almost 74% of the country's healthcare expenditure and has emerged as a vibrant force in India's healthcare industry lending it both national and international repute. The Government's expenditure on healthcare sector also grew 1.6 per cent of Gross Domestic Product (GDP) in FY20 from 1.3 per cent of GDP in FY16 and the government is planning to increase public health spending to 2.5% of the country's GDP by 2025. During April 2000–March 2020, Foreign Direct Investment (FDI) inflow in drugs and pharmaceuticals sector stood at US\$ 16.50 billion.

Other notable trends that have emerged in the Indian healthcare industry are:

- ⇒ Shift from communicable to lifestyle diseases
- ⇒ Expansion to Tier 2 and Tier 3 cities
- ⇒ Emergence of Telemedicine
- ⇒ Use of Artificial intelligence
- ⇒ Healthcare at Home
- ⇒ Mobile-based health delivery
- ⇒ Luxury offerings in healthcare

The pharmaceutical segment of the healthcare industry discovers, develops, produces, and markets drugs or pharmaceutical drugs for use as medications to be administered to patients.

According to a McKinsey report "Indian Pharma 2020," the Indian pharmaceutical market is poised to grow to USD 55 billion with the potential to reach USD 70 billion in an aggressive growth scenario. In a pessimistic scenario characterized by regulatory controls and economic slowdown, the market will be depressed and is expected to reach USD 35 billion. The growth comes on the back of an ageing population, increasing incidence of lifestyle diseases, improving insurance penetration and growing public and private healthcare spending.

The diagnostic segment of the healthcare industry comprises businesses and laboratories that offer analytical or diagnostic services, including body fluid analysis. The addressable market for diagnostic services is expected to grow at a healthy 10% CAGR until FY23 according to Goldman Sachs' Indian Healthcare Report 2018. This growth is expected to be again driven by ageing

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

population, rising disposable income and rising awareness and government initiatives to promote preventive testing.

As per a Crisil Research Report, the Indian diagnostic industry is highly fragmented and dominated by un-organized players. Standalone labs constitute 48% of the market and hospital-based labs make up for 37%, thereby amounting to a combined cover of 85% of the entire diagnostic market. Diagnostic chains cover close to 15% of the overall diagnostic market. This lack of coverage by chains provides an opportunity to Sastsundar to gain market share in this segment.

### India's Digital Economy

Digital adoption in India has made considerable progress over the last few years and continues to grow with rising 4G and internet penetration, increasing affordability of smartphones, investments in logistics and delivery infrastructure and the proliferation of online products and services. A report by KPMG on "The online private label growth paradigm," states that between FY16-19, the e-commerce market in India grew at a CAGR of approximately 29.8% to reach INR1,400 billion and is projected to grow at an estimated 30% in the period for FY19-23.

The spread of COVID-19 pandemic could further accelerate digital adoption in India as per Morgan Stanley's report "India's Digital Economy in a Post-Covid-19 world." The report suggests that the COVID-19 pandemic has in fact shown consumers the power of the online as startups have helped consumers shop, converse, entertain and collaborate without much physical contact. As these online trends take foothold, the behavior modification in consumers will remain somewhat permanent and the future will likely see increasing online penetration.

The change in consumer behavior on the demand side is supported by the improving digital infrastructure on the supply side due to the government's Digital India initiative. Schemes launched under this initiative to develop secure and stable digital infrastructure and achieve universal digital literacy have made immense strides in the country in the past 5 years. Under the BharatNet scheme, over 1.19 Lakh Gram Panchayats have already been connected through Optical Fibre to provide seamless high-speed internet connectivity and the project aims to connect all 2.5 Lakh Gram Panchayats across India with Optical Fibre. BHIM UPI, a fintech innovation of India, has transformed the digital payment ecosystem in the country and made it possible to make payments using a simple and easy to use mobile app.

These trends accelerating India's Digital Economy is a supportive phenomenon to the growth of SastaSundar's digital healthcare platform and pave a pathway for growth, transformation, and inclusion in healthcare through digital technologies.

### SASTASUNDAR DIGITAL HEALTHCARE NETWORK

SastaSundar is a digital platform of healthcare supported by a network of physical counselling and service centres. It's a partnership between online to offline, digital to personal, AI to hug and cloud to local care, which facilitates consistent access to affordable healthcare in a convenient manner. The model believes "Healthcare should be Local". SastaSundar connects local trust and services with available healthcare resources in the most efficient way.

India has the world's 2nd highest population. We are the origin and global resource centre of yoga. We rank 1st, 2nd and 3rd in the global production of milk, vegetables and medicines respectively. 50% of the world's vaccines come from here. India has the huge advantage of a young demography and democracy. In spite of all this, 649 million Indians don't have access to quality nutrition and healthcare. The country is the capital of diabetes and obesity. Chronic diseases are projected to account for 53% of total deaths. A large number of prescriptions are written by unqualified doctors. Fake products are widely distributed across people of all economic and regional segments.

#### *So why are these problems arising?*

The reason is inefficient distribution resulting in resource wastage on one side and problem of access on another side. Distribution is fragmented and not integrated with data. The organised and accredited supply system is not at all present in significant portion of the country particularly in suburban and rural areas. Distribution is also not integrated with information, knowledge, counselling and connected resources.

India has successfully eradicated Polio with local touch point connectivity maneuvered via centralised resources. SastaSundar is doing exactly that to address the Indian healthcare scenario (problems of accessibility, affordability, availability and genuineness) via its ecosystem of centralised resources, digital connectivity and local touch-points. To ensure all-inclusive healthcare delivery across urban, rural, internet and off-the-internet areas, we are going beyond the existing ways of healthcare delivery.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

By integrating AI and data analytics with personal counselling, SastaSundar is providing solutions in the form of preventive care, diagnostics, medicine procurement and doctor consultation. Technology is critical here in connecting all the healthcare service providers and bridging various social segments through the local network. SastaSundar is a smart integration of online, offline, data and logistics.

The model is supported by network of physical counselling and service centres of small local chemists. We encourage local entrepreneurship by appointing each chemist within an area of 1-5 km serving 30-50K households. As the local support system, each of them takes healthcare to the local doorsteps through community servicing and counselling. So, the reach of healthcare is getting expanded from metros to tier 1, tier 2 cities and up to the country's last village.

Presently, SastaSundar nurtures 400+ such chemists across West Bengal, Delhi-Haryana, Western Uttar Pradesh, Jharkhand, Bihar, Odisha, Uttarakhand and Mumbai. SastaSundar is also gearing up for pan India expansion.

Dr. Devi Shetty once said that 99% health complications can be avoided with first stage care of counselling, diagnostics and medicine access. If still the problem persists, local support can facilitate access to clinics/hospitals, etc.

SastaSundar's services are aligned likewise. Our process of 'Genu Security Check' ensures the supply of genuine medicine. Our NABL accredited pathology lab, Genu Path Labs, ensures accurate diagnostics. Our YANA Diet Clinic works on personalised diet plans to help one lose weight and reduce medicine. Our platform provides access to the best doctors for booking appointments. Our network of small chemists build local trust and provide support till the last mile.

The disruption in our model is its all-inclusive nature covering urban, semi-urban to rural territories; internet to non-internet users; all economic classes, in local languages and through personalised healthcare.

The platform empowers the mass with distribution and correct comparable information about generic medicines and substitutes. Our 'Know Health' section is a free-for-all online repository of vast health information. We have one of the largest Knowledge Resource Centres on COVID-19: a free website and app library of 1000+ articles, videos, infographics, posters and health guidelines. The SastaSundar personalisation feature provides the user with recommendations of all relevant products, devices, diagnostic tests and useful information basis their particular health condition. This delivers a seamless and bespoke user experience.

In essence, SastaSundar via its integrated centralised, digital and local ecosystem is revolutionising India by providing consistent access to affordable healthcare among a large section of the population.

### OPPORTUNITIES & THREATS

#### Opportunities

1. Social responsibility is the DNA of the business model of SastaSundar. We have an opportunity to solve one of the biggest problems of India, i.e., consistent access to affordable healthcare.
2. Our innovative model provides us with an opportunity to scale the business to make it the most cost-effective and customer-centric channel which provides an unprecedented convenience to the consumers.
3. Our model has an opportunity to provide access to health data and an opportunity to work on Artificial Intelligence to make available the fastest and accurate healthcare delivery.
4. This is an opportunity for us to have the most respected and leading brand in healthcare in India, both in terms of distribution and/or own portfolio of digital-first brands.
5. We have this opportunity to operate as a national distributor for international supply chain. We shall be a single point distribution company both for producers and consumers.

The initiative of the Government on Digital India, digital health and Goods and Services Tax gives us a favourable environment.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Threats

1. We are cost conscious and therefore, have control on our spending. We face threats from startup companies that are backed by capital and offer discounts sponsored by capital.
2. We shall be needing capital for fast expansion, and any delay in raising capital is a threat to our growth.
3. We operate in the domain of healthcare which is highly regulated, and therefore any adverse regulation may affect our growth.
4. We operate with a high technology backbone and therefore data security is a threat.

### OUTLOOK

The spread of the COVID-19 pandemic has poised new challenges to the economy. It has generated unprecedented threats to the health and life of the people. Our employees have provided committed services to the business without any disruption. Along with challenges, the COVID-19 brings opportunities in terms of increasing adoption of digital services and increase in the awareness of preventive care. During the year, we got the opportunity to bring Mitsubishi Corporation Japan into the business as a partner and that has added to our strength significantly. We have also started operations in the state of Maharashtra. We have also developed in-house expertise and an ecosystem which is efficient both in terms of cost and consumer experience. SastaSundar has an opportunity to solve one of the biggest problems that is to provide consistent access to affordable healthcare in convenient manner. Looking at the potential growth in pharmacy, diagnostic and wellness and the positive growth in use of digital medium, the management's outlook is positive.

### RISKS AND CONCERNS

1. We shall be needing capital to expand our operations PAN India, and any delay is a risk.
2. We work in a highly regulated environment, and therefore, any adverse regulatory changes possess a risk.
3. We carry the risk of mindless competition primarily based upon heavy discount on the back of capital.
4. We carry the risk of a digital base and therefore, exposure to data security threats.

### FINANCIAL PERFORMANCE

The segment wise consolidated financial performance on year to year basis is given below:

Revenue	FY 2019-20	FY 2018-19
Financial Services	136.02	415.82
Healthcare Network	38,223.31	21,329.56
Food Processing	184.38	228.27
Other Income	311.89	242.96
Total Revenue	38,855.60	22,216.61
EBITDA	(5,225.09)	(3,381.90)
EBIT	(5,715.28)	(3,979.13)
Profit/ (Loss) before exceptional item and Tax	(5,785.45)	(4,175.12)
Exceptional Item	28.58	-
Profit/ (Loss) before Tax	(5,756.87)	(4,175.12)
Profit/ (Loss) after Tax	(5,213.13)	(4,286.10)
EPS	(12.20)	(11.81)

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Details of significant changes in key financial ratios along with explanation

In compliance with the requirement of the SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018, the key financial ratios of the Company along with explanation for significant changes (i.e., for change of 25% or more as compared to the immediately previous financial year will be termed as 'significant changes'), has been provided hereunder:

SI No.	Particulars	FY 2019-20	FY 2018-19
1	Debtor to sales (in days)	-	-
2	Inventory to Turnover Ratio (in Months)	-	-
3	Interest Coverage ratio	-	-
4	Debt Equity ratio*	-	-
5	Operating profit Margin (%)	-	-
6	Net Profit Margin (%)	-	-
7	Return on Net Worth (%) **	2.00%	1.12%
8	EPS- Basic and Diluted	0.20	0.11

\* There is no borrowing in the Company.

\*\* The changes in Return on Net Worth has been recorded on account of extraordinary exceptional items recorded in the current year.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your company has adequate Internal Audit and Control system across all businesses. The internal control systems are competent and provide, among other things, reasonable assurance of recording transactions of operations in all material respects and of providing protection against significant misuse or loss of company assets. Your company believes in the conduct of its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. The internal processes have been designed to ensure adequate checks and balances at every stage. Internal audit is conducted to assess the adequacy of our internal controls, procedures and processes, and the Audit Committee of the Board reviews their reports. Policy and process corrections are undertaken based on inputs from the internal auditors.

### HUMAN RESOURCES

Your company was able to grow last year only because of the employees of the company and their hard work. The group employed a total 944 employees in the last year. Your company also utilizes independent contractors and temporary personnel to supplement our workforce. The relation of the employees with your company is considered good.



## CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2020 in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations")

### 1. CORPORATE GOVERNANCE PHILOSOPHY

Sastasundar's Corporate Governance principles are based on the principles of transparency, responsibility, accountability, knowledge and commitment to values. The Company adheres to good corporate practices and is constantly striving to better them and adopt emerging best practices. Best results are achieved when the companies begin to treat the Corporate Governance system not as a mere structure but as a way of corporate life. The Company firmly believes that these aspects as well as compliances of applicable legislations and timely disclosures enhance the image of the Company and the long term value of all Shareholders and Stakeholders. However, good corporate governance practices should aim at striking a balance between interests of various stakeholders on the one hand and the duties and responsibilities of the Board and senior management in overseeing the affairs of the Company on the other. The Company's Board of Directors has framed a Code of Conduct for its Senior Managers including the Board Members. The Code of Conduct is available on the Company's website [www.sastasundarventures.com](http://www.sastasundarventures.com).

### 2. BOARD OF DIRECTORS

#### Composition of the Board

The Board of Directors in Sastasundar has been constituted in a manner which ensures appropriate mix of Executive / Non-Executive and independent directors to ensure proper governance and management. The members of our Board are from diverse backgrounds with skills and experience in areas like taxation, finance, entrepreneurship, legal and general management. Many of them have worked extensively in senior management positions in global corporations with a deep understanding of the Indian business environment.

As on 31st March, 2020 the Company's Board comprises of six members. The Company has one executive director and five non-executive director out of which one is women director. The Company has an Executive Chairman, and therefore 50% of the total number of Directors should comprise of Independent Directors. The number of Independent Directors is three i.e. 50% of the total number of Directors.

As required under Regulation 25(8) of SEBI (LODR) Regulations, 2015 the Independent Directors of the Company have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations and confirmations received from the Independent Directors, the Board of Directors have confirmed that the Independent Directors of the Company meet the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013 read with rules framed thereunder read with Regulation 16 of the SEBI (LODR) Regulations, 2015 and that they are independent from the management.

The terms and conditions of appointment of Independent Director are disclosed on the website of the Company. The management of the Company is headed by the Mr. Banwari Lal Mittal, Chairman & Managing Director who operates under the supervision and control of the Board. The Board reviews and approves strategy and oversees the actions and results of management to ensure that the long-term objectives of enhancing stakeholders' value are met. Mr. Banwari Lal Mittal and Mr. Ravi Kant Sharma is on the Board of Sastasundar Healthbuddy Limited ("SHBL"), subsidiary of the Company and draws remuneration from SHBL.

#### Number of Board Meetings

The Board of Directors met four times during the financial year ended 31st March, 2020 on 22nd May, 2019, 13th September, 2019, 13th December, 2019 and 14th February, 2020. The maximum interval between any two meetings was well within the maximum allowed gap of one hundred and twenty days.

#### Role of Company Secretary in overall Governance Process

The Company Secretary plays a vital role in ensuring that Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and the senior management for effective decision-making at the meeting.

#### Directors' Attendance Record and Directorship Held

As mandated by Regulation 26(1) of the SEBI (LODR) Regulations, 2015 none of the Directors are members of neither more than ten Board level Committees nor are they Chairman of more than five Committees in which they are Directors.

## CORPORATE GOVERNANCE REPORT

The table below gives the names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee positions held by them in other companies:

Name of Directors	Category	No. of Board Meetings		Attendance at the previous AGM	No. of other Directorships and Committee Memberships/ Chairmanships		
		Held	Attended		Directorships*	Committee Memberships**	Committee Chairmanships**
Mr. Banwari Lal Mittal DIN: 00365809	Chairman & Managing Director (Promoter)	4	4	Yes	6	1	-
Mr. Ravi Kant Sharma DIN: 00364066	Non Executive Director (Promoter)	4	4	Yes	5	2	-
Mr. Parimal Kumar Chattaraj DIN: 00893963	Independent Non Executive Director	4	4	Yes	3	3	3
Mrs. Abha Mittal DIN: 00519777	Non Executive Director (Promoter)	4	3	Yes	4	-	-
Mr. Rajeev Goenka DIN- 03472302	Independent Non Executive Director	4	2	No	1	-	-
Mr. Bimal Kumar Patwari*** DIN : 00552793	Non Executive Director (Promoter)	3	3	No	1	-	-
Dr. Saibal Chandra Pal**** DIN: 00518330	Independent Non Executive Director	1	1	No	1	1	-

\* excludes directorship in Private Limited Companies, foreign companies and Companies under Section 8 of the Companies Act, 2013.

\*\* Only memberships/chairmanships of the Audit Committees and Stakeholders Relationship Committees in various public limited companies, considered.

\*\*\* Mr. Bimal Kumar Patwari (DIN: 00552793) appointed as an Additional Director (Independent) with effect from 24th July, 2019 through circular resolution.

\*\*\*\* Dr. Saibal Chandra Pal (DIN: 00518330) was appointed as an Additional Director (Independent) with effect from 1st April, 2019 through circular resolution and has resigned from the position of Independent Director of the Company with effect from 19th August, 2019.

**Note:** In the above statement the Directorship and Committee Membership of Directors have been computed with reference to section 165 of the Companies Act, 2013 read with Regulation 26(1) of the SEBI (LODR) Regulations, 2015 with Stock Exchanges. The number of Directorship, Committee Membership and Chairmanship includes that of the Company.

### Inter-se relationship between the Directors

No Director is related to any other Director on the Board except Mrs. Abha Mittal, who is spouse of Mr. Banwari Lal Mittal.

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

Name of the Director	Name of other listed entity	Category of Directorship
Mr. Parimal Kumar Chattaraj	NIL	NIL
Mr. Bimal Kumar Patwari	NIL	NIL
Mr. Rajeev Goenka	NIL	NIL

The Company sends a detailed agenda folder to each Director with sufficient time before every Board and Committee meetings. All the agenda item are backed by necessary supporting information and documents to enable the Board to take informed decision. To enable the Board to discharge its responsibilities effectively, the Managing Director apprises the Board at every meeting on the overall performance of the Company. The Board also, inter alia, considers and reviews investment and exposure limits, adoption of quarterly/half-yearly/annual results, transactions pertaining to purchase/disposal of property, major accounting provisions and write-offs, minutes of meetings of the Audit and other Committees of the Board and information on recruitment of officers just below the Board level, including the Compliance Officer.

## CORPORATE GOVERNANCE REPORT

The Board periodically reviews compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any. In addition to the above, Regulation 17(7) of the SEBI (LODR) Regulations, 2015, the minutes of the Board meetings of your Company's subsidiaries and a statement of all significant transactions and arrangements entered into by the subsidiaries are also placed before the Board.

### Information Placed before Board of Directors

All statutory and other matters of significance including information as mentioned in Part A of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are informed to the Board to enable it to discharge its responsibility of strategic supervision of the Company.

### Presentation by the Management

Before putting on record the quarterly/annual financial results of the Company, a presentation is made before the Board on operations of the Company including performance of major brands, international businesses, initiatives taken for sales promotion and all other matters having impact on the business of the Company.

### Directors Induction, Familiarisation and Training

Selections of Board members are dependent on several parameters. The Nomination and Remuneration Committee, in consultation with the Chairman of the Board, discusses suitable candidates for induction in the Board. Upon fulfillment of the parameters, the candidates are appointed.

At SastaSundar, all the members of the Board of Directors are well-experienced professionals who are well acquainted with business knowledge of the industry. The Board members are provided necessary documents, reports and other presentations about SastaSundar. Such information enables the Independent Directors to get familiarized with the Company's operations and the industry at large. Further, in respect of Executive Directors, the Company arranges for training in the field of risk management of the Company's business. Such training enables better decision-making and helps the Executive Directors in discharging their responsibilities. The relevant statutory changes/updates are circulated to them from time to time so that it helps the Directors to make better and informed decisions. The familiarization programme includes orientation programme upon induction of new director, as well as other initiatives to update the directors on an ongoing basis.

The Independent Directors are already familiar with the nature of Industry, business model and other aspects of the Company since they have been directors for long period of time. During the year under review the Company has conducted Familiarisation programme for the independent directors of the Company. The details of such programme are uploaded on the Company website at [www.sastasundarventures.com](http://www.sastasundarventures.com).

The policy on the familiarisation programme for Independent Directors has been adopted by the Company and placed on the website of the Company at the weblink <http://www.sastasundarventures.com/Pdf/FamiliarizationProgrammeForIndependentDirector.pdf>.

The details of familiarisation programme imparted to Independent Directors are also disclosed at the aforementioned website.

### Board Evaluation Policy

The primary objective of the Policy is to provide a framework and set standards for the evaluation of the Board as a whole and each Director individually. SastaSundar aims to achieve a balance of merit, experience and skills on the Board. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of Executive/ Non-Executive and Independent Directors. The policy is to assess and enhance the effectiveness of the Board as a whole. Individual Board members are assessed on their effective contribution and commitment to their role and responsibilities as Directors. The Independent Directors have three key roles i.e. Governance, Control and Guidance. Some of the performance indicators based on which the independent directors are evaluated includes:

- Active participation in long term strategic planning.
- Ability to contribute to and monitor our corporate governance practices.
- Ability to contribute by introducing international best practices.

### Post meeting follow-up mechanism

The important decisions taken at the Board/Board level Committee meetings are communicated to the departments/divisions concerned promptly. A report on the action taken on the decisions/suggestions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board / committee for noting the same.

## CORPORATE GOVERNANCE REPORT

### Code of Conduct

The Company has adopted the SastaSundar's Code of Conduct which is applicable to all designated employees of the Company including the Managing Director. The Board has also approved a Code of Conduct for the Non-executive directors of the Company, which incorporates the duties of the independent directors as laid down in the Companies Act, 2013. Both the Codes are posted on the Company's website.

All the Board Members and senior management personnel, as per Regulation 26(3) of the SEBI (LODR) Regulations, 2015 have affirmed compliance with the applicable code of conduct. A declaration to this effect by the Managing Director forms part of this report. The Directors and senior management personnels of the Company have made disclosure to the Board confirming that there are no material financial and/or commercial transaction between them and the Company that could have potential conflict of interest with the Company at large.

### Skills, expertise and competence of the Board

The Directors of Sastasundar Ventures Limited comprises of qualified members who bring in the required skills, experience, competence and expertise, effectively contributing to the Board and Committee proceedings. The Board members are committed to ensuring that the Board is in compliance with the highest standards of corporate governance. The individual members of Board of Directors have been identified with the key skills, expertise, competence and attributes in various functional spheres which are required in the context of the Company's business including effective functioning of the Company under overall superintendence of relevant collective body.

Industry Knowledge / Experience	Technical Skills/ Experience	Behavioral Competencies
Understanding of Corporate laws, international laws and other rules, regulations and policies	<ul style="list-style-type: none"> <li>Accounting and Finance</li> <li>Risk Management</li> <li>Strategic Management</li> <li>Legal and Compliance</li> <li>Governance</li> </ul>	<ul style="list-style-type: none"> <li>Leadership and Monitoring Skills</li> <li>Interpersonal relations</li> </ul>

### 3. COMMITTEES CONSTITUTED BY THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and need a closer review. The Board has constituted various Committees comprising of Directors and Senior Management Personnels, some of them are Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Investment Committee, which act in accordance with the terms of reference determined by the Board. Meetings of each of these Committees are convened by the respective Chairman. Matters requiring Board's attention/approval are placed before the Board. The Minutes of the meetings of all the Committees are placed before the Board for review. Details of role and composition of these Committees including the number of meetings held during the financial year and the related attendance details are provided hereunder.

#### (A) AUDIT COMMITTEE

A qualified and Independent Audit Committee has been set up by the Board in compliance with the requirement of Regulation 18 of the SEBI (LODR) Regulations, 2015 read with Section 177 of the Companies Act, 2013. The Committee comprises of:-

- i) Mr. Parimal Kumar Chattaraj, Chairman & Independent Director
- ii) Mr. Rajeev Goenka, Independent Director
- iii) Mr. Ravi Kant Sharma, Non-Executive Director

The Audit Committee of the Board, inter alia, provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- Efficiency and effectiveness of operations, both domestic and overseas;
- Safeguarding of assets and adequacy of provisions for all liabilities;
- Reliability of financial and other management information and adequacy of disclosures;
- Compliance with all relevant statutes.

## CORPORATE GOVERNANCE REPORT

The Audit Committee is empowered, pursuant to its terms of reference, inter alia, to:

- investigate any activity within its terms of reference and to seek any information it requires from any employee;
- obtain legal or other professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

**The role of the Committee includes the following: -**

- (a) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (b) Recommending to the Board, the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the statutory auditor and fixation of their remuneration;
- (c) Reviewing, with the management, the financial statements before submission to the Board, focusing primarily on:
  - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Qualifications in the draft audit report.
- (d) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (e) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (f) Review and monitor the auditor's independence and performance and effectiveness of audit process;
- (g) Approval or any subsequent modification of transactions of the company with related parties;
- (h) Scrutiny of inter-corporate loans and investments;
- (i) Valuation of undertakings or assets of the company, wherever it is necessary;
- (j) Evaluation of internal financial controls and risk management systems;
- (k) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (l) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (m) Discussion with internal auditors any significant findings and follow up there on;
- (n) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (o) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (p) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (q) To review the functioning of the Whistle Blower mechanism;
- (r) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
- (s) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

## CORPORATE GOVERNANCE REPORT

- (t) As per Regulation 9(A)(4) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 the Audit Committee shall also review compliance of the provisions of the Regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

**The Audit Committee also mandatorily reviews the following:**

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions as submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.
- f) Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Mr. Parimal Kumar Chattaraj, the Chairman of the Committee was present at the previous Annual General Meeting of the Company.

During the financial year ended 31st March, 2020 the Audit Committee met four times 22nd May, 2019, 13th September, 2019, 13th December, 2019 and 14th February, 2020. The details of the Composition of the Committee, number of meetings held and the attendance of the Directors thereat is given herein below: -

Name of members	Category	No. of meeting	
		Held	Attended
Mr. Parimal Kumar Chattaraj	Chairman & Independent Director	4	4
Mr. Rajeev Goenka	Independent Director	4	2
Mr. Ravi Kant Sharma	Non-Executive Director	4	4

Statutory Auditor, Internal Auditor, Chief Financial Officer and the Executive Director are regularly invited to attend the Audit Committee meeting. The Company Secretary is the Secretary to the Committee. Minutes of each Audit Committee meeting are placed and discussed in the next meeting of the Board.

All the members of the Audit Committee possess strong accounting and financial management expertise.

**(B) NOMINATION AND REMUNERATION COMMITTEE ("NRC")**

The Nomination and Remuneration Committee of the Company is constituted in the line with the provisions of Regulation 19 of the SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Committee comprises of:-

- i) Mr. Parimal Kumar Chattaraj, Independent Director (Chairman)
- ii) Mr. Rajeev Goenka, Independent Director
- iii) Mr. Ravi Kant Sharma, Non-executive Director

The Nomination and Remuneration Committee shall act in accordance with the prescribed provisions of section 178 of the Companies Act, 2013 and shall be responsible for: -

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- c) Devising a policy on diversity of Board of Directors;
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and carry out evaluation of every director's performance.



## CORPORATE GOVERNANCE REPORT

- e) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- f) recommend to the board, all remuneration, in whatever form, payable to senior management.

The Chairman of the Nomination and Remuneration committee was present at the previous Annual General Meeting of the Company, to answer the shareholders' queries.

During the Financial Year ended 31st March, 2020, the Nomination and Remuneration Committee met two times on 22nd May, 2019 and 13th September, 2019. The details of the Composition of the Committee, number of meetings held and the attendance of the Directors thereat is given herein below: -

Name of members	Category	No. of meeting	
		Held	Attended
Mr. Parimal Kumar Chattaraj	Chairman & Independent Director	2	2
Mr. Rajeev Goenka	Independent Director	2	1
Mr. Ravi Kant Sharma	Non-Executive Director	2	2

### Remuneration paid to Directors

The Independent Directors is entitled to sitting fees for attending the Board and Committee meetings. No sitting fee is paid to Mr. Banwari Lal Mittal, Mr. Ravi Kant Sharma and Mrs. Abha Mittal, the Non-Independent Directors of the Company.

Details of the sitting fees paid to Independent Directors during the year ended 31st March, 2020 are as follows: -

Name of the Directors	Category	Sitting Fees (Rs.)
Mr. Parimal Kumar Chattaraj	Independent Director	2,00,000
Mr. Bimal Kumar Patwari	Independent Director	85,000
Mr. Rajeev Goenka	Independent Director	90,000
Dr. Saibal Chandra Pal*	Independent Director	25,000

\* Dr. Saibal Chandra Pal (DIN: 00518330) was appointed as an Additional Director (Independent) with effect from 1st April, 2019 through circular resolution and has resigned from the position of Independent Director of the Company with effect from 19th August, 2019.

No commission was paid to the Directors during the year ended 31st March, 2020.

Other than the above, there is no other pecuniary relationship or transactions of the non-executive directors vis-a-vis the listed company.

### POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration Committee (NRC) has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors, CEO and Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

- **Criteria of selection of Non-Executive Directors**

In evaluating the suitability of individual Board members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements. Directors must possess experience at policy-making and operational levels in large organizations with significant international activities that will indicate their ability to make meaningful contributions to the Board's discussion and decision-making in the array of complex issues facing the Company.

Director should possess the highest personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency.

The Committee, along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required of the Executives for the better management of the Company. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations.

In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.



## CORPORATE GOVERNANCE REPORT

The role of the Nomination and Remuneration Committee is to periodically identify competency gaps in the Board, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company. The Committee also identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate member.

- **Remuneration Policy**

### **Policy for the Executive Directors and CEO**

The remuneration/ Compensation to Directors will be determined by the Nomination and Remuneration Committee ("NRC") and recommend to the Board for approval. At the time of appointment or re-appointment, the Executive Directors shall be paid such remuneration as may be mutually agreed between the Company (which includes the NRC and the Board of Directors) and Executive Director within the overall limits prescribed under the Companies Act, 2013 and the rules made thereunder. Increment to the existing remuneration structure may be recommended by the NRC to the Board which should be within the limits approved by the shareholders.

The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the Executive Directors shall be arrived after taking into account the Company's overall performance, their contribution for the same and trend in the industry.

### **Policy for KMP and Senior Management Employees**

The NRC shall frame a policy for determining the criteria of remuneration payable to KMP and SMP.

While determining the criteria the NRC shall consider the following:

- i. the relationship of remuneration and performance benchmark is clear;
- ii. the remuneration including annual increment and performance bonus is decided based on the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance vis-à-vis industry benchmark and current compensation trends in the market.

The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the NRC for its review and approval.

Their remuneration are also governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards.

### **Remuneration to Non-Executive and Independent Directors:**

No Commission or Sitting fees are being paid to the Non-Executive Directors of the Company. The Independent Directors of the Company are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors and its Committees. The said sitting fees paid to the Non-executive Independent Directors for the Board Meetings and Committee meetings is fixed by the Board and reviewed from time to time in accordance with applicable law. The remuneration policy of the Company is available on the company's website and can be accessed through the weblink [http://www.sastasundarventures.com/Pdf/SVL\\_Remuneration\\_policy.pdf](http://www.sastasundarventures.com/Pdf/SVL_Remuneration_policy.pdf).

- **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (LODR), Regulations, 2015 the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committee. A structured questionnaire has prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the

## CORPORATE GOVERNANCE REPORT

Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

### Remuneration to the Managing Director for FY 2019-20

During the year under review, the detail of remuneration paid to Executive Director is appended below:

Name of Director	Salary per annum (Rs.)	Fixed Component and Performance linked incentives (Rs.)	Monetary value of perquisites (Rs.)	Sitting fees (Rs.)	Severance Fee	Stock option	Total (Rs.)
Mr. Banwari Lal Mittal	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The notice period is three months. There is no pension and service contract. No remuneration was paid to Mr. Ravi Kant Sharma and Mrs. Abha Mittal, Non-Executive Director during the financial year 31st March, 2020.

Mr. Banwari Lal Mittal is an Executive Chairman in Sastasundar Healthbuddy Limited (SHBL), subsidiary of the Company and receive remuneration from SHBL. Mr. Ravi Kant Sharma is also designated as the Managing Director & CEO of Sastasundar Healthbuddy Limited (SHBL), subsidiary of the Company and draws remuneration from SHBL.

### Shares held by the Non-Executive Directors

The table below gives details of the Equity Shares of the Company held by the Non-Executive Directors as on 31st March, 2020.

Name of the Directors	Category	Number of Equity shares held
Mr. Parimal Kumar Chattaraj	Independent Director	NIL
Mr. Ravi Kant Sharma	Promoter / Non-Executive Director	497393
Mrs. Abha Mittal	Promoter / Non-Executive Director	15700
Mr. Rajeev Goenka	Independent Director	80916
Mr. Bimal Kumar Patwari	Independent Director	221676

None of the above Directors holds any convertible instruments in any capacity.

### (C) STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015, the Board has constituted the Stakeholders Relationship Committee.

The terms of reference of the Committee includes the following:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debentures and other securities of the Company.

## CORPORATE GOVERNANCE REPORT

The Stakeholders Relationship Committee constituted by the Board comprises of three Directors. Mr. Parimal Kumar Chattaraj, Independent Director, Chairman the Committee; Mr. Rajeev Goenka, Independent Director and Mr. Banwari Lal Mittal, Executive Director are Members of this Committee.

The Committee meets at regular intervals and specifically looks into the aspect of redressal of Shareholders/Investors Grievance.

**The role of the committee shall inter alia include the following:**

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- (2) Review of measures taken for effective exercise of voting rights by shareholders;
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company.

During the year under review, the Committee met three times on 22nd May, 2019; 13th September, 2019 and 13th December, 2019. The Composition of the Stakeholders Relationship Committee and number of meetings held and attended thereof are as below:

Name of Directors	Category	Position Held	No. of Meetings	
			Held	Attended
Mr. Parimal Kumar Chattaraj	Independent Director	Chairman	3	3
Mr. Banwari Lal Mittal	Managing Director	Member	3	3
Mr. Rajeev Goenka	Independent Director	Member	3	1

Mr. Biplab Kumar Mani, Company Secretary is designated as the Compliance Officer of the Company.

### Details of Shareholders' Complaints & Grievances and their Redressal as on 31.03.2020:

Nos. of Complaints received so far	Nos. of Complaints Resolved to the satisfaction of shareholders	Nos. of Pending complaints
NIL	NIL	NIL

The Company confirms that there were no share transfers lying pending and affirms that all the requests for share transfers/ transmissions, issue of new certificates, etc., received up to March 31, 2020 have since been processed. All the requests for dematerialisation and rematerialisation of shares as on that date have been confirmed / rejected through the NSDL / CDSL system.

The Name, designation and address of Compliance Officer of the Company is as under:

**Name and Designation** : Mr. Biplab Kumar Mani, Company Secretary & Compliance Officer  
**Address** : Azimganj House, 2nd Floor, 7 Abanindra Nath Thakur Sarani (Formerly Camac Street), Kolkata - 700 017  
**Contacts** : Phone: +91 33 2282 9330, Fax: +91 33 2282 9335  
**E-mail** : [investors@sastasundar.com](mailto:investors@sastasundar.com)

### (D) INDEPENDENT DIRECTORS MEETING

A separate meeting of Independent Directors of the Company was held on 13th December, 2019 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the SEBI (LODR) Regulations, 2015. At the meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors, the Board as a whole;
- Reviewed the performance of the Chairman of the Company;
- Assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

## CORPORATE GOVERNANCE REPORT

Independent Directors met in a separate meeting without the presence of any Non-Independent Director or representatives of management and discussed the aforesaid Items.

### (E) INVESTMENT COMMITTEE MEETING

The Investment Committee comprises of three members namely Mr. Banwari Lal Mittal, Mr. Ravi Kant Sharma, Mr. Deepak Kumar Agarwal (upto 13th September, 2019) and Mrs. Manisha Sethia (w.e.f. 14th September, 2019). The responsibility of duties of the Committee are as under:

- Review the investment policies, strategies, and programs of the Company;
- Determine that investment constraints are consistently followed and that procedures are in place to ensure that the investment portfolio is managed in compliance with the investment policy and applicable investment constraints;
- Review the performance of the investment portfolios of the Company;
- Make periodic reports to the Board.

During the year under review, the Committee met 2 times on 20th August, 2019 and 14th October, 2019. The details of the Composition of the Committee, number of meetings held and the attendance of the Directors thereat is given herein below: -

Name of members	Category	No. of meeting	
		Held	Attended
Mr. Banwari Lal Mittal	Chairman Managing Director	2	2
Mr. Ravi Kant Sharma	Non-Executive Director	2	2
Mr. Deepak Kumar Agarwal (upto 13th September, 2019)	Chief Financial Officer	1	1
Mrs. Manisha Sethia (w.e.f. 14th September, 2019)	Chief Financial Officer	1	1

### 4. SUBSIDIARY COMPANIES

Regulation 24 of the SEBI (LODR) Regulations, 2015 defines a "Material Non-listed Indian Subsidiary" as an unlisted subsidiary, incorporated in India, whose income or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year. As on 31st March, 2020 the Company has five wholly-owned subsidiary companies and five subsidiary companies. The Company has one material non-listed subsidiary namely, Sastasundar Healthbuddy Limited within the meaning of the Regulation 16(1)(c) of the SEBI (LODR) Regulations, 2015 with the Stock Exchanges. Mr. Parimal Kumar Chattaraj, the Independent Director of the Company is also a Director of Sastasundar Healthbuddy Limited.

The financial statements including particulars of investments made by all the unlisted subsidiary companies are reviewed by the Audit Committee.

Your Company has a system of placing the minutes and statements of all the significant transactions of all the unlisted subsidiary companies in the Meeting of Board of Directors.

The Company has already formulated a policy for determining 'material' subsidiaries and such policy has been disclosed on the company's website and can be accessed through the weblink [http://www.sastasundarventures.com/Pdf/SVL\\_PolicyforDeterminationofMaterialSubsidiary.pdf](http://www.sastasundarventures.com/Pdf/SVL_PolicyforDeterminationofMaterialSubsidiary.pdf)

## CORPORATE GOVERNANCE REPORT

### 5. GENERAL BODY MEETING:

The following table gives the details of the last three Annual General Meetings of the Company:

Year	AGM date and time	Venue	No. of special resolutions passed
2018-19	30 <sup>th</sup> September, 2019 at 10.30 a.m.	"CLT-Aban Mahal", P-6, Gariahat Road (South), Kolkata-700029	1. Re-appointment of Mr. Rajeev Goenka as an Independent Non-Executive Director. 2. Approval for continuation of Directorship of Mr. Parimal Kumar Chattaraj, in terms of Regulation 17(1A) of SEBI (LODR) Reg, 2015 for the remaining period of his existing term of directorship as Independent Director.
2017-18	14 <sup>th</sup> August, 2018 at 10.30 a.m.	"Bharatiya Bhasha Parishad", 36A Shakespeare Sarani, 4th Floor, Kolkata - 700017	Re-appointment of Mr. Parimal Kumar Chattaraj as an Independent Non-Executive Director for the second term.
2016-17	8th August, 2017 at 10.30 a.m.	"Bharatiya Bhasha Parishad", 36A Shakespeare Sarani, 4th Floor, Kolkata - 700017	Nil

- No Extra-Ordinary General Meeting of the shareholders was held during the year.
- No resolution was passed during the financial year ended 31st March, 2020 through postal ballot under section 110 of the Companies Act, 2013 and rules made thereunder.
- As on date, there is no proposal to pass any special resolution through postal ballot.

### 6. DISCLOSURES:

#### i) Related Party Transaction:

Your Company places the statement of the related party transaction at every Audit Committee meetings. The Register of Contracts containing the transactions in which the Directors are interested are placed at the Board meetings. The disclosure of the related party transactions in accordance with IND AS-24 are given in Note No. 26 of the Other Notes on Accounts of the Annual Report. However, these transactions are not likely to have any conflict with the Company's Interest. The Company does not have any significant related party transaction that may have potential conflict with the interest of the Company. The Board has put in place a policy on related party transactions and the same has been uploaded on the website of the Company at the weblink [http://www.sastasundarventures.com/Pdf/SVL\\_RelatedPartyTransactionPolicy.pdf](http://www.sastasundarventures.com/Pdf/SVL_RelatedPartyTransactionPolicy.pdf)

ii) There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three financial years and no penalties or strictures have been imposed on the Company by the Stock Exchanges or Securities Exchange Board of India or any other statutory authority in this regard.

iii) Compliance with Regulation 27 of the SEBI (LODR) Regulation, 2015

The Company has complied with the mandatory requirements of the Regulation 27 of the SEBI (LODR) Regulations, 2015. The status on compliance with the Non-mandatory requirements is given at the end of the Report.

#### iv) Reconciliation of Share Capital Audit:

A qualified practicing company secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and the listed equity share capital. The Audit Report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical forms and the total number of dematerialized shares held with NSDL and CDSL.

#### v) Risk Management

The Company has a well-defined risk management policy in place. The risk management policy adopted by the Company is discussed in detail in the Management Discussion and Analysis chapter of this Annual Report. The Board assesses the risk and the procedures being followed by the Company and steps taken by it to mitigate these risks. The Company does not have any commodity price risk or foreign exchange risk and hedging activities. The Company carries a risk management

## CORPORATE GOVERNANCE REPORT

process and the weaknesses if found are communicated to the Audit Committee from time to time. Periodic reviews are made on extent of risk minimization measures adopted to minimize the potential risks.

### vi) Fees paid to the Statutory Auditors and network firms for all services

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

Services availed	Payment (Rs.)
Statutory Audit for the FY 2019-20	2,01,000
Limited Review Fees	1,35,000
Tax Audit Fees	50,000
In other capacity for certificates and other services	2,00,000

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

### vii) Vigil Mechanism /Whistle Blower Policy

The Company has already established a vigil mechanism for their directors and employees to report their genuine concerns or grievances. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy. Such a vigil mechanism provides for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairman of the Audit Committee in appropriate or exceptional cases. The whistle blower policy has been adopted by the Company and placed on the website of the Company and can be accessed through the weblink [http://www.sastasundarventures.com/Pdf/SVL\\_whistle\\_blower\\_policy.pdf](http://www.sastasundarventures.com/Pdf/SVL_whistle_blower_policy.pdf)

During the year, no case was reported under this policy and no personnel has been denied access to the Chairman of the Audit Committee.

### viii) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The status of the complaints filed, disposed and pending during the financial year ended 31st March, 2020 is given below:

No. of complaints filed during the year 2019-20	NIL
No. of complaints disposed during the year 2019-20	NIL
No. of complaints pending during the year 2019-20	NIL

ix) The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015.

x) The Company does not have any shares in demat suspense account or unclaimed suspense account.

## 7. ADDITIONAL INFORMATION:

### i) Prevention of Insider Trading:

#### a. Code of Conduct for Prevention of Insider Trading:

In compliance with SEBI regulations on prevention of insider trading, the Company has formulated a comprehensive Code of Conduct for Prevention of Insider Trading in the securities of the Company. This Code of Conduct is applicable to Promoters, Directors, Group Heads and such other employees of the Company and others who are expected to have access to unpublished price sensitive information.

The Code of Conduct lays down guidelines advising them on procedures to be followed and disclosures to be made while dealing with the shares of the Company and cautioning them of consequences of violations. The Company Secretary of the Company is the Compliance Officer. The Code is displayed on the Company's website viz. [www.sastasundarventures.com](http://www.sastasundarventures.com).

#### b. Code of Practices and Procedures for Fair Disclosure:

The Board has approved the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, in terms with the SEBI (Prohibition of Insider Trading) Regulations, 2015.



## CORPORATE GOVERNANCE REPORT

The code lays down broad standards of compliance and ethics, as required by the applicable SEBI regulations. The code is required to be complied in respect of all corporate disclosures in respect of the Company and /or its subsidiary companies. The Company Secretary of the Company is the Compliance Officer. The Code is displayed on the Company's website viz. [www.sastasundarventures.com](http://www.sastasundarventures.com).

### ii) Code of Conduct for Directors and Senior Management:

The Board has laid down the Code of Conduct for its Members and designated Senior Management Personnel of the Company. The Code has been posted on the Company's website at the weblink [http://www.sastasundarventures.com/Pdf/SVL\\_CodeofConduct.pdf](http://www.sastasundarventures.com/Pdf/SVL_CodeofConduct.pdf)

All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

## 8. MEANS OF COMMUNICATION WITH SHAREHOLDERS:

**Quarterly Results and its publication:** The unaudited quarterly/ half-yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the close of the financial year as per the requirements of the SEBI (LODR) Regulations, 2015 with the Stock Exchanges. The aforesaid financial results are sent to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board. The financial results are also uploaded on the Company's website [www.sastasundarventures.com](http://www.sastasundarventures.com). The Company publishes quarterly, half-yearly and annual results in widely circulated national newspapers and local dailies such as 'Business Standard' in English and 'Ek din' in Bengali.

**News Release, etc:** The Company has its own website [www.sastasundarventures.com](http://www.sastasundarventures.com) and all vital information relating to the Company and its performance including financial results and corporate presentations, etc. are regularly posted on the website.

No presentation were made to Institutional Investors during the under review.

**Investors' Relation:** The Company's website contains a separate dedicated section "Investor Relation" where Shareholders' information is available. The website also provides lists of unclaimed dividend which have not yet been transferred to the Investor Education and Protection Fund of the Central Government. The Company has an exclusive email ID for shareholders/investors and they may write to the Company at [investors@sastasundar.com](mailto:investors@sastasundar.com).

During the year under review, the management of the Company has made presentations to institutional investors and analysts and the details of which is posted on the website of the Company.

The Management Discussion and Analysis Report forms part of this Annual Report.

## 9. GENERAL SHAREHOLDER INFORMATION

### i. Annual General Meeting:

Day and Date : Friday, 11th September, 2020.

Time : 10:30 a.m.

Venue : The Company is conducting meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) pursuant to the MCA Circular dated May 5, 2020 and SEBI Circular dated May 12, 2020, hence there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

### ii. Financial Year:

The Financial year of the Company starts from 1st April of a year and ends on 31st March of the following year.

### iii. Book closure date:

Information about the Book Closure dates have been provided in the Notice convening the AGM, which forms a part of the Annual Report.

### iv. Dividend Payment date:

Your Directors have not recommended any dividend for the FY 2019-20.



## CORPORATE GOVERNANCE REPORT

### v. Listing of equity shares on stock exchanges at:

The name and address of the stock exchange(s) at which the securities of the Company are listed:

#### **BSE Limited (BSE)**

Phiroze Jeejeebhoy Tower  
Dalal Street, Mumbai – 400 001

#### **National Stock Exchange of India Limited (NSE)**

Exchange Plaza, Bandra Kurla Complex  
Bandra (East), Mumbai – 400 051

Listing fees as applicable have been paid in full to BSE and NSE.

### vi. Company Registration details:

The Company is registered in the state of West Bengal, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65993WB1989PLC047002.

### vii. Stock Code & ISIN No.:

**BSE : 533259**

**NSE : SASTASUNDR**

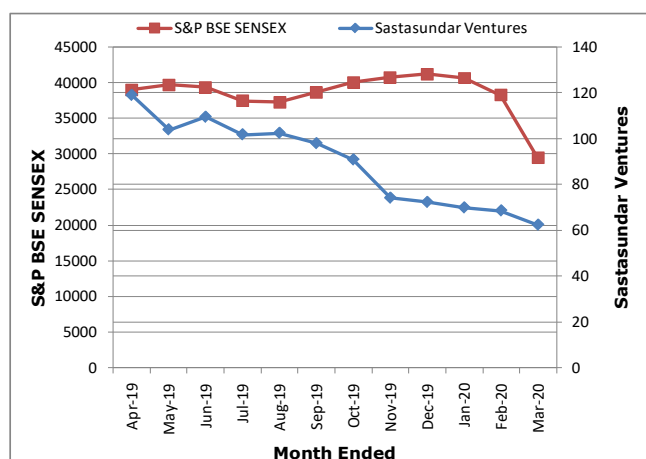
The International Securities Identification Number (ISIN) allotted to our shares under the depository system is INE019J01013.

### viii. Market Price Data:

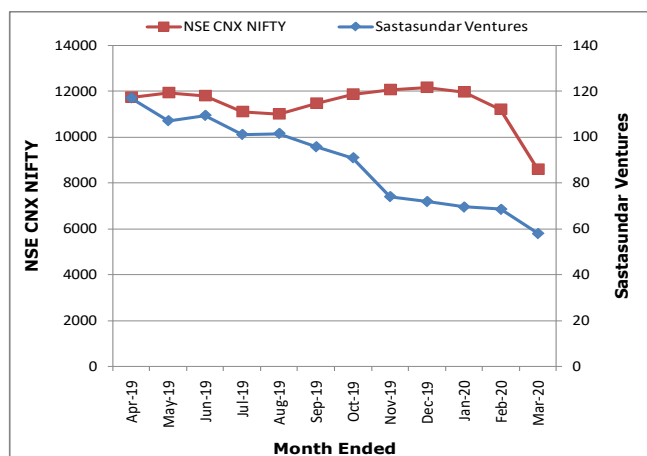
High, Low during each month in the financial year 2019-20 at BSE and NSE:

Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2019	125.00	115.00	125.00	113.15
May, 2019	119.90	98.00	119.90	96.30
June, 2019	119.00	104.05	116.00	104.30
July, 2019	115.10	97.00	115.50	97.05
August, 2019	113.80	82.00	114.40	82.55
September, 2019	109.00	98.00	109.80	95.20
October, 2019	98.00	86.95	99.70	86.80
November, 2019	91.60	72.50	92.95	71.05
December, 2019	84.00	64.75	89.40	64.00
January, 2020	79.50	63.00	78.00	60.55
February, 2020	74.80	63.10	74.35	63.60
March, 2020	70.95	40.00	72.45	38.70

### ix. Performance in comparison to broad-based indices such as BSE Sensex, etc.:



## CORPORATE GOVERNANCE REPORT

x. **Registrar & Transfer Agent:****Link Intime India Private Limited**

Vaishno Chambers, 6 Brabourne Road,

Flat No. 502 &amp; 503, 5th Floor, Kolkata-700 001

Tel : 033-4004 9728 &amp; 033-4073 1698

Email: [kolkata@linkintime.co.in](mailto:kolkata@linkintime.co.in)Website : [www.linkintime.co.in](http://www.linkintime.co.in)xi. **Share Transfer System:**

Trading in Equity Shares of the Company is permitted only in dematerialised form. Shares sent for transfer in physical form are registered and returned within a period of fifteen days from the date of receipt of the documents, provided the documents are valid and complete in all respects. With a view to expediting the process of share transfers Mr. Biplob Kumar Mani, Company Secretary and Authorised Representative of Link Intime India Private Limited have been severally authorised to approve transfer of equity shares and the same is ratified in the next meeting of the Stakeholders Relationship Committee. The Stakeholders Relationship Committee meets as and when required to consider the other transfer, transmission of shares, etc. and attend to shareholder grievances. Transfer of physical shares has been discontinued from 1st April, 2019 in line with Circular No. SEBI/LADNRO/GN/2018/24 dated 8th June, 2018 & Press Note No. PR No. 12/2019 dated 27th March, 2019 issued by Securities and Exchange Board of India other than transfer of documents re-lodged for registration to remove the deficiencies raised prior to such deadline.

Members holding shares in physical form are requested to dematerialise their holdings at the earliest as it will not be possible to transfer shares held in physical mode after 31/03/2020.

xii. **Distribution of shareholding and shareholding pattern as on 31<sup>st</sup> March, 2020:**a) **Distribution of Shareholding:**

No. of equity shares held (range)	No. of shareholders	% of shareholders	No. of shares	% of shareholding
1 - 500	9419	94.35	741645	2.33
501 – 1000	212	2.12	171256	0.53
1001 – 2000	107	1.07	165509	0.52
2001 – 3000	47	0.47	122799	0.38
3001 – 4000	19	0.19	68156	0.21
4001 – 5000	36	0.36	172370	0.54
5001 – 10000	45	0.45	328128	1.03
10001 and more	97	0.97	30040637	94.43
<b>TOTAL</b>	<b>9982</b>	<b>100</b>	<b>31810500</b>	<b>100.00</b>

## CORPORATE GOVERNANCE REPORT

### b) Shareholding Pattern:

Sl. No.	Description	Number of shares	Percentage of Capital
I	Promoter and Promoter Group	23665615	74.40
II	Financial Institutions/ Banks	25	-
III	Foreign Institutional Investors/ Foreign Companies/ Foreign Portfolio Investor	58,317	0.18
IV	Bodies Corporate	28,48,439	8.96
V	NRIs / OCBs/ NRNs	4,66,453	1.47
VI	Trust	1333400	4.19
VII	Resident Individuals	3175571	9.98
VIII	Clearing Member/ HUF and others	262680	0.82
	<b>TOTAL</b>	<b>31810500</b>	<b>100.00</b>

#### xiii Dematerialisation of shares and liquidity:

As on 31st March, 2020, 99.99% of the total equity share capital was held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. The market lot is one share as the trading in equity shares of the Company is permitted only in dematerialised form.

#### xiv. Outstanding convertible instruments, conversion date and likely impact on equity

As on March 31, 2020, the Company did not have any outstanding GDRs/ADRs/ Warrants or any Convertible instruments.

#### xv. Plant Locations:

The Company does not have any manufacturing plants.

#### xvi. Address for Correspondence:

For any assistance, queries, regarding transfer or transmission of shares, dematerialization, non receipt of dividend on shares, non-receipt of share application money, non credit of shares in demat account and any other queries relating to the shares of the Company and Annual Report, the investors may please write to the following:

##### i) The Company Secretary

Sastasundar Ventures Limited  
Azimganj House, 2nd Floor, 7 Abanindra Nath Thakur Sarani  
(Formerly Camac Street), Kolkata - 700017  
Tel : +91 33 2282 9330, Fax : +91 33 2282 9335  
E-mail : [investors@sastasundar.com](mailto:investors@sastasundar.com)

##### ii) Link Intime India Private Limited

Vaishno Chambers, 6 Brabourne Road,  
Flat No. 502 & 503, 5th Floor, Kolkata - 700001  
Tel : +91 33 4004 9728 & +91 33 4073 1698  
Email : [kolkata@linkintime.co.in](mailto:kolkata@linkintime.co.in)

#### xvii. Unclaimed Dividend and Shares

Section 124 of the Companies Act, 2013 mandates that companies transfer dividend that has been unclaimed for a period of seven (7) years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF).

In terms of Section 125 of the Act, read with rules made thereunder, the Company is required to transfer the unpaid dividend amounts which remained unclaimed for 7 years from the date of transfer of such amounts to Unpaid Dividend A/C to Investor Education and Protection Fund. In compliance with the same, the Company has transferred Unpaid Dividend for the year 2011-12 amounting to Rs. 1,06,951/- to Investor Education and Protection Fund on 3rd October, 2019.

During the year, pursuant to section 124 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 the Company has transferred 15814 equity shares to the Demat Account of IEPF authority maintained with NSDL in respect of which dividend had remained unclaimed/unpaid for a consecutive period of seven years.

## CORPORATE GOVERNANCE REPORT

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the Company's website at [www.sastasundarventures.com](http://www.sastasundarventures.com).

The Nodal officer of the Company for IEPF refund is Mr. Biplab Kumar Mani whose email id is [bmani@sastasundar.com](mailto:bmani@sastasundar.com).

**xviii. Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority**

On the basis of written representations/ declaration received from the Directors, as on 31st March, 2020, M/s MKB & Associates, Company Secretaries, have issued a certificate, confirming that none of the Directors on Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies by SEBI/ MCA or any such authority.

**xix. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof**

The Board accepted the recommendations of its Committees, wherever made, during the year.

**xx. Other Useful Information for Shareholders**

**Update Emails for receiving notice/ documents in e-mode**

The shareholders who have not registered their email addresses with the Company are requested to kindly register their email addresses with the Company in the Form annexed with the Notice of Annual General Meeting enabling the Company to better service shareholder correspondence through e-mode. The shareholders have also an option to register their email addresses with their Depository through Depository Participant.

Due to outbreak of Covid-19 and in line with the Circular No. 14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated 5th May, 2020, your Company is sending the Notice calling the AGM along with the Annual Report to the shareholders in electronic mode at their email addresses.

**10. NON-MANDATORY REQUIREMENTS**

Status as regards adoption/non adoption of discretionary requirements laid down in Part E of Schedule II of Regulation 27(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forming part of the Report on Corporate Governance :-

**(A) The Board**

The requirement of maintenance of an office for the non-executive Chairman and the reimbursement of expenses to him are not applicable to the Company presently as the Company has an Executive Chairman.

**(B) Shareholders Rights**

As the quarterly and half yearly financial performance are submitted to the Stock Exchanges, published in leading newspapers and posted on the Company's website, these are not sent to the shareholders separately.

**(C) Modified Opinion in Audit Report:**

The Company's financial statements for financial year 2019-20 do not contain any modified audit opinion.

**(D) Separate Posts of Chairman and MD/CEO**

The post of Chairman and MD/CEO are same.

**(E) Reporting of Internal Auditor:**

The internal Auditors of the Company reports directly to the Audit Committee.

Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Compliance Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance by the Company is annexed with the Directors' Report.

# CORPORATE GOVERNANCE REPORT

## CERTIFICATE ON CORPORATE GOVERNANCE OF SASTASUNDAR VENTURES LIMITED

To  
The Members of Sastasundar Ventures Limited

We have examined the compliance of conditions of Corporate Governance by SASTASUNDAR VENTURES LIMITED ("the Company") for the year ended on 31st March, 2020, as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause and/or Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge, information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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

For MKB & Associates  
Company Secretaries

Neha Somani  
(Partner)

ACS no. 44522

COP no. 17322

FRN: P2010WB042700

Date: June 29, 2020  
Place: Kolkata  
UDIN: A044522B000398689

## CERTIFICATE FROM PRACTICING COMPANY SECRETARY

To  
The Members  
Sastasundar Ventures Limited

Based on our verification of the books, papers, registers, forms, returns, disclosures received from the Directors and other records maintained by Sastasundar Ventures Limited, CIN: L65993WB1989PLC047002 having its Registered office at Azimganj House, 2nd Floor, 7, Abanindra Nath Thakur Sarani, (formerly Camac Street) Kolkata – 700017, West Bengal ("the Company") and also the information provided by the Company, its officers, agents and authorized representatives for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the verification of the portal [www.mca.gov.in](http://www.mca.gov.in), including Directors Identification Number (DIN) status at the portal, we hereby certify that during the Financial Year ended on March 31, 2020, in our opinion, none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such Statutory Authority.

It is the responsibility of the management of the Company for ensuring the eligibility for the appointment/ continuity of every director on the board of the Company. Our responsibility is to express an opinion based on our verification.

For MKB & Associates  
Company Secretaries

Neha Somani  
(Partner)

ACS no. 44522

COP no. 17322

FRN: P2010WB042700

Date: June 29, 2020  
Place: Kolkata  
UDIN: A044522B000398691

**CORPORATE GOVERNANCE REPORT****Compliance with Code of Conduct for Directors and Senior Management**

I, hereby, confirm and declare that in terms of Regulation 26(3) of the SEBI (LODR) Regulations, 2015 all the members of the Board and Senior Management Personnel of the Company, have affirmed compliance with the Code of Conduct for the Board of Directors and Senior Management Personnel for the Financial Year 2019-20.

Kolkata, 29th June, 2020

**For Sastasundar Ventures Limited**  
**Banwari Lal Mittal**  
Managing Director  
DIN: 00365809

**Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification**

We, Banwari Lal Mittal, Managing Director and Manisha Sethia, Chief Financial Officer of Sastasundar Ventures Limited, to the best of our knowledge and belief, certify that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2020 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
  - (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting

**For Sastasundar Ventures Limited**

Kolkata, 29th June, 2020

**Banwari Lal Mittal**  
Managing Director  
DIN: 00365809

**Manisha Sethia**  
Chief Financial Officer

## STATEMENT REGARDING SUBSIDIARY COMPANIES

## FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

## Part "A": Subsidiaries/ Step down Subsidiaries

(Rs. in Lacs)

Name of the Subsidiary	Sastasundar Healthbuddy Limited	Sastasundar Marketplace Limited	Microsec Resources Private Limited	Innogrow Technologies Limited	Genu Path Labs Limited	Microsec Wealth Management Limited	Retailer Shakti Supply Chain Private Limited	Mijoy Technologies Private Limited	Bharatiya Sanskriti Village Private Limited	Happymate Foods Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
Share Capital	2,370.35	41.47	258.14	33.10	1,083.33	600.00	560.00	63.04	11.50	500.01
Reserves & Surplus	16,168.19	815.83	2,136.27	3,823.30	(722.62)	(128.71)	(307.68)	172.37	1,293.45	(1,132.44)
Total Assets	23,179.55	1,472.62	2,401.24	3,867.72	463.74	922.77	842.45	283.50	1,451.99	756.63
Total Liabilities	4,641.01	615.32	6.83	11.32	103.03	451.48	590.13	48.09	147.04	1,389.06
Investments	9,779.96	766.36	1,333.09	2,273.83	190.67	355.81	84.01	-	837.36	-
Turnover	38,035.19	160.60	126.29	-	208.26	44.48	6,645.20	-	-	168.31
Profit / (Loss) before taxation	(2,952.26)	(1,750.15)	(32.80)	(10.23)	(457.81)	(69.72)	34.72	(26.69)	(54.62)	(1,143.27)
Provision for taxation	-	-	(0.25)	-	-	-	0.01	-	-	-
Profit / (Loss) after taxation	(2,952.26)	(1,750.15)	(32.55)	(10.23)	(457.81)	(69.72)	34.71	(26.69)	(54.62)	(1,143.27)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-
% of shareholding	72.14%	72.14%	100%	100%	72.14%	100%	72.14%	100%	100%	72.14%

## Note:

- 1) Name of subsidiaries which are yet to commence operations : NIL
- 2) Name of subsidiaries which has been sold during the year : NIL
- 3) Name of subsidiaries which have been merged with the Company during the year : NIL



## STATEMENT REGARDING SUBSIDIARY COMPANIES

## FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

## Part "B": Associates and Joint Ventures

Sl. No.	Name of Associate / Joint Venture	Details
1	Latest audited Balance Sheet Date	NIL
2	Shares of Associate/Joint Venture held by the company on the year end	
	No. of shares	
	Amount of Investment in Associate/Joint Venture	
	Extent of Holding %	
3	Description of how there is significant influence	
4	Reason why the associate/joint venture is not consolidated	
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	
6	Profit / Loss for the year	
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	

- Note :** 1. Name of associates or joint ventures which are yet to commence operations : NIL  
2. Name of associates or joint ventures which have been liquidated or sold during the year : NIL

For and on behalf of the Board of Directors

**Banwari Lal Mittal**  
Chairman & Managing Director  
DIN : 00365809

**Ravi Kant Sharma**  
Director  
DIN : 00364066

Place : Kolkata  
Date : 29th June, 2020

**Manisha Sethia**  
Chief Financial Officer

**Biplab Kumar Mani**  
Company Secretary  
M.No. - ACS19883

## FINANCIAL SECTION

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Sastasundar Ventures Limited

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

#### Opinion

We have audited the accompanying standalone Ind AS financial statements of **SASTASUNDAR VENTURES LIMITED** ("the Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with 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 March 31, 2020, its loss including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone Ind AS 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. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key Audit Matter	Auditor's Response
<b>Permanent Diminution of Non Current Investment in Subsidiaries</b> We identified non-current investments on various subsidiaries amounting to <b>Rs. 26,486.60</b> lakhs as a key audit matter as the net-worth of the subsidiaries has declined considerably owing to losses and management has made significant judgment in determining the recoverable amounts of the investments. As set out in <b>Note 7</b> to the standalone financial statements, the management concluded that the recoverable amount of each separate investment was higher than their carrying value and no diminution provision was required for the current year.	<b>Principal Audit Procedures</b> Our procedures in relation to the recoverability of non-current investments included testing the key controls related to the assessment on the carrying value of its non-current investments and assessing the valuation methodology; We obtained the audit report and standalone financial statements of the subsidiary company audited by other firm of Chartered Accountants to assess the financial position of the Company. We obtained the valuation report based on which the recent equity funding was received by the subsidiary company during the year from a private equity..

## INDEPENDENT AUDITOR'S REPORT

### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

## INDEPENDENT AUDITOR'S REPORT

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone Ind AS 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 standalone Ind AS financial statements.

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;

## INDEPENDENT AUDITOR'S REPORT

- (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. Pending litigations (other than those already recognized in the accounts) having material impact on the financial position of the Company have been disclosed in the standalone Ind AS financial statements as required in terms of accounting standards and provisions of the Companies Act, 2013. Refer Note 25 to the standalone Ind AS financial statements
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company..

For **Singhi & Co.**  
*Chartered Accountants*  
Firm's Registration No. 302049E

**Rajiv Singhi**  
*Partner*  
Membership No. 053518  
UDIN : 20053518AAAAAW3127

Place: Kolkata  
Dated: 29th June 2020

## ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

**Annexure A referred to in paragraph 1 of our report of even date on the other legal and regulatory requirements (Sastasundar Ventures Limited)**

- (i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.
- b. All property, plant and equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
- c. According to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in Property, Plant & Equipment are held in the name of the Company as at the balance sheet date.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) a. The Company has granted loans to the companies covered in the register maintained under Section 189 of the Companies Act, 2013. The terms and conditions of the grant of such loans are not prima facie prejudicial to the interest of the Company.
- b. According to the information and explanation given to us the company has granted loans that are repayable on demand to a company covered in the register maintained under section 189 of the Companies Act 2013. We are informed that the company upon demand has received repayment of such loan during the year and there has been no default on the part of the party to whom the money has been lent. The payment of interest has been regular.
- c. There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act 2013 with respect to the loans given, investments made, guarantees and securities given in respect of financial assistance obtained by wholly owned subsidiaries from banks.
- (v) The Company has not accepted any deposit covered under sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Therefore, provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) The maintenance of cost records has not been prescribed by the Central Government under the section 148 (1) of the Act read with companies (Cost Records and Audit) Rules, 2014, as amended for the goods/product manufactured by the Company.
- (vii) a. According to the information and explanation given to us and on the basis of the records, the company is generally regular in depositing undisputed statutory dues wherever deducted including provident fund, income-tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities. There was no undisputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable.
- b. According to information and explanation given to us and on the basis of examination of the records of the Company, there are no dues outstanding of income tax, sales tax, service tax, duty of customs, duty of excise, goods and service tax and value added tax on account of any dispute, other than the following:

Name of the statute	Nature of dues	Period to which it relates	Amount (Rs. in Lakhs)	Forum where dispute pending
Finance Act, 1994	Service Tax	Financial Year 2007-08, 2009-10, 2010-11, 2011-12	65,91,073	Customs, Central Excise and Service Tax Appellate Tribunal

- (viii) According to the information and explanation given to us the Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year. Therefore, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) During the year, the Company did not raise any money by way of initial public offer or further public offer (including debt



**ANNEXURE-1 TO THE INDEPENDENT AUDITORS' REPORT**

instruments). Further in our opinion and explanations given to us, term loans raised during the year were applied for the purpose for which loans were raised.

- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers and employees has been noticed or reported during the year.
- (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 to the Companies Act 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable.
- (xiii) According to the information and explanations given to us, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 wherever applicable and details for the same have been disclosed in the standalone Ind AS financial statements as required by the applicable Indian accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us by the management and on the basis of our examination of the records, the company has not entered into any non-cash transactions with directors or persons connected with directors. Therefore, the provisions of clause 3(xv) of the Order are not applicable.
- (xvi) As fully explained under Note 18 on other equity to the standalone Ind AS financial statements, the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934.

**For Singhi & Co.**  
*Chartered Accountants*  
Firm's Registration No. 302049E

Place: Kolkata  
Dated: 29th June 2020

**Rajiv Singhi**  
*Partner*  
Membership No. 053518  
UDIN : 20053518AAAAAW3127

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

(Referred to in paragraph 2(vi) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sastasundar Ventures Limited of even date)

### **Report on the Internal Financial controls with reference to the Standalone Ind AS Financial Statements under Clause (i) of Sub - section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to the standalone Ind AS financial statements of **SASTASUNDAR VENTURES LIMITED** ('the Company') as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable for the audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Ind AS Financial Statements 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 with reference to the standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to the standalone Ind AS financial statements, 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 with reference to the standalone Ind AS financial statements.

#### **Meaning of Internal Financial Controls with reference to the standalone Ind AS financial statements**

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

#### **Inherent Limitations of Internal Financial Controls with reference to the standalone Ind AS financial statements**

Because of the inherent limitations of internal financial controls with reference to the standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or

**ANNEXURE - 2 TO THE INDEPENDENT AUDITOR'S REPORT**

fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the standalone Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to the standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the standalone Ind AS financial statement and such internal financial controls with reference to the standalone Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to the standalone Ind AS financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Singhi & Co.**  
*Chartered Accountants*  
Firm's Registration No. 302049E

Place: Kolkata  
Dated: 29th June 2020

**Rajiv Singhi**  
*Partner*  
Membership No. 053518  
UDIN : 20053518AAAAAW3127

**BALANCE SHEET** AS AT 31ST MARCH, 2020

		Rs. in Lacs		
	Notes	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>ASSETS</b>				
<b>Financial Assets</b>				
Cash and cash equivalents	3	20.45	6.21	407.50
Bank Balance other than cash and cash equivalents	4	1.77	2.85	3.24
Trade receivables	5	-	-	80.67
Loans	6	-	-	375.65
Investments	7	26,955.78	27,414.90	25,972.97
Other financial assets	8	25.90	11.63	11.72
		27,003.90	27,435.59	26,851.75
<b>Non- Financial Assets</b>				
Tax Assets (net)	9	29.89	22.39	21.53
Property, Plant and Equipment	10.1	340.03	394.51	417.03
Intangible Assets	10.2	0.40	-	-
Other Non-Financial assets	11	22.13	27.71	21.97
		392.45	444.61	460.53
<b>Total Assets</b>		27,396.35	27,880.20	27,312.28
<b>EQUITY AND LIABILITIES</b>				
<b>Liabilities</b>				
<b>Financial Liabilities</b>				
Payable				
(i) Trade payables	12			
(a) Total Outstanding dues of Micro enterprises and small enterprises		0.36	-	0.65
(b) Total Outstanding dues of creditors other than Micro enterprises and small enterprises		34.01	27.94	9.81
(ii) Other financial liabilities	13	14.10	564.90	2.93
<b>Total Financial Liabilities</b>		48.47	592.84	13.39
<b>Non Financial liabilities</b>				
Other Non- Financial Liabilities	14	7.68	10.55	54.97
<b>Total Non- Financial Liabilities</b>		7.68	10.55	54.97
<b>Equity</b>				
Equity share capital	15	3,181.05	3,181.05	3,181.05
Other equity	16	24,159.15	24,095.76	24,062.87
<b>Total Equity</b>		27,340.20	27,276.81	27,243.92
<b>TOTAL EQUITY AND LIABILITIES</b>		27,396.35	27,880.20	27,312.28

As per our report of even date

**For Singhi & Co.**  
**Firm Registration No: 302049E**  
*Chartered Accountants*

**Rajiv Singhi**  
*Partner*  
 Membership No. 053518

Place : Kolkata  
 Date : 29th June, 2020

For and on behalf of the Board of Directors of  
**Sastasundar Ventures Limited**

**Banwari Lal Mittal**  
*Chairman & Managing Director*  
 DIN : 00365809

**Manisha Sethia**  
*Chief Financial Officer*

**Ravi Kant Sharma**  
*Director*  
 DIN : 00364066

**Biplab Kumar Mani**  
*Company Secretary*  
 Membership No. ACS19883

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

			Rs. in Lacs
	Notes	Year ended March 31, 2020	Year ended March 31, 2019
<b>Income</b>			
<b>I. Revenue from Operations</b>	17		
Interest Income		0.97	136.60
<b>II. Other Income</b>	18	88.64	113.87
<b>III. Total Income (I+II)</b>		89.61	250.47
<b>IV. Expenses</b>			
Finance Costs	19	1.12	-
Employee Benefits Expense	20	45.15	65.57
Depreciation and amortisation expense	10	18.48	20.70
Other Expenses	21	90.25	123.68
<b>Total Expenses (IV)</b>		155.00	209.95
<b>V. Profit/ (Loss) before tax and exceptional items ( III-IV )</b>		(65.39)	40.52
<b>VI. Exceptional Items [Refer Note 30]</b>		128.58	18.12
<b>VII. Profit/ (Loss) before tax (V-VI)</b>		63.19	58.64
<b>VIII. Tax Expense :</b>			
(a) Current Tax		-	24.17
(b) Adjustment of tax relating to earlier periods		(0.38)	(1.08)
(c) Deferred Tax		-	-
<b>IX. Profit/ (Loss) for the year (VII-VIII)</b>		63.57	35.55
<b>X. Other Comprehensive Income (OCI)</b>			
Items that will not be reclassified to profit or loss			
Re-Measurement gains/ (losses) on defined benefit plans		(0.18)	(2.66)
<b>Other Comprehensive Income/ (Loss) for the year, net of tax</b>		(0.18)	(2.66)
<b>XI. Total Comprehensive Income for the year</b>		63.39	32.89
Earnings per share - Basic and Diluted (Nominal value Rs. 10 per share)	22	0.20	0.11
See accompanying notes to the Financial Statements	2.1		

As per our report of even date

**For Singhi & Co.**  
**Firm Registration No: 302049E**  
*Chartered Accountants*

**Rajiv Singhi**  
*Partner*  
 Membership No. 053518

Place : Kolkata  
 Date : 29th June, 2020

For and on behalf of the Board of Directors of  
**Sastasundar Ventures Limited**

**Banwari Lal Mittal**  
*Chairman & Managing Director*  
 DIN : 00365809

**Manisha Sethia**  
*Chief Financial Officer*

**Ravi Kant Sharma**  
*Director*  
 DIN : 00364066  
**Biplab Kumar Mani**  
*Company Secretary*  
 Membership No. ACS19883

**STATEMENT OF CHANGES IN EQUITY** FOR THE YEAR ENDED MARCH 31, 2020**A) Equity Share Capital ( Refer note 15)**

Rs. in Lacs

	Subscribed and fully paid-up	Total Equity share capital	Rs. in Lacs
	No. of Shares	Rs. in Lacs	
As at April 1, 2018	31,810,500	3,181.05	3,181.05
Additions/ (deletions) during the year	-	-	-
As at March 31, 2019	31,810,500	3,181.05	3,181.05
Additions/ (deletions) during the year	-	-	-
As at March 31, 2020	31,810,500	3,181.05	3,181.05

**B) Other Equity (Refer note 16)**

Rs. in Lacs

	Reserves and Surplus					Total
	Retained earnings (including Other Comprehensive Income)	Capital Redemption Reserve	Capital Reserve	Securities Premium	Retained earnings (including Other Comprehensive Income)	
Balance as at April 1, 2018	1,656.22	100	479.32	13,898.71	7,928.62	24,062.87
Profit for the year	-	-	-	-	35.55	35.55
Trasferred from Retained earning to Reserve under Section 45-IC of the Reserve Bank of India Act, 1934	18.48	-	-	-	(18.48)	-
Other comprehensive income for the year	-	-	-	-	(2.66)	(2.66)
Balance as at March 31, 2019	1,674.70	100	479.32	13,898.71	7,943.03	24,095.76
Profit for the year	-	-	-	-	63.57	63.57
Trasferred from Retained earning to Reserve under Section 45-IC of the Reserve Bank of India Act, 1934	12.71	-	-	-	(12.71)	-
Other comprehensive (loss) for the year	-	-	-	-	(0.18)	(0.18)
Balance as at March 31, 2020	1,687.41	100	479.32	13,898.71	7,993.71	24,159.15

See accompanying notes to the Financial Statements

2

As per our report of even date

**For Singhi & Co.**  
**Firm Registration No: 302049E**  
*Chartered Accountants*

**Rajiv Singhi**  
*Partner*  
 Membership No. 053518

Place : Kolkata  
 Date : 29th June, 2020

For and on behalf of the Board of Directors of  
**Sastasundar Ventures Limited**

**Banwari Lal Mittal**  
*Chairman & Managing Director*  
 DIN : 00365809

**Manisha Sethia**  
*Chief Financial Officer*

**Ravi Kant Sharma**  
*Director*  
 DIN : 00364066  
**Biplab Kumar Mani**  
*Company Secretary*  
 Membership No. ACS19883

**CASH FLOW STATEMENT** FOR THE YEAR ENDED 31ST MARCH, 2020

		Rs. in Lacs
	2019-20	2018-19
<b>A. Cash Flows from Operating Activities</b>		
<b>Profit / (Loss) before tax</b>	<b>63.19</b>	<b>58.64</b>
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	<b>18.48</b>	20.70
Gratuity Expenses	<b>0.92</b>	(0.31)
Interest on Fixed Deposits and Others	<b>(15.62)</b>	(1.35)
Profit on sale of Property, Plant and Equipment	<b>(28.58)</b>	(0.49)
Profit on sale of current Investment	<b>(12.23)</b>	(106.38)
Profit on sale of Investment	<b>(100.00)</b>	(18.12)
Fair Value gain on Investments	<b>(2.38)</b>	(2.23)
<b>Operating cash flows before working capital changes</b>	<b>(76.22)</b>	(49.54)
Working capital adjustments:		
(Increase) / Decrease in Trade receivables	-	80.67
(Increase) / Decrease in Loans	-	375.65
(Increase) / Decrease in Other Financials Assets	<b>(7.59)</b>	0.00
(Increase) / Decrease in Other Non- Financials Assets	<b>4.48</b>	(8.09)
Increase / (Decrease) in trade payables	<b>6.43</b>	17.48
Increase / (Decrease) in other financial liabilities	<b>0.27</b>	12.54
Increase / (Decrease) in other non-financial liabilities	<b>(2.87)</b>	(44.41)
Cash generated/(used in) from operations	<b>(75.50)</b>	384.30
Income-tax paid (net of refunds)	<b>(7.12)</b>	(23.27)
<b>Net cash (used in)/ Generated from Operating Activities</b> <b>a</b>	<b>(82.62)</b>	361.03
<b>B. Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment	<b>(0.26)</b>	(2.35)
Purchase of Intangible Assets	<b>(0.56)</b>	-
Proceeds from sale of Property, Plant and Equipment	<b>65.00</b>	4.66
Investment in non-current investments	-	(3,524.76)
Proceeds from sale of non-current investments	<b>50.00</b>	388.12
Investment in current Investment (net)	<b>(1,066.00)</b>	(2,645.00)
Proceeds from sale of current Investment including Non Compete Fees (net of expense)	<b>1,039.73</b>	4,466.43
Advance against Sale of Investment	-	550.00
Interest on fixed deposits	<b>8.95</b>	0.58
<b>Net cash (used in)/ Generated from Investing Activities</b> <b>b</b>	<b>96.86</b>	(762.32)



**CASH FLOW STATEMENT** FOR THE YEAR ENDED 31ST MARCH, 2020

		Rs. in Lacs
	2019-20	2018-19
<b>C. Cash flows from Financing Activities</b>		
<b>Net cash (used in)/ Generated from Financing Activities</b> c	-	-
<b>Net Increase / (decrease) in cash and cash equivalents</b> a+b+c	<b>14.24</b>	(401.29)
Cash and Cash Equivalents at the beginning of the year	<b>6.21</b>	407.50
<b>Cash and Cash Equivalents at the end of the year</b>	<b>20.45</b>	6.21

**Explanation:**

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS – 7 "Statement of Cash Flows".

2. Cash & Cash Equivalents are represented by:

Cash on Hand	<b>0.05</b>	0.08
Cheques on Hand	<b>0.36</b>	-
In Current Accounts	<b>10.04</b>	6.13
Bank Deposits with maturity of less than 3 months	<b>10.00</b>	-
<b>Total</b>	<b>20.45</b>	6.21

This is the Cash flow statement referred to in our report of even date.

**For Singhi & Co.**  
**Firm Registration No: 302049E**  
*Chartered Accountants*

**Rajiv Singhi**  
*Partner*  
 Membership No. 053518

Place : Kolkata  
 Date : 29th June, 2020

For and on behalf of the Board of Directors of  
**Sastasundar Ventures Limited**

**Banwari Lal Mittal**  
*Chairman & Managing Director*  
 DIN : 00365809

**Manisha Sethia**  
*Chief Financial Officer*

**Ravi Kant Sharma**  
*Director*  
 DIN : 00364066  
**Biplab Kumar Mani**  
*Company Secretary*  
 Membership No. ACS19883

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

### 1. Corporate Information

Sastasundar Ventures Limited (the “Company” or “SVL”) is a public company domiciled in India. Its shares are listed on BSE Limited and National Stock Exchange of India Limited. The Company is a Core Investment Company (CIC) and operates through several subsidiaries. At present, the Company is focusing largely on the business of digital network of healthcare and portfolio management services. The Company aims to provide genuine healthcare services at a reasonable cost with its innovative information and knowledge based web portal [www.sastasundar.com](http://www.sastasundar.com) owned by one of its subsidiary company.

### 2.1 Basis of preparation

The financial statements of the Company has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

The financial statements have been prepared on a historical cost basis.

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

The financial statements for the year ended March 31, 2020, are the first financial statements, the Company has prepared in accordance with Ind AS. The transition to Ind AS was carried out in accordance with Ind AS 101 First-Time adoption of Indian Accounting Standards with the date of transition as April 01, 2018. Refer Note 33 for description of the effect of transition and reconciliations required as per Ind AS 101.

### 2.2 Summary of significant accounting policies

#### a. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

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

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

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

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

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

**b. Income Recognition**

Interest income is recognised in the Statement of Profit and Loss using the effective interest method in case of Financial Assets at Amortised Cost.

Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established except in case of dividend from Mutual Funds, which are recognized on cash basis.

Fees from Investment Banking activities which include Mergers & Acquisitions, Investment and other advisory services are recognized as revenue when the relevant services are rendered to the customers and there are reasonable certainties as regarding the ultimate collectability of such revenue. The Company collects taxes on behalf of the Government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Income from Royalty is recognised on an accrual basis in accordance with the terms of the relevant agreement.

**c. Revenue from contract with customer**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

***Sale of goods***

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

***Contract balances*****➤ Trade receivables**

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (o) Financial instruments – initial recognition and subsequent measurement.

**➤ Contract liabilities**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

**d. Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received, and all the conditions attached to the same will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

**e. Taxes***Current income tax*

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

*Deferred tax*

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

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will be reversed in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

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

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

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

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relates to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

*Sales/ value added taxes paid on acquisition of assets or on incurring expenses*

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in that case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**f. Operating Cycle**

All assets and liabilities have been classified as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**g. Property, plant and equipment**

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit & loss as and when incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for creating a provision are met.

Depreciation is calculated on a Written down Value (WDV) basis over the estimated useful lives of the assets as follows:

Type of Asset	Useful Life estimated by the management
Building	60 Years
Plant & Equipment	5-15 years
Computers	3 years
Furniture & Fixtures	10 years
Office equipments	5 years
Electrical Equipments	10 years
Motor Vehicles	8 years

The Company depreciates its Property, plant and equipment over estimated useful lives which are as per the useful life prescribed in Schedule II to the Companies Act, 2013 except Plant & Equipment which is lower than those indicated in Schedule II i.e. 5-15 years. The management believes that these useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

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

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

**h. Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is de-recognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is derecognised.

**i. Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

*Company as a lessee*

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

*(i) Right-of-use assets*

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (j) Impairment of non-financial assets.

*(ii) Lease Liabilities*

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

*(iii) Short-term leases and leases of low-value assets*

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**j. Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from the other assets of the company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as increase in revaluation.

Under Ind AS 116.33, right-of-use assets are subject to the impairment requirements of Ind AS 36 Impairment of Assets.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

### k. Investments

Investment in subsidiaries, associates, joint ventures and Quoted Bonds are carried at cost less accumulated impairment, if any

### l. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

### m. Provisions

#### *General*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### n. Retirement and other employee benefits

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

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

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

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs
- Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:
  - Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
  - Net interest expense or income

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****o. 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.

**Financial assets***Initial recognition and measurement*

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (c) Revenue from contracts with customers.

For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

*Subsequent measurement*

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

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon de-recognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the Statement of profit or loss. The Company's financial assets at amortised cost includes trade receivables, loans and cash & bank balance. For more information on receivables, refer to Note 5.

Financial assets at fair value through OCI (FVTOCI) (debt instruments)

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon de-recognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

### Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the Statement of profit and loss.

The Company elected to classify its Quoted Equity Shares & Unquoted mutual funds under this category.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

### *De-recognition*

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Trade receivables– see Note 5

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

**Financial liabilities***Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

*Subsequent measurement*

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

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

Financial liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR 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 the statement of profit and loss.

This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

*De-recognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

### *Reclassification of financial assets*

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### *Offsetting of financial instruments*

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

#### **p. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

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 as they are considered an integral part of the Company's cash management.

#### **q. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### **r. Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not 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.

#### **s. Segment Reporting**

The Company has identified that its business segments are the primary segments. The Company's operating businesses are organized and managed separately according to the nature of products/services provided, with each segment representing a strategic business unit that offers different products/services and serves different markets. The analysis of geographical segments is based on the areas in which the operating divisions of the company operates.

#### **t. Standards issued but not yet made effective by the Ministry of Corporate Affairs**

There are no standards issued but not yet effective up to the date of issuance of the Company's financial statements.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****2.3 Significant accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**a. Useful lives of property, plant and equipment:**

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

**b. Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 26 and 27 for further disclosures.

**c. Retirement and other Employee benefits**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 23.

**d. Determining the lease term of contracts with renewal and termination options – Company as lessee**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

**e. Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

**f. Claims, Provisions and Contingent Liabilities**

The Company has ongoing litigations with various third parties / regulatory authorities. 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 accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.



**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>3. Cash and cash equivalents</b>			
Cash on hand	0.05	0.08	0.03
Balances with banks :			
On current accounts	10.04	6.13	407.47
Cheques on hand	0.36	-	-
Bank Deposits with maturity of less than 3 months	10.00		
	20.45	6.21	407.50

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>4. Bank Balance other than cash and cash equivalents</b>			
Fixed deposit with Bank	1.77	1.78	1.60
Unclaimed Dividend Account	-	1.07	1.64
	1.77	2.85	3.24

Fixed deposit and other balances with banks earns interest at fixed rate or floating rates based on daily bank deposit rates.

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>5. Trade receivables</b>			
Trade receivables	-	-	80.67
	-	-	80.67

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>Break up of Security details</b>			
<b>Trade Receivables</b>			
Secured, considered good	-	-	-
Unsecured, considered good	-	-	80.67
Trade Receivables - credit impaired	-	-	-
	-	-	80.67
<b>Impairment Allowance (allowance for bad and doubtful debts)</b>			
Trade Receivables - credit impaired	-	-	-
	-	-	80.67

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>6. Loans (at amortised cost)</b>			
Unsecured, considered good			
Inter-corporate advances [Refer Note 25]	-	-	375.65
	-	-	375.65
<b>Loans provided in India</b>	-	-	375.65



**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>7. Investment</b>			
<b>Investments (Valued at Fair Value through profit &amp; loss Account)</b>			
<b>Unquoted Mutual Funds</b>			
HDFC Liquid Fund - Regular Plan - Growth Option 2476.519 (March 31, 2019: Nil, April 01, 2018: NIL) Units	96.18	-	-
Reliance Liquid Fund - Treasury Plan - Direct Growth Plan - Growth Option Nil (March 31, 2019: 10,030.46, April 01, 2018: 18,140.15) Units	-	455.30	2,368.13
	<b>96.18</b>	<b>455.30</b>	<b>2,368.13</b>
<b>Investments (Valued at amortised cost)</b>			
<b>Other Investments</b>			
HDFC Smart Deposits	400.00	-	-
<b>Unquoted Equity Shares (fully paid up) (at cost)</b>			
<b>In Wholly Owned Subsidiary Companies</b>			
Microsec Resources Private Limited (25,81,357 (March 31, 2019: 3,21,000, April 01, 2018: 3,21,000) equity shares of Rs. 10 each)	385.719	132.26	132.26
Innogrow Technologies Limited (Formerly Microsec Technologies Limited) (331,018 (March 31, 2019: 331,018, April 1, 2018: 331,018) equity shares of Rs. 10 each)	4,013.29	4,013.29	4,013.29
Bharatiya Sanskriti Village Private Limited (115,000 (March 31, 2019: 115,000 April 1, 2018: 115,000) equity shares of Rs. 10 each)	802.00	802.00	802.00
Myjoy Technologies Private Limited Nil (March 31, 2019: Nil, April 1, 2018: 630,369) equity shares of Rs. 10 each)	-	-	370.00
Genu Path Labs Limited (Nil (March 31, 2019: 50,00,000, April 1, 2018: 30,00,000) equity shares of Rs. 10 each)	-	500.00	300.00
<b>In Subsidiary Companies</b>			
Sastasundar Health Buddy Limited (Formerly Microsec Health Buddy Limited) (1,71,00,160 (March 31, 2019: 1,59,73,679, April 1, 2018: 1,59,73,679) equity shares of Rs. 10 each)	18,432.51	14,907.75	14,907.75
	<b>24,033.52</b>	<b>20,355.30</b>	<b>20,525.30</b>
<b>Unquoted Compulsorily Convertible Unsecured Debentures (fully paid up) (at cost)</b>			
<b>In Wholly Owned Subsidiary Companies</b>			
Bharatiya Sanskriti Village Private Limited (1,62,60,000 (March 31, 2019: 1,62,60,000, April 1, 2018: 1,62,60,000) debentures of Rs. 10 each)	1,626.00	1,626.00	1,626.00
Innogrow Technologies Limited (Formerly Microsec Technologies Limited) (1,19,99,908 (March 31, 2019: 1,19,99,908, April 1, 2018: 1,19,99,908) debentures of Rs. 10 each)	1,199.99	1,199.99	1,199.99

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
	2,825.99	2,825.99	2,825.99
<b>Unquoted Preference Shares (fully paid up) (at cost)</b>			
<b>In Subsidiary Companies</b>			
Sastasundar Health Buddy Limited (Formerly Microsec Health Buddy Limited)	-	3,524.76	-
(Nil (March 31, 2019 : 36,000, April 1, 2018: Nil) preference shares of Rs. 100 each)			
	-	3,524.76	-
<b>Deep Discount Debentures (fully paid up) (at cost)</b>			
Microsec Resources Private Limited ( Series I)	-	53.46	53.46
(Nil (March 31, 2019 : 500, April 1, 2018: March 31, 2019 : 500) debentures of Rs. 2,00,000 each)			
Microsec Resources Private Limited ( Series II)	-	100.00	100.00
(Nil (March 31, 2019 : 1,000, April 1, 2018: March 31, 2019 : 1,000) debentures of Rs. 1,000 each)			
Microsec Resources Private Limited ( Series III)	-	100.00	100.00
(Nil (March 31, 2019 : 1,000, April 1, 2018: March 31, 2019 : 1,000) debentures of Rs. 1,000 each)			
	-	253.46	253.46
<b>Non-Trade Investment (valued at cost) (at cost)</b>			
<b>Quoted Bonds (fully paid up)</b>			
National Bank for Agriculture & Rural Development (1 Bond of Rs. 20,000 each)	0.09	0.09	0.09
	0.09	0.09	0.09
	26,955.78	27,414.90	25,972.97

Note: All investment are inside India only. No investment have been made outside India.

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>8. Other financial assets (at amortised cost)</b>			
<b>A. Security Deposits</b>			
Unsecured, considered good	11.09	11.08	11.09
<b>B. Other Assets</b>			
Accrued Interest on Fixed Deposit/Bond	7.22	0.05	0.12
Accrued Interest on Security Deposit	-	0.50	0.51
Rent receivables from Tenant	7.59	-	-
	25.90	11.63	11.72

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>9. Income Tax Assets (net)</b>			
Advance Tax [Net of Provisions]	29.89	22.39	21.53
	29.89	22.39	21.53

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

Rs. in Lacs

	Building	Computers	Furniture and Fixtures	Office Equipments	Motor Vehicles	Total
<b>10.1 Property, plant and equipment</b>						
<b>GROSS BLOCK</b>						
As at April 1, 2018 (refer note (a))	403.03	1.93	6.50	3.90	1.67	417.03
Additions	2.35	-	-	-	-	2.35
Withdrawal & adjustments	-	0.02	2.39	1.50	0.25	4.16
As at March 31, 2019	405.38	1.91	4.11	2.40	1.42	415.22
Additions	-	-	0.26	-	-	0.26
Withdrawal & adjustments	39.26	-	-	-	-	39.26
<b>As at March 31, 2020</b>	<b>366.12</b>	<b>1.91</b>	<b>4.37</b>	<b>2.40</b>	<b>1.42</b>	<b>376.22</b>
<b>ACCUMULATED DEPRECIATION</b>						
As at April 1, 2018 (refer note (a))						-
Charge for the year	19.62	0.64	0.09	0.08	0.28	20.70
Withdrawal & adjustments	-	-	-	-	-	-
As at March 31, 2019	19.62	0.64	0.09	0.08	0.28	20.70
Charge for the year	17.88	0.23	0.09	0.04	0.07	18.32
Withdrawal & adjustments	2.84	-	-	-	-	2.84
<b>As at March 31, 2020</b>	<b>34.67</b>	<b>0.87</b>	<b>0.18</b>	<b>0.12</b>	<b>0.35</b>	<b>36.19</b>
<b>NET BLOCK</b>						
As at April 1, 2018	403.03	1.93	6.50	3.90	1.67	417.03
As at March 31, 2019	385.76	1.27	4.02	2.32	1.14	394.51
<b>As at March 31, 2020</b>	<b>331.45</b>	<b>1.04</b>	<b>4.19</b>	<b>2.28</b>	<b>1.07</b>	<b>340.03</b>

- (a) The Company has adopted the exemption under Ind AS 101 and has considered previous GAAP carrying amount as the deemed cost for the Opening Balance sheet as at April 1, 2018.

The Gross block of each class of Property, plant and equipment has been netted off with their respective accumulated depreciation balances as at April 1, 2018 under Previous GAAP to arrive at the deemed cost for the purpose of opening Ind AS balance sheet.

Rs. in Lacs

As per Previous GAAP	Building	Computers	Furniture and Fixtures	Office Equipments	Motor Vehicles
Gross block as at April 1, 2018	649.50	73.32	124.73	74.81	25.65
Accumulated depreciation as at April 1, 2018.	246.47	71.38	118.23	70.91	23.98
Deemed cost as at April 1, 2018.	<b>403.03</b>	<b>1.93</b>	<b>6.50</b>	<b>3.90</b>	<b>1.67</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	Rs. in Lacs		
	Copyrights - Right on Web Application Portal - Personal Resource Planning	Software	Total
<b>10.2 Intangible Assets</b>			
<b>GROSS BLOCK</b>			
As at April 1, 2018 (refer note (a))	-	-	-
Additions	-	-	-
As at March 31, 2019	-	-	-
Additions	-	0.56	0.56
Withdrawal & adjustments	-	-	-
As at March 31, 2020	-	0.56	0.56
<b>ACCUMULATED DEPRECIATION</b>			
As at April 1, 2018 (refer note (a))			
Charge for the year	-	-	-
Withdrawal & adjustments	-	-	-
As at March 31, 2019	-	-	-
Charge for the year	-	0.16	0.16
Withdrawal & adjustments	-	-	-
As at March 31, 2020	-	0.16	0.16
<b>NET BLOCK</b>			
As at April 1, 2018	-	-	-
As at March 31, 2019	-	-	-
As at March 31, 2020	-	0.40	0.40
<b>As at March 31, 2020</b>	-	0.40	0.40

As per Previous GAAP	Computer Software	Web Portal
Gross block as at April 1, 2018	500.70	83.04
Accumulated depreciation as at April 1, 2018.	500.70	83.04
Deemed cost as at April 1, 2018.	-	-

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>11. Other Non-Financial assets</b>			
Gratuity [Refer Note 23]	12.36	12.33	10.51
Advances for supply of Goods & Services	0.69	0.64	1.91
Advances to Employees	-	-	0.40
Prepaid Expenses	0.85	1.36	2.32
Balance with Government Authorities	8.23	13.38	6.83
	<b>22.13</b>	<b>27.71</b>	<b>21.97</b>

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>12. Trade payables</b>			
<b>Total Outstanding dues</b>			
To Micro and Small Enterprises	0.36	-	0.65
To Other than Micro and Small Enterprises	34.01	27.94	9.81
	<b>34.37</b>	<b>27.94</b>	<b>10.46</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>12.1 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006</b>			
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year :			
- Principal amount due to micro and small enterprises	0.36	-	0.65
- Interest due on above	-	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year			
	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006			
	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year			
	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006			
	-	-	-

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>13. Other financial liabilities</b>			
Employee benefit payables	2.81	3.66	1.29
Unclaimed Dividend	-	1.07	1.64
Advance against sale of Investment [Refer Note 25]	-	550.00	-
Other Payables	-	-	-
Security Deposits	11.29	10.17	-
<b>TOTAL</b>	<b>14.10</b>	<b>564.90</b>	<b>2.93</b>

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>14. Other Non-Financial Liabilities</b>			
Statutory Liabilities	2.22	3.73	14.92
Other Payable	-	-	40.05
Deferred Income on Security Deposit	5.46	6.83	-
<b>TOTAL</b>	<b>7.68</b>	<b>10.55</b>	<b>54.97</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>15. SHARE CAPITAL</b>			
<b>Authorized capital</b>			
3,55,32,000 (March 31, 2019: 3,55,32,000, April 1, 2018 : 3,55, 32,000) Equity Shares of Rs. 10 each	3,553.20	3,553.20	3,553.20
	<b>3,553.20</b>	<b>3,553.20</b>	<b>3,553.20</b>
<b>Issued, subscribed and paid-up capital</b>			
3,18,10,500 (March 31, 2019: 3,18,10,500, April 1, 2018: 3,18,10,500) Equity Shares of Rs. 10 each	3,181.05	3,181.05	3,181.05
	<b>3,181.05</b>	<b>3,181.05</b>	<b>3,181.05</b>

**(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the year** Rs. in Lacs

Equity Shares	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	No. of Shares	Rs. In Lacs	No. of Shares	Rs. In Lacs	No. of Shares	Rs. In Lacs
At the beginning of the year	3,18,10,500	3,181.05	3,18,10,500	3,181.05	3,18,10,500	3,181.05
Issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	3,18,10,500	3,181	3,18,10,500	3,181.05	3,18,10,500	3,181.05

**(b) Terms / Rights attached to the equity shares**

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Details of shareholders holding more than 5% shares in the Company** Rs. in Lacs

Equity Shares	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
Banwari Lal Mittal	1,06,16,000	33.37%	1,06,16,000	33.37%	1,06,16,000	33.37%
Topview Enclaves LLP	78,77,745	24.76%	78,77,745	24.76%	78,77,745	24.76%
Luv kush Projects Limited	17,95,036	5.64%	17,88,778	5.62%	17,79,438	5.59%
Microsec Vision Employees Trust	13,33,400	4.19%	14,83,400	4.66%	16,33,400	5.13%

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

- (d)** No shares have been reserved for issue under options and contracts/commitments for the same of shares/disinvestment as at the balance sheet date.
- (e)** No shares have been allotted or has been bought back by the company during the period of 5 years, preceding the date as at which the balance sheet is prepared.
- (f)** No Convertible securities have been issued by the company during the period.
- (g)** No Calls are unpaid by any Director and officer of the company during the period.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>16 Other Equity</b>			
A. Reserve under Section 45-IC of the Reserve Bank of India Act, 1934 *	1,687.41	1,674.70	1,656.22
B. Capital Redemption Reserve	100.00	100.00	100.00
C. Capital Reserve	479.32	479.32	479.32
D. Securities Premium	13,898.71	13,898.71	13,898.71
E. Retained Earnings (movement given below)	7,993.71	7,943.03	7,928.62
<b>Total - Other equity</b>	<b>24,159.15</b>	<b>24,095.76</b>	<b>24,062.87</b>

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>Movement in Retained Earnings</b>			
<b>Opening Balance</b>	7,943.03	7,928.62	
Add: Other Comprehensive Income	(0.18)	(2.66)	
Add: Profit for the year	63.57	35.55	
Less: Transferred to Reserve under Section 45-IC of the RBI Act, 1934	12.71	18.48	
<b>Closing Balance</b>	<b>7,993.71</b>	<b>7,943.03</b>	<b>7,928.62</b>

Security premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of Bonus Shares in accordance with the provision of the Companies Act, 2013.

\* According to Section 45-IC of the Reserve Bank of India Act, 1934, every NBFC shall create a reserve fund and transfer therein a sum not less than 20% of its Net Profit every year as disclosed in the Statement of profit and loss and before declaration of dividend.

Pursuant to the acceptance of Reserve Bank of India (RBI) on the Company's application for cancellation of Certificate of Registration (CoR). The Company has also sought clarification from RBI on May 6, 2016 regarding further treatment of this Reserve. Pending receipt of clarification from RBI, the Company, as per legal opinion received in this regard, has decided to maintain the status quo of the Reserve.

	Rs. in Lacs	
	For the year ended March 31, 2020	For the year ended 31st March, 2019
<b>17. REVENUE FROM OPERATIONS</b>		
Interest on Loan	0.97	136.60
	<b>0.97</b>	<b>136.60</b>

	For the year ended March 31, 2020	For the year ended 31st March, 2019
(a) Interest Income		
On Fixed Deposits & Others	15.63	0.11
On Income Tax Refund		0.67
On Security Deposit		0.56
(b) Other Non Operating Income		
Rent & Maintenance Income	58.41	3.00
Profit on sale of Property, Plant and Equipment	-	0.49
Profit on sale of current Investment	12.23	106.38
Net gain on Financial Assets measured at FVTPL	2.38	2.22
Gratuity Provision No longer Required written Back [Refer Note 23]	-	0.31
Miscellaneous Income		0.13
	<b>88.64</b>	<b>113.87</b>



**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

19. Finance Costs	Rs. in Lacs	
	For the year ended March 31, 2020	For the year ended 31st March, 2019
Interest Expense	1.12	-
	1.12	-
20. EMPLOYEE BENEFITS EXPENSE	Rs. in Lacs	
	For the year ended March 31, 2020	For the year ended 31st March, 2019
Salary and Bonus	40.83	62.44
Contribution to Provident funds	1.30	1.28
Gratuity expense [Refer Note 23]	0.92	-
Staff Welfare Expenses	2.10	1.85
	45.15	65.57
21. OTHER EXPENSES	Rs. in Lacs	
	For the year ended March 31, 2020	For the year ended 31st March, 2019
Advertisement and Publicity	1.33	1.28
Communication Expenses	2.29	3.05
Repairs and Maintenance - Others	8.01	10.04
Rates and Taxes	3.01	3.30
Brokerage & Commission	6.32	-
Director's Sitting Fees	4.36	20.06
Insurance Premium	0.61	0.88
Printing and Stationery	2.96	3.44
Postage and Courier Expenses	2.14	2.33
Bank and Demat charges	1.70	1.92
Travelling and Conveyance	3.43	7.89
Legal and Professional fees	29.74	40.81
Listing Fee	5.89	5.89
Electricity	0.76	1.52
Security Service Charges	-	3.26
Service Charges	4.75	7.57
Auditors' Remuneration		
Audit Fees	1.80	2.01
Limited Reviews	1.47	1.35
Tax Audit Fees	0.55	0.50
In other capacity for certificates and other services	2.18	2.00
Miscellaneous expenses	6.95	4.58
	90.25	123.68

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

22. Earning Per Share	Rs. in Lacs	
	For the year ended March 31, 2020	For the year ended 31st March, 2019
The following reflects the income and share data used in the basic and diluted EPS computation		
Profit attributable to equity holders of the company:	63.57	35.55
Weighted Average number of Equity shares (Nos)	3,18,10,500	3,18,10,500
Basic and Diluted Earnings Per Share	0.20	0.11

**23. Gratuity and other post-employment benefit plans**

The Company has a defined employee benefit plan in the form of gratuity. Every employee, who has completed five years or more of services, is entitled to gratuity on terms not less favorable than the provisions of the Payment of Gratuity Act, 1972. The Gratuity plan provides a lump sum payment to vested employees at retirement, disability or termination of employment being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

**Net employee benefits expense recognized in the employee cost**

Rs. in Lacs

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Service Cost	0.65	0.65
Net Interest cost/(Income) on the net defined benefit liability/(asset)	(0.86)	(0.96)
Net Benefit Paid	1.13	-
<b>Net Cost Recognised in the Statement of Profit and Loss</b>	<b>0.92</b>	<b>(0.31)</b>

**Other total Comprehensive Income**

Rs. in Lacs

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Actuarial (gains) / Losses		
- Changes in financial assumptions	0.62	0.03
- Unexpected Experience	0.82	2.57
Return on plan assets, excluding amount recognized in net interest expense	(1.25)	0.05
<b>Components of defined benefit costs recognized in other comprehensive income</b>	<b>0.18</b>	<b>2.66</b>

**Balance Sheet****Defined Benefit asset / liability**

Rs. in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Fair value on plan assets	18.18	16.93	15.77
Present value of defined benefit obligation	5.82	4.60	5.26
<b>Net Assets</b>	<b>12.36</b>	<b>12.33</b>	<b>10.51</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

Changes in the present value of the defined benefit obligation are as follows

Rs. in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Opening defined benefit obligation	4.60	5.26	4.41
Acquisition Adjustment	-	-	10.63
Current service cost	0.65	0.65	0.67
Interest cost	0.27	0.24	1.00
Re-measurement (or Actuarial) (gain) / loss arising from			
- Changes in financial assumptions	0.62	0.03	
- Experience variance (i.e. Actual experience vs assumptions)	0.82	2.57	(7.25)
Net Benefit Paid	(1.13)	(4.16)	(4.20)
<b>Closing defined benefit obligation</b>	<b>5.82</b>	<b>4.60</b>	<b>5.26</b>

Changes in the fair value of plan assets are as follows :

Rs. in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Opening fair value of plan assets	16.93	15.77	3.28
Acquisition Adjustment	-	-	0.71
Interest Income	1.13	1.21	0.31
Employer's Contribution	-	4.16	15.54
Benefits paid	(1.13)	(4.16)	(4.20)
Return on plan assets, excluding amount recognised in net interest expense	1.25	(0.05)	0.13
<b>Closing fair value of plan assets</b>	<b>18.18</b>	<b>16.93</b>	<b>15.77</b>

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Rs. in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
Investments in insurance managed fund	100%	100%

The Principal assumptions used in determining gratuity obligation for the company's plan are as follows

Rs. in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate	6.65%	7.66%
Future salary increases	6.00%	6%
Mortality Rate	IALM 2006-2008 ULTIMATE	IALM 2006-2008 ULTIMATE

Contribution to defined contribution plans recognized as expense are as under :

Rs. in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
Contribution to Provident and other fund	1.30	1.28

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

Assumptions sensitivity analysis for significant assumptions is as below:

Rs. in Lacs

Assumptions Sensitivity Level	As at March 31, 2020	As at March 31, 2019
<b>Discount Rate</b>		
Increase by 0.5%	5.50	4.31
Decrease 0.5%	6.16	4.92
<b>Expected rate of change in compensation level of covered employees</b>		
Increase by 0.5%	6.16	4.93
Decrease 0.5%	5.50	4.30
<b>Mortality Rate</b>		
Increase by 10%	5.86	4.61
Decrease 10%	5.78	4.60
<b>Attrition Rate</b>		
Increase by 0.5%	5.83	4.60
Decrease 0.5%	5.81	4.60

Expected payment for future years

Rs. in Lacs

Year	As at March 31, 2020	As at March 31, 2019
Within the next 12 months (next annual reporting period)	0.06	0.05
Between 2 and 5 years	0.29	0.23
Between 5 and 10 years	1.52	1.43
Beyond 10 years	11.08	13.07
<b>Total expected payments</b>	<b>12.96</b>	<b>14.77</b>

Discount rate: The discount rate is based on the 5 years government bond yields as at the balance sheet date for the estimated term of the obligations.

Expected rate of return on plan assets: This is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered taking into account the inflation, seniority, promotion and other relevant factors

The weighted average duration of the defined benefit obligation as at 31 March 2020 is 16 years (2019: 17 years)

**Description of risk exposure:**

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory frame work which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

**Interest rate risk:**

The plan exposes the company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefits and will thus result in an increase in the value of the liability (as shown in financial statements).

**Liquidity risk:**

This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding illiquid assets not being sold in time.

**Salary escalation risk:**

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

### Regulatory risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

### Asset liability mismatching or market risk:

The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/ fall in interest rate.

### Investment risk:

The probability or likelihood of occurrence of losses relating to the expected return on any particular investment.

## 24. Contingent liabilities, commitments and leasing arrangements

### 24.a. Contingent Liabilities

#### Claims against the Company not acknowledged as debts:

Rs. in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Service Tax Demand	65.91	65.91	65.91
	<b>65.91</b>	<b>65.91</b>	<b>65.91</b>

The Company has been advised by its lawyers that none of the claims are tenable and is therefore contesting the same and hence has not been provided for in the books. The future cash flows on account of the above cannot be determined unless the judgements/decisions are received from the ultimate judicial forums. No reimbursements is expected to arise to the Company in respect of above cases.

### 24.b. Other contingent Liability:

The Company has provided Corporate Guarantee amounting Rs. 21,00,00,000 (2018-19: Rs. 21,00,00,000) against credit facility availed from Union Bank of India by Sastasundar Healthbuddy Limited (a subsidiary company) for the purpose of purchase of Plant & Machinery and operations of the business. The amount of facility / guarantee actually availed by the subsidiary as on the balance sheet date amounts to Rs.501.13 lacs (2018-19: Rs. NIL).

The Company has provided Corporate Guarantee amounting Rs. 25,00,000 against credit card facility availed from HDFC Bank Limited by Sastasundar Healthbuddy Limited (a subsidiary company). The amount of facility / guarantee actually availed by the subsidiary as on the balance sheet date amounts to Rs. 5.00 Lacs (2018-19: Rs. 3.59 Lacs).

The Company has provided Corporate Guarantee amounting Rs. 10,00,000 against credit card facility availed from HDFC Bank Limited by Sastasundar Marketplace Limited (Formerly Sastasundar Shop Private Limited (a step down subsidiary). The amount of facility / guarantee actually availed by the subsidiary as on the balance sheet date amounts to Rs. 3.92 Lacs (2018-19: Rs. 2.86 Lacs).

The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

The Company is awaiting the outcome of the review petition, and also directions from EPFO, if any, to assess any potential impact on the Company and consequently no adjustments have been made in the books of account.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****25. Related parties under Ind AS 24 with whom transactions have taken place during the year****Name of related parties and description of relationship****Related parties where control exists****a) Subsidiary Company**

Microsec Resources Private Limited  
 Sastasundar Healthbuddy Limited  
 Innogrow Technologies Limited  
 Bharatiya Sanskriti Village Private Limited  
 Genu Path Labs Limited (w.e.f, 1st September, 2017)  
 Microsec Wealth Management Limited (w.e.f, 23rd January, 2018) (Step-down Subsidiary)  
 Sastasundar Marketplace Limited (Formerly Sasta Sundar Shop Private Limited) (Step-down Subsidiary)  
 Retailer Shakti Supply Chain Private Limited  
 (Formerly Brandbuddy Engage Analytics Private Limited) (Step-down Subsidiary)  
 Myjoy Technologies Private Limited (Step-down Subsidiary)  
 Happymate Foods Limited (w.e.f, 6th June, 2018) (Step-down Subsidiary)

**b) Limited Liability Partnership (Entities over which control is exercised)**

Microsec Invictus Advisors LLP  
 Ruchika Advisory Services LLP  
 Alokik Advisory Services LLP  
 Dreamscape Advisors LLP  
 Stuti Advisory Services LLP  
 Innogrow Partners LLP (w.e.f, 23rd May, 2018)

**c) Key Management Personnel**

Mr. Banwari Lal Mittal (Chairman and Managing Director)  
 Mrs. Manisha Sethia ( Chief Financial Officer) (w.e.f, 14th September, 2019)  
 Mr. Biplab Kumar Mani (Company Secretary)  
 Mr. Deepak Kumar Agarwal (Chief Financial Officer) (w.e.f, 2nd March, 2019 upto 13th September, 2019)  
 Mr. Amrit Daga (Chief Financial Officer) (upto 2nd March, 2019)  
 Dr. Saibal Chandra Pal (Independent Director w.e.f April 01, 2019 upto 19th August, 2019)  
 Mr. Parimal Kumar Chattaraj (Independent Director)  
 Mr. Bimal Kumar Patwari (Independent Director w.e.f 24th July 2019)  
 Mr. Rajeev Goenka (Independent Director)  
 Mr. Deba Prasad Roy (Independent Director upto 31st March, 2019)  
 Mr. Raj Narain Bhardwaj (Independent Director upto 31st March, 2019)

**Related party transactions during the year:**

Rs. in Lacs

	Related Parties	Nature of Transactions	Transactions during the year ended 31 March, 2020	Transactions during the year ended 31 March, 2019	(Payable)/Receivable		
					As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
1	Microsec Resources Private Limited	Loan Given	-	138.00	-	-	375.65
		Loan Repaid	-	488.00	-	-	-
		Interest Income	-	5.58	-	-	-
		Conversion of Deep Discount Debentures into Equity Shares	253.46	-	-	-	-

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	Related Parties	Nature of Transactions	Transactions during the year ended 31 March, 2020	Transactions during the year ended 31 March, 2019	(Payable)/Receivable		
					As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
2	Sastasundar Healthbuddy Limited	Loan Given	425.00	3,498.00	-	-	-
		Loan Repaid	425.00	3,498.00	-	-	-
		Interest Income	0.97	111.30	-	-	-
		Investment in 0.005% Cumulative Compulsory Convertible Preference Share Capital	-	3,524.76	-	-	-
		Conversion of Cumulative Compulsory Convertible Preference Share into Equity Shares	3,524.76	-	-	-	-
		Advance received against Sale of Investment in Equity Shares of Genu Path Labs Limited	-	550.00	-	-	-
		Sale of Investment in Equity Shares of Genu Path Labs Limited	50.00	-	-	-	-
		Other Expenses	-	0.96	-	-	-
		Corporate Guarantee Given	506.13	3.60	-	-	-
3	Sastasundar Marketplace Limited (Formerly Sasta Sundar Shop Private Limited)	Loan Given	-	648.00	-	-	-
		Loan Repaid	-	648.00	-	-	-
		Interest Income	-	17.70	-	-	-
		Corporate Guarantee Given	3.92	2.86	-	-	-
4	Myjoy Technologies Private Limited	Loan Given	-	27.50	-	-	-
		Loan Repaid	-	27.50	-	-	-
		Interest Income	-	1.05	-	-	-
5	"Retailer Shakti Supply Chain Private Limited (Formerly Brandbuddy Engage Analytics Private Limited)"	Other Expenses	0.23	0.31	-	-	-
6	Genu Path Labs Limited	Loan Given	-	80.00	-	-	-
		Loan Repaid	-	80.00	-	-	-
		Interest Income	-	0.96	-	-	-
		Investment in Equity Share Capital	-	500.00	-	-	-
7	Innogrow Technologies Limited	Sale of Investment in Equity Share of Myjoy Technologies Private Limited	-	388.12	-	-	-
8	Mr. Biplab Kumar Mani	Managerial Remuneration	19.24	18.08	(1.01)	(1.2)	0.59
9	Mrs. Manisha Sethia	Managerial Remuneration	7.43	-	(1.33)	-	-
10	Mr. Amrit Daga	Managerial Remuneration	-	22.90	-	-	0.24
11	Mr. Deepak Kumar Agarwal	Managerial Remuneration	11.95	1.51	-	(0.59)	-
12	Mr. Parimal Kumar Chattaraj	Director's Sitting Fees	2.18	4.25	-	-	-
13	Mr. Bimal Kumar Patwari	Director's Sitting Fees	0.93	-	-	-	-
14	Mr. Rajeev Goenka	Director's Sitting Fees	0.98	1.64	-	-	-
15	Mr. Saibal Chandra Pal	Director's Sitting Fees	0.27	-	-	-	-



**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

Rs. in Lacs

	Related Parties	Nature of Transactions	Transactions during the year ended 31 March, 2020	Transactions during the year ended 31 March, 2019	(Payable)/Receivable		
					As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
16	Mr. Raj Narain Bhardwaj	Director's Sitting Fees	-	7.09	-	-	-
17	Mr. Deba Prasad Roy	Director's Sitting Fees	-	7.09	-	-	-

**26. Fair value measurement**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Rs. in Lacs

Particulars	Carrying Value as at			Fair Value as at		
	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<b>(i) Financial Assets</b>						
<b>a) Measured at FTPL</b>						
Investment in Liquid Fund	96.18	455.30	2368.13	96.18	455.30	2,368.13
<b>b) Measured at Amortized Cost</b>						
Cash and cash equivalents	20.45	6.21	407.50	-	-	-
Bank Balances other than cash and cash equivalents	1.77	2.85	3.24	-	-	-
Trade receivables	-	-	80.67	-	-	-
Loans	-	-	375.65	-	-	-
Other financial assets	25.90	11.63	11.72	-	-	-
<b>Total</b>	<b>144.30</b>	<b>476.00</b>	<b>3,246.92</b>	<b>96.18</b>	<b>455.30</b>	<b>2,368.13</b>
<b>(ii) Financial Liabilities</b>						
<b>a) Measured at Amortized Cost</b>						
Trade payables	-	-	-	-	-	-
Other financial liabilities	14.10	564.90	2.93	-	-	-
<b>Total</b>	<b>14.10</b>	<b>564.90</b>	<b>2.93</b>	<b>-</b>	<b>-</b>	<b>-</b>

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

**26.1. Valuation principles**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

**26.2. Fair Value Hierarchy of assets and liabilities**

- I. The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2020 is as follows:

**Assets**

Rs. in Lacs

Particulars	Fair Value through Profit & Loss Accounts					
	Carrying Value	Fair Value	Level - 1	Level - 2	Level - 3	Total
Investment in Liquid Fund	96.18	96.18	96.18	-	-	96.18
<b>Total</b>	<b>96.18</b>	<b>96.18</b>	<b>96.18</b>	<b>-</b>	<b>-</b>	<b>96.18</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

- II. The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2019 is as follows:

Assets		Rs. in Lacs				
Particulars	Fair Value through Profit & Loss Accounts					
	Carrying Value	Fair Value	Level - 1	Level - 2	Level - 3	Total
Investment in Liquid Fund	455.30	455.30	455.30	-	-	455.30
Total	455.30	455.30	455.30	-	-	455.30

- III. The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2018 is as follows:

Assets		Rs. in Lacs				
Particulars	Fair Value through Profit & Loss Accounts					
	Carrying Value	Fair Value	Level - 1	Level - 2	Level - 3	Total
Investment in Liquid Fund	2368.13	2368.13	2,368.13	-	-	2,368.13
Total	2368.13	2368.13	2368.13	-	-	2,368.13

### 27. Risk Management and financial objectives:

The Company's financial liabilities comprise loans and borrowing and other payables. The main purpose of these financial liabilities is to finance the Company's operation. The Company's financial assets include loans, trade & other receivables and cash & cash equivalents. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management has the overall responsibility for establishing and governing the Company's financial risk management framework and developing and monitoring the Company's financial risk management policies. The Company's financial risk management policies are established to identify and analyze the risks faced by the Company, to set and monitor appropriate controls.

#### 27.1. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three type of risk i.e. currency risk, interest rate risk and other price risk such as commodity price risk and equity price risk. Financial instruments affected by market risk include trade payable, trade receivables, borrowings etc. Currency risk is not applicable to the Company it is not involved in substantial foreign currency transactions.

#### 27.2 Price Risk

The Company's mutual funds and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total instruments. Reports on the portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all investment decisions.

#### 27.3. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, bank balances, loans, investments and other financial assets. At each reporting date, the Company measures loss allowance for certain class of financial assets based on historical trend, industry practices and the business environment in which the Company operates. Credit risk with respect to trade receivables are limited, due to the Company's customer profiles are well balanced in Government and Non Government customers and diversified amongst in various construction verticals and geographic. All trade receivables are reviewed and assessed on a quarterly basis. Credit risk arising from investments, financial instruments and balances with banks is limited because the counterparties are banks and recognised financial institutions with high credit worthiness.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

The ageing analysis of trade receivables considered from the date of invoice as follows:

Rs. in Lacs

Financial Year Ended as on	Less than 1 Year Rs in lacs	More than 1 Year Rs in lacs	Total Rs in lacs
March 31, 2020	-	-	-
March 31, 2019	-	-	-
March 31, 2018	80.67	-	80.67

#### 27.4. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

#### Matuaries of Financial Liabilities :

The table below analyzes the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities.

	Rs. in Lacs		
	Within 12 months	After 12 months	Total
<b>Financial Liabilities</b>			
Trade Payables	34.37	-	34.37
Other Financial Liabilities	14.10	-	14.10

#### As at March 31, 2019

Rs. in Lacs

	Within 12 months	After 12 months	Total
<b>Financial Liabilities</b>			
Trade Payables	27.94	-	27.94
Other Financial Liabilities	564.90	-	564.90

#### As at March 31, 2018

Rs. in Lacs

	Within 12 months	After 12 months	Total
<b>Financial Liabilities</b>			
Trade Payables	10.46	-	10.46
Other Financial Liabilities	2.93	-	2.93

28. Based on initial assessment, the Management does not expect any significant medium to long-term impact on the business of the Company due to the COVID-19 pandemic. The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, inventory and receivables basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to the above, and the Company's liquidity position, there is no material uncertainty in meeting the financial obligations over the foreseeable future.

#### 29. Deferred Tax Assets (Net)

Deferred Tax Assets are recognised only to the extent it is probable that taxable profits will be available against which the losses can be utilised. In the absence of reasonable certainty supported by convincing evidence regarding the availability of future taxable profits, the net deferred tax assets amounting to Rs.46.61 lacs as on 31st March 2020 have not been recognised in the financial statements.

#### 30. Exception items includes

- (a) During the year, the Company has sold its property for Rs. 65 Lakhs resulting in a net profit of Rs. 28.58 Lakhs.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

- (b) During the year, the Company has sold its investment in Genu Path Labs Limited at Rs. 600 Lacs resulting in a net profit of Rs. 100 Lacs.
- (c) During the previous year, the Company has sold its Investment in Myjoy Technologies Private Limited at Rs. 388.12 Lacs resulting in a net profit of Rs. 18.12 Lacs.

### 31. Segment reporting

The Company operates in only one business segment i.e. “Financial Services – Core Investment Company” and in only one geographic segment i.e. India. Accordingly there are no separate reportable segments under Ind AS - 108 - Operating Segments.

- 32. The Company is a Core Investment Company (CIC) and does not require registration as per notification no. DNBS.PD.CC. No.274/03.02.089/2011-12 dated 11th May, 2012 and which was confirmed by Reserve Bank of India in the letter dated 16th July, 2015. As per the said notification, a Company having an asset size of more than Rs. 100 crores and less than Rs. 500 crores and not accessing public funds is exempt from registration as CIC-NDSI with RBI.

### 33. First-time adoption of Ind AS

These financial statements, for the year ended March 31, 2020, are the first annual Ind AS financial statements, the Company has prepared in accordance with Ind AS, with date of transition being April 01, 2018. For periods up to and including the year ended March 31, 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2020, together with the comparative period data as at and for the year ended March 31, 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 April 01, 2018, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2018 and the previously published Indian GAAP financial statements as at and for the year ended March 31, 2019.

#### Exemptions applied

Ind AS 101 “First-time Adoption of Indian Accounting Standards” allows first-time adopter certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

#### Ind AS optional exemptions

##### Deemed cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its Property, plant and equipment and intangible assets 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 as at the date of transition. Accordingly, since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its Property, plant and equipment and intangible assets, as recognised in its Indian GAAP financials, as deemed cost at the transition date.

The Company has elected to measure investment in equity instruments of subsidiaries at deemed cost, which is the previously applicable Indian GAAP carrying amount, as on the date of transition.

#### Ind AS mandatory exceptions

##### Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP, unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2018 are consistent with the estimates as at the same date made in the conformity with previous GAAP. The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2018, the date of transition to Ind AS and as of March 31, 2019.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****Classification and measurement of financial assets**

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

**Reconciliations between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS:

**Reconciliation of Balance sheet as at April 1, 2018**

Rs. In Lacs

Particulars	Foot note	Indian GAAP	Adjustments	Ind-AS
<b>ASSETS</b>				
<b>Financial Assets</b>				
(a) Cash and cash equivalents		407.50	-	407.50
(b) Bank Balances other than cash and cash equivalents		3.24	-	3.24
(c) Trade receivables		80.67	-	80.67
(d) Loans		375.65	-	375.65
(e) Investments	1	25,911.23	61.74	25,972.97
(f) Other financial assets		11.71	-	11.72
		<b>26,790.01</b>	<b>61.74</b>	<b>26,851.75</b>
<b>Non Financial Assets</b>				
(a) Tax Assets (net)		21.53	-	21.53
(b) Property, Plant and Equipment		417.03	-	417.03
(c) Other Non-Financial assets		21.97	-	21.97
		<b>460.53</b>	<b>-</b>	<b>460.53</b>
<b>Total assets</b>		<b>27,250.54</b>	<b>61.74</b>	<b>27,312.28</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Liabilities</b>				
<b>Financial Liabilities</b>				
(a) Trade payables				
(i) Total Outstanding dues of Micro enterprises and small enterprises		0.65	-	0.65
(ii) Total Outstanding dues of creditors other than Micro enterprises and small enterprises		9.81	-	9.81
(b) Other financial liabilities		2.93	-	2.93
<b>Total Financial Liabilities</b>		<b>13.39</b>	<b>-</b>	<b>13.39</b>
<b>Non Financial liabilities</b>				
Other Non- Financial Liabilities		54.97	-	54.97
<b>Total Non Financial Liabilities</b>		<b>54.97</b>	<b>-</b>	<b>54.97</b>
<b>Equity</b>				
(a) Equity share capital		3,181.05	-	3,181.05
(b) Other equity	1	24,001.13	61.74	24,062.87
<b>Total Equity</b>		<b>27,182.18</b>	<b>61.74</b>	<b>27,243.92</b>
<b>Total liabilities and equity</b>		<b>27,250.54</b>	<b>61.74</b>	<b>27,312.28</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

### Reconciliation of Balance sheet as at March 31, 2019

Rs. In Lacs

Particulars	Foot note	Indian GAAP	Adjustments	Ind-AS
<b>ASSETS</b>				
<b>Financial Assets</b>				
(a) Cash and cash equivalents		6.21	-	6.21
(b) Bank Balances other than cash and cash equivalents		2.85	-	2.85
(c) Investments	1	27,412.69	2.22	27,414.90
(d) Other financial assets		11.63	-	11.63
		<b>27,433.38</b>	<b>2.22</b>	<b>27,435.59</b>
<b>Non Financial Assets</b>				
<b>Non Current Assets</b>				
(a) Tax Assets (net)		22.39	-	22.39
(b) Property, plant and equipment		394.51	-	394.51
(c) Other Non-Financial assets		27.71	-	27.71
		<b>444.61</b>	<b>-</b>	<b>444.61</b>
<b>Total assets</b>		<b>27,877.99</b>	<b>2.22</b>	<b>27,880.20</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Liabilities</b>				
<b>Financial Liabilities</b>				
<b>Current Liabilities</b>				
(a) Trade payables				
(i) Total Outstanding dues of Micro enterprises and small enterprises		-	-	-
(ii) Total Outstanding dues of creditors other than Micro enterprises and small enterprises		27.94	-	27.94
(b) Other financial liabilities	2	571.73	(6.83)	564.90
<b>Total Financial Liabilities</b>		<b>599.67</b>	<b>(6.83)</b>	<b>592.84</b>
<b>Non Financial liabilities</b>				
Other Non- Financial Liabilities	2	3.73	6.83	10.55
<b>Total Non Financial Liabilities</b>		<b>3.73</b>	<b>6.83</b>	<b>10.55</b>
<b>Equity</b>				
(a) Equity share capital		3,181.05	-	3,181.05
(b) Other equity	1	24,093.54	2.22	24,095.76
<b>Total Equity</b>		<b>27,274.59</b>	<b>2.22</b>	<b>27,276.81</b>
<b>Total liabilities and equity</b>		<b>27,877.99</b>	<b>2.22</b>	<b>27,880.20</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****Reconciliation of profit or loss for the year ended March 31, 2019**

Rs. In Lacs

	Particulars	Foot note	Indian GAAP	Adjustments	Ind-AS
	<b>Income</b>				
I.	Revenue from Operations		136.60	-	136.60
II.	Other Income	1	173.08	(59.21)	113.87
III.	<b>Total Income</b>		<b>309.68</b>	<b>(59.21)</b>	<b>250.47</b>
IV.	<b>Expenses</b>				
	Employee Benefits Expense	3,4	67.91	(2.34)	65.57
	Depreciation		20.70	-	20.70
	Other Expenses		123.68	-	123.68
	<b>Total Expenses (IV)</b>		<b>212.29</b>	<b>(2.34)</b>	<b>209.95</b>
V.	<b>Profit/(loss) before exceptional items and tax from continuing operations (III-IV)</b>		<b>97.39</b>	<b>(56.87)</b>	<b>40.52</b>
VI.	Exceptional Items		18.12	-	18.12
VII.	<b>Profit/(loss) before tax from continuing operations (V-VI)</b>		<b>115.51</b>	<b>(56.87)</b>	<b>58.64</b>
VIII.	<b>Tax Expense</b>				
	Current tax		24.17	-	24.17
	Tax for earlier years		(1.08)	-	(1.08)
	<b>Income Tax Expense</b>		<b>23.09</b>	<b>-</b>	<b>23.09</b>
IX.	<b>Profit for the year from Continuing Operations (VII-VIII)</b>		<b>92.42</b>	<b>(56.87)</b>	<b>35.55</b>
X.	<b>Other Comprehensive Income (OCI)</b>				
	Re-Measurement gains on defined benefit plans	3,4	-	(2.66)	(2.66)
	<b>Other Comprehensive Income for the year (X)</b>		<b>-</b>	<b>(2.66)</b>	<b>(2.66)</b>
XI.	<b>Total Comprehensive Income for the year (IX+X)</b>		<b>92.42</b>	<b>(59.53)</b>	<b>32.89</b>

**Reconciliation of Other Equity as on March 31, 2019 and April 01, 2018**

Rs. in Lacs

Particulars	As at March 31, 2019	As at April 1, 2018	Profit Reco for the year ended March 31, 2019
Balance of Other Equity under IGAAP	24,093.54	24,001.13	92.41
<b>Add: Ind AS Adjustments</b>			
Fair Valuation of Mutual Fund	2.22	61.74	2.22
Reversal of Fair market valuation done for mutual funds	-	-	(61.74)
<b>Balance of Other Equity under Ind AS</b>	<b>24,095.76</b>	<b>24,062.87</b>	<b>32.89</b>

The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Footnotes to the reconciliation of Other equity as at April 1, 2018 and March 31, 2019 and profit or loss for the year ended March 31, 2019:

**1. Fair valuation of investments**

Under Indian GAAP, the Company has accounted for short term investments in unquoted mutual funds as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has recognised the investments as FVTPL and accordingly gain/(loss) on fair valuation has been recognised in Statement on profit & loss.

**2. Valuation of Security Deposits**

Under Indian GAAP, interest free security deposits taken were recorded at their transaction value. On transition to Ind AS, these deposits are remeasured at amortised cost using the effective interest rate method. The difference between the transaction value of the security deposit and amortised cost is regarded as deferred income. The effect of these is reflected in financial liabilities/ non-financial liabilities as applicable.



**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****3. Re-measurements of post-employment benefit obligations**

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in Other Comprehensive Income (OCI) instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the profit or loss for the year. As a result of this change there is no impact on the total equity as at March 31, 2018.

**4. Other comprehensive income**

Under Ind AS, all items of income and expense recognised during the year should be included in profit or loss for the year, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss are shown in the statement of profit and loss as "other comprehensive income" (OCI). OCI for the Company includes re-measurements of defined benefit plans of Rs. 2.66 Lacs. The concept of other comprehensive income did not exist under previous GAAP.

**5. Statement of cash flows**

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

As per our report of even date

**For Singhi & Co.**  
**Firm Registration No: 302049E**  
*Chartered Accountants*

**Rajiv Singhi**  
*Partner*  
Membership No. 053518

Place : Kolkata  
Date : 29th June, 2020

For and on behalf of the Board of Directors of  
**Sastasundar Ventures Limited**

**Banwari Lal Mittal**  
*Chairman & Managing Director*  
DIN : 00365809

**Manisha Sethia**  
*Chief Financial Officer*

**Ravi Kant Sharma**  
*Director*  
DIN : 00364066

**Biplab Kumar Mani**  
*Company Secretary*  
Membership No. ACS19883

## INDEPENDENT AUDITOR'S REPORT

To the Members of Sastasundar Ventures Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

### OPINION

We have audited the accompanying consolidated Ind AS financial statements of **SASTASUNDAR VENTURES LIMITED** ("the Holding Company") and its subsidiary companies (collectively referred to as 'the Group'), comprising of the Consolidated Balance sheet as at March 31 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate Ind AS financial statements and on other financial information of the subsidiaries, the aforesaid consolidated Ind AS 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 specified under section 133 of the Act read with 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 March 31, 2020, its loss including other comprehensive income its cash flows and changes in equity for the year ended on that date.

### BASIS FOR OPINION

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

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated Ind AS 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. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed by us, and by other auditors of components not audited by us, as reported by them in their reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

## INDEPENDENT AUDITOR'S REPORT

Sl. No	Key Audit Matter	Auditor's Response
1.	<p><b>Goodwill</b></p> <p>The Group's balance sheet includes Rs. 5,273.34 lakhs of goodwill. In accordance with applicable accounting standard, these balances are allocated to Cash Generating Units (CGUs) which are tested annually for impairment by determining the recoverable amounts of the CGUs, which are compared with the carrying amount of the net assets of the CGUs, including goodwill. A deficit in recoverable amount compared with the carrying amount would result in an impairment</p> <p>The annual impairment testing of goodwill for impairment is considered a key audit matter because the assumptions on which the tests are based are highly judgmental and affected by future market conditions, which are inherently uncertain, and because of the materiality of the balances taken as a whole.</p> <p>On review of the same, the management concluded that the recoverable amount of each separate CGU was higher than their carrying value and no impairment was required for the current year</p>	<p><b>Principal Audit Procedures</b></p> <p>We considered the controls implemented by management in testing for impairment and the judgments in determining the CGUs to which goodwill is allocated</p> <p>We tested the key assumptions and inputs in the discounted cash flow models similar to those applied above for goodwill impairment testing.</p> <p>We obtained the valuation report based on which the recent equity funding was received by the group during the year from a private equity</p>

### OTHER INFORMATION

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for preparation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors/ Management of the Companies included in the Group also is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the respective companies in the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statement by the Board of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the respective 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 respective Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group is also responsible for overseeing the respective Company's financial reporting process.

## INDEPENDENT AUDITOR'S REPORT

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group 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 respective Company in the Group'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 consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the respective Company in the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated Ind AS 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 consolidated Ind AS financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure of about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interests of such communication.

### Other Matters

We did not audit the financial statements/financial information of 11 subsidiaries, whose financial statements reflect total assets of Rs 33,649.43 lakhs as at 31st March 2020, total revenues of Rs 38,623.86 lakhs, total net loss after tax of Rs.3,125.88 lakhs, total comprehensive income of Rs.(3145.99) lakhs and net cash inflow amounting to Rs.667.47 lakhs for the year ended on that date, as considered in these consolidated financial statements. These financial statements have been audited by other auditors

## INDEPENDENT AUDITOR'S REPORT

whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements, insofar it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on reports of such other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of other auditors and financial statements/financial information certified by the management.

### Report on Other Legal and Regulatory Requirements

1. As required by the by Section 143(3) of the Act, based on our audit and on the consideration of report of other auditors on separate financial statements and other financial information of subsidiaries as noted in the "Other Matter" paragraph, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statement;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books;
  - (c) The consolidated balance sheet, the consolidated statement of profit and loss including other comprehensive income, the consolidated cash flow statement and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
  - (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to these consolidated Ind AS financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Group to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us and based on the consideration of reports of the other auditors on separate financial statements as also other financial information of the subsidiaries as noted in the "Other Matters" paragraph:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the group - Refer Note no. 37(c) to the consolidated Ind AS financial statements
    - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2020.

For **Singhi & Co.**  
Chartered Accountants  
Firm's Registration No. 302049E

**Rajiv Singhi**  
Partner

Place: Kolkata  
Dated: 29th June 2020

Membership No. 053518  
UDIN : 20053518AAAAAW3127

## ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT

### **Report on the Internal Financial Controls with reference to the consolidated Ind AS financial statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to the consolidated Ind AS financial statements of **SASTASUNDAR VENTURES LIMITED** (the Holding Company) and its subsidiary companies which are incorporated in India (collectively referred to as "the Covered Entities") as of March 31, 2020 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE CONSOLIDATED IND AS FINANCIAL STATEMENT**

The respective Board of Directors of the Covered Entities are responsible for establishing and maintaining internal financial controls based on the internal control with reference to the consolidated Ind AS financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the covered entities' 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to the consolidated Ind AS financial statements of the covered entities' based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the consolidated Ind AS financial statements 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 with reference to the consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to the consolidated Ind AS financial statements, 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 consolidated Ind AS financial statements, whether due to fraud or error.

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

### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**

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

## ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

#### Opinion

In our opinion, the covered entities have in all material respects, an adequate internal financial controls with reference to the consolidated Ind AS financial statement and such internal financial controls with reference to the consolidated Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to the consolidated Ind AS financial statement criteria established by the covered entities considering the essential components of internal control stated in the Guidance Note.

#### Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements in so far as it relates to the subsidiary companies incorporated in India, is based on the corresponding reports of the auditors of those companies.

Place: Kolkata  
Dated: 29th June 2020

For **Singhi & Co.**  
*Chartered Accountants*  
Firm's Registration No. 302049E

**Rajiv Singhi**  
*Partner*  
Membership No. 053518  
UDIN : 20053518AAAAAW3127



**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020**

			Rs. in Lacs	
	Notes	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>I. ASSETS</b>				
<b>1. Financial Assets</b>				
(a) Cash and cash equivalents	4	1,745.29	631.07	1,217.22
(b) Bank Balance other than (a) above	5	81.71	32.53	62.35
(c) Trade Receivables	6	1,496.49	787.67	393.04
(d) Loans	7	886.13	1,161.39	1,512.07
(e) Investments	8	5,576.85	3,591.61	4,634.79
(f) Other Financial Assets	9	666.27	414.20	4.87
<b>(A)</b>		<b>10,452.74</b>	<b>6,618.47</b>	<b>7,824.34</b>
<b>2. Non- Financial Assets</b>				
(a) Inventories	10	7,708.65	3,258.52	2,804.84
(b) Tax Assets	11	194.76	271.19	263.53
(c) Property, Plant and Equipment	12.1	6,021.14	6,270.61	6,475.16
(d) Intangible Assets	12.2	74.87	96.28	144.22
(e) Capital Work in progress		0.94	76.17	116.03
(f) Goodwill on Consolidation		5,273.34	5,273.34	5,273.34
(g) Other Non-Financial Assets	13	1,824.60	1,185.02	868.46
<b>(B)</b>		<b>21,098.30</b>	<b>16,431.13</b>	<b>15,945.58</b>
<b>Total Assets (A+B)</b>		<b>31,551.04</b>	<b>23,049.60</b>	<b>23,769.92</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1. Financial Liabilities</b>				
<b>Payables</b>				
(a) Trade Payables	14			
Total outstanding dues of Micro Enterprises and Small Enterprises		56.71	78.37	12.72
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		4,966.73	1,356.57	917.24
(b) Lease Liabilities	15	283.56	224.70	257.87
(c) Borrowings	16	501.13	-	1,203.13
(d) Other Financial Liabilities	17	816.00	616.30	474.37
<b>(A)</b>		<b>6,624.13</b>	<b>2,275.94</b>	<b>2,865.33</b>
<b>2. Non- Financial Liabilities</b>				
(a) Tax Liabilities	18	8.59	1.47	10.32
(b) Provisions	19	158.19	87.65	55.37
(c) Deferred Tax Liabilities	20	1.97	552.75	469.62
(d) Other Non-financial Liabilities	21	136.22	92.94	64.22
<b>(B)</b>		<b>304.97</b>	<b>734.81</b>	<b>599.53</b>
<b>(A+B)</b>		<b>6,929.10</b>	<b>3,010.75</b>	<b>3,464.86</b>
<b>3. Equity</b>				
(a) Equity Share Capital	22	3,181.05	3,181.05	3,181.05
(b) Other Equity	23	17,831.33	11,070.17	14,330.75
<b>Equity attributable to the owners of the parent</b>		<b>21,012.38</b>	<b>14,251.22</b>	<b>17,511.80</b>
(c) Non-Controlling Interest		3,609.56	5,787.63	2,793.26
		<b>31,551.04</b>	<b>23,049.60</b>	<b>23,769.92</b>

Summary of significant accounting policies

3.1

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

As per our report of even date

For Singhi &amp; Co.

Firm Registration No: 302049E

Chartered Accountants

Rajiv Singhi

Partner

Membership No. 053518

Place : Kolkata

Date : 29th June, 2020

For and on behalf of the Board of Directors of  
Sastasundar Ventures LimitedBanwari Lal Mittal  
Chairman & Managing Director

DIN : 00365809

Manisha Sethia  
Chief Financial OfficerRavi Kant Sharma  
Director

DIN : 00364066

Biplab Kumar Mani  
Company Secretary  
Membership No. ACS19883

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

			Rs. in Lacs
	Notes	2019-20	2018-19
<b>INCOME</b>			
Revenue from Operations	24		
Interest Income		112.03	137.02
Dividend Income		13.22	16.75
Fair Value gain on Investments		-	118.98
Sale of products		38,085.89	21,360.54
Sale of services		318.50	197.29
Other financial services		14.07	143.07
<b>I. Total Revenue from Operations</b>		<b>38,543.71</b>	<b>21,973.65</b>
<b>II. Other Income</b>	25	<b>311.89</b>	<b>242.96</b>
<b>III. Total Revenue (I + II)</b>		<b>38,855.60</b>	<b>22,216.61</b>
<b>IV. EXPENSES:</b>			
Finance Costs	26	70.17	195.99
Cost of Materials Consumed	27	226.16	230.13
Purchases of stock-in-trade	28	40,953.46	20,157.28
Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	(4,486.73)	(438.07)
Employee Benefits Expense	30	2,844.72	2,335.54
Depreciation and Amortisation Expenses	31	490.19	597.23
Other Expenses	32	4,543.08	3,313.63
		44,641.05	26,391.73
<b>V. (LOSS) BEFORE EXCEPTIONAL ITEM AND TAX (III - IV)</b>		<b>(5,785.45)</b>	<b>(4,175.12)</b>
VI. Exceptional Items [Refer Note 43]		28.58	-
<b>VII. (LOSS) BEFORE TAX (V + VI)</b>		<b>(5,756.87)</b>	<b>(4,175.12)</b>
<b>VIII. Tax Expenses:</b>			
(a) Current Tax		8.17	28.13
(b) Deferred tax expense / (credit)		(551.24)	83.12
(c) Short/(excess) Provision for Tax relating to earlier year		(0.67)	(0.27)
		(543.74)	110.98
<b>IX. (LOSS) FOR THE YEAR AFTER TAX (VII + VIII)</b>		<b>(5,213.13)</b>	<b>(4,286.10)</b>
<b>X. OTHER COMPREHENSIVE INCOME</b>			
(i) Items that will be not reclassified subsequently to profit or loss (net of tax)			
Remeasurement gain/loss on defined benefit plans (net of tax)		(23.32)	(4.86)
Tax Impact on Above		0.45	0.02
(ii) Items that will be reclassified subsequently to profit or loss (net of tax)		-	-
		(23.77)	(4.88)
<b>XI. TOTAL COMPREHENSIVE INCOME (IX + X)</b>		<b>(5,236.90)</b>	<b>(4,290.98)</b>
<b>XII. LOSS FOR THE YEAR ATTRIBUTABLE TO</b>			
(i) Owner of the company		(3,879.44)	(3,755.70)
(ii) Non-Controlling Interests		(1,333.69)	(530.40)
<b>XIII. TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO</b>			
(i) Owner of the company		(3,903.21)	(3,760.58)
(ii) Non-Controlling Interests		(1,333.69)	(530.40)
<b>XIV. EARNING PER SHARE :</b>	33		
Basic (Nominal Value per Share Rs. 10)		(12.20)	(11.81)
Diluted (Nominal Value per Share Rs. 10)		(12.20)	(11.81)

Summary of significant accounting policies

3.1

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

As per our report of even date

For Singh &amp; Co.

Firm Registration No: 302049E

Chartered Accountants

Rajiv Singh

Partner

Membership No. 053518

Place : Kolkata

Date : 29th June, 2020

For and on behalf of the Board of Directors of  
Sastasundar Ventures Limited

Banwari Lal Mittal

Chairman &amp; Managing Director

DIN : 00365809

Manisha Sethia

Chief Financial Officer

Ravi Kant Sharma

Director

DIN : 00364066

Biplab Kumar Mani

Company Secretary

Membership No. ACS19883

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY** FOR THE YEAR ENDED MARCH 31, 2020**A) Equity Share Capital ( Refer note 22)**

Rs. in Lacs

	Subscribed and fully paid-up		Total Equity share capital
	No. of Shares	Rs. in Lacs	
<b>As at April 1, 2018</b>	<b>3,18,10,500</b>	<b>3,181.05</b>	<b>3,181.05</b>
Additions/ (deletions) during the year	-	-	-
<b>As at March 31, 2019</b>	<b>3,18,10,500</b>	<b>3,181.05</b>	<b>3,181.05</b>
Additions/ (deletions) during the year	-	-	-
<b>As at March 31, 2020</b>	<b>3,18,10,500</b>	<b>3,181.05</b>	<b>3,181.05</b>

**B) Other Equity (Refer note 23)**

Rs. in Lacs

	Reserves and Surplus							Total
	Reserve under Section 45-IC of the Reserve Bank of India Act, 1934	Capital Redemption Reserve	Capital Reserve	General Reserve	Securities Premium	Share Warrants	Retained earnings (including Other Comprehensive Income)	
<b>Balance as at April 1, 2018</b>	<b>1,727.72</b>	<b>102.00</b>	<b>36.44</b>	<b>162.36</b>	<b>13,898.44</b>	-	<b>(1,596.21)</b>	<b>14,330.75</b>
Profit for the year	-	-	-	-	-	-	(3,755.70)	(3,755.70)
Issue of Share Warrants	-	-	-	-	-	500.00	-	500.00
Transferred from Retained earning to Reserve under Section 45-IC of the Reserve Bank of India Act, 1934	18.48	-	-	-	-	-	(18.48)	-
Other comprehensive income for the year	-	-	-	-	-	-	(4.88)	(4.88)
<b>Balance as at March 31, 2019</b>	<b>1,746.20</b>	<b>102.00</b>	<b>36.44</b>	<b>162.36</b>	<b>13,898.44</b>	<b>500.00</b>	<b>(5,375.27)</b>	<b>11,070.17</b>
Profit for the year	-	-	-	-	-	-	(3,879.44)	(3,879.44)
Addition during the year on Consolidation	-	-	10,664.37	-	-	-	-	10,664.37
Transferred from Retained earning to Reserve under Section 45-IC of the Reserve Bank of India Act, 1934	12.71	-	-	-	-	-	(12.71)	-
Other comprehensive (loss) for the year	-	-	-	-	-	-	(23.77)	(23.77)
<b>Balance as at March 31, 2020</b>	<b>1,758.91</b>	<b>102.00</b>	<b>10,700.81</b>	<b>162.36</b>	<b>13,898.44</b>	<b>500.00</b>	<b>(9,291.19)</b>	<b>17,831.33</b>

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

**For Singhi & Co.****Firm Registration No: 302049E**

Chartered Accountants

**Rajiv Singhi**

Partner

Membership No. 053518

Place : Kolkata

Date : 29th June, 2020

For and on behalf of the Board of Directors of

**Sastasundar Ventures Limited****Banwari Lal Mittal**

Chairman &amp; Managing Director

DIN : 00365809

**Manisha Sethia**

Chief Financial Officer

**Ravi Kant Sharma**

Director

DIN : 00364066

**Biplab Kumar Mani**

Company Secretary

Membership No. ACS19883

# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	Rs. in Lacs	
	2019-20	2018-19
<b>A. Cash Flows from Operating Activities</b>		
<b>(Loss) before tax</b>	<b>(5,756.87)</b>	<b>(4,175.12)</b>
Adjustments for :		
Gratuity Expense	56.74	36.64
Depreciation and amortization expense	490.19	597.23
Interest Expense	70.17	195.99
Irrecoverable debts/advances written off	36.63	2.53
Interest on Fixed deposits and Others	(151.01)	(39.29)
Profit on sale of Property, Plant & Equipments	(28.58)	(0.68)
Loss on discard of Property, Plant & Equipments	3.40	-
Provision / (Reversal) for standard assets written back	(0.73)	(0.80)
Unspent liabilities no longer required written back	(1.81)	(14.39)
<b>Operating (Loss) before working capital changes</b>	<b>(5,281.87)</b>	<b>(3,397.89)</b>
<b>Movements in working capital :</b>		
(Increase) / Decrease in Trade Receivables	(745.45)	(397.16)
(Increase) / Decrease in Loans	275.26	350.67
(Increase) / Decrease in Investments	(1,985.25)	1,043.18
(Increase) / Decrease in Financial Assets	(183.86)	(410.74)
(Increase) / Decrease in Non- Financial Assets	(639.64)	(336.80)
(Increase) / Decrease in Inventories	(4,450.13)	(453.68)
Increase / (Decrease) in Trade Payables	3,590.31	519.37
Increase / (Decrease) in Lease Liabilities	58.87	(33.18)
Increase / (Decrease) in Financial Liabilities	199.70	141.92
Increase / (Decrease) in Provisions	(9.26)	(8.43)
Increase / (Decrease) in Non- Financial Liabilities	43.74	28.75
<b>Cash (used) in operations</b>	<b>(9,127.58)</b>	<b>(2,953.99)</b>
Income tax paid (net of refunds)	93.22	(42.34)
<b>Net cash (used in) operating activities</b>	<b>(9,034.36)</b>	<b>(2,996.33)</b>
<b>B. Cash Flows from Investing Activities</b>		
Purchase of Property, Plant & Equipment (including intangible assets, Capital Work in Progress and capital advances)	(215.97)	(323.95)
Proceeds from sale of Property, Plant & Equipments	68.93	18.12
Investment in Fixed Deposits (net) (having original maturity of more than three months)	(49.19)	29.82
Proceeds from Government Grant	28.22	21.87
Interest Received	65.63	38.67
<b>Net cash from / (used in) from investing activities before impact of sale of Investment in subsidiaries</b>	<b>(102.38)</b>	<b>(215.47)</b>
<b>Net cash generated from / (used in) investing activities</b>	<b>(102.38)</b>	<b>(215.47)</b>
<b>C. Cash flows from Financing Activities</b>		

**CASH FLOW STATEMENT** FOR THE YEAR ENDED 31ST MARCH, 2020

		Rs. in Lacs
	2019-20	2018-19
Proceeds from Issue of Equity Share Capital including Securities Premium in subsidiary company	10,000.00	3,524.77
Proceeds from Share Warrants	-	500.00
Share Issue Expense in subsidiary company	(180.00)	-
Proceeds from Borrowings	501.13	(1,203.13)
Interest Expense	(70.17)	(195.99)
<b>Net cash generated from financing activities</b>	<b>10,250.96</b>	<b>2,625.65</b>
<b>D. Net change in cash and cash equivalents (A+B+C)</b>	<b>1,114.22</b>	<b>(586.15)</b>
<b>E. Cash and Cash equivalents - Opening Balance</b>	<b>631.07</b>	<b>1,217.22</b>
<b>F. Cash and Cash equivalents - Closing Balance</b>	<b>1,745.29</b>	<b>631.07</b>

**Explanation:**

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS – 7 "Statement of Cash Flows".

2. Cash & Cash Equivalents are represented by:

Cash on Hand	6.76	5.74
Balances with Banks:		
- On Current Accounts	1,423.75	421.64
Cheques on Hand	44.78	203.69
Bank Deposits with original maturity of less than 3 months	270.00	-
<b>Total</b>	<b>1,745.29</b>	<b>631.07</b>

This is the Cash flow statement referred to in our report of even date.

**For Singhi & Co.**  
**Firm Registration No: 302049E**  
*Chartered Accountants*

**Rajiv Singhi**  
*Partner*  
 Membership No. 053518

Place : Kolkata  
 Date : 29th June, 2020

For and on behalf of the Board of Directors of  
**Sastasundar Ventures Limited**

**Banwari Lal Mittal**  
*Chairman & Managing Director*  
 DIN : 00365809

**Manisha Sethia**  
*Chief Financial Officer*

**Ravi Kant Sharma**  
*Director*  
 DIN : 00364066  
  
**Biplab Kumar Mani**  
*Company Secretary*  
 Membership No. ACS19883

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

### 1. Corporate Information

The consolidated financial statements comprise financial statements of Sastasundar Ventures Limited (the "Company" or "SVL") and its subsidiaries (collectively, the Group) for the year ended 31 March 2020. The company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on BSE Limited and National Stock Exchange of India Limited. The registered office of the company is located at Azimganj House, 2nd Floor, 7 Abanindra Nath Thakur Sarani (formerly Camac Street), Kolkata - 700 017.

At present, the Company is focusing largely on the business of digital network of healthcare and portfolio management service. The Company aims to provide genuine healthcare services at a reasonable cost with its innovative information and knowledge based web portal [www.sastasundar.com](http://www.sastasundar.com) owned by one of its subsidiary company.

#### 2.1 Basis of preparation

The Consolidated financial statements of the Company has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

The consolidated financial statements have been prepared on a historical cost basis.

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

The consolidated financial statements for the year ended March 31, 2020, are the first financial statements, the Company has prepared in accordance with Ind AS. The transition to Ind AS was carried out in accordance with Ind AS 101 First-Time adoption of Indian Accounting Standards with the date of transition as April 01, 2018. Refer Note 55 for description of the effect of transition and reconciliations required as per Ind AS 101.

#### 2.2. Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- ▶ Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ▶ Exposure, or rights, to variable returns from its involvement with the investee, and
- ▶ The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- ▶ The contractual arrangement with the other vote holders of the investee
- ▶ Rights arising from other contractual arrangements
- ▶ The Group's voting rights and potential voting rights
- ▶ The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- ▶ De-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- ▶ De-recognises the carrying amount of any non-controlling interests
- ▶ De-recognises the cumulative translation differences recorded in equity
- ▶ Recognises the fair value of the consideration received
- ▶ Recognises the fair value of any investment retained
- ▶ Recognises any surplus or deficit in profit or loss
- ▶ Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- ▶ Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities
- ▶ The Subsidiaries considered in these consolidated financial statements are as under:

Sl. No.	Name	Country of Incorporation	% of Voting Power/Ownership interest		
			As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
1)	Microsec Resources Private Limited	India	100	100	100
2)	Sastasundar Healthbuddy Limited	India	72.14	86.77	86.77
3)	Sastasundar Marketplace Limited	India	72.14	86.77	86.77



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

Sl. No.	Name	Country of Incorporation	% of Voting Power/Ownership interest		
			As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
4)	Innogrow Technologies Limited	India	100	100	100
5)	Genu Path Labs Limited (incorporated as on 1st September, 2017)	India	72.14	96.69	100
6)	Microsec Wealth Management Limited (incorporated as on 23rd January, 2018)	India	100	100	100
7)	Bharatiya Sanskriti Village Private Limited	India	100	100	100
8)	Myjoy Technologies Private Limited	India	100	100	100
9)	Retailer Shakti Supply Chain Private Limited	India	72.14	86.77	100
10)	Happymate Foods Limited (Incorporated as on 6th June, 2018)	India	72.14	86.77	-
11)	Innogrow Partners LLP (w.e.f, 23rd May, 2018)	India	100	100	-
12)	Microsec Invictus Advisors LLP	India	100	100	100
13)	Alokik Advisory Services LLP	India	100	100	100
14)	Dreamscape Advisors LLP	India	100	100	100
15)	Stuti Advisory Services LLP	India	100	100	100
16)	Ruchika Advisory Services LLP	India	100	100	100

Note :- All the above Limited Liability Partnership (LLPs) have been consolidated due to the Company's control over composition of their governing bodies by Innogrow Technologies Limited and Bharatiya Sanskriti Village Private Limited, subsidiaries of the Holding Company.

**3.1. Summary of significant accounting policies****a. Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

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

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

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

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

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

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

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

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

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

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

**b. Income Recognition**

Interest income is recognised in the Statement of Profit and Loss using the effective interest method in case of Financial Assets at Amortised Cost.

Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established except in case of dividend from Mutual Funds, which are recognized on cash basis.

Fees from Investment Banking activities which include Mergers & Acquisitions, Investment and other advisory services are recognized as revenue when the relevant services are rendered to the customers and there are reasonable certainties as regarding the ultimate collectability of such revenue. The Company collects taxes on behalf of the Government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Income from Royalty is recognised on an accrual basis in accordance with the terms of the relevant agreement.

**c. Foreign currencies**

The Company's financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

*Transactions and balances*

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the de-recognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

**d. Revenue from contract with customer**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

***Sale of goods***

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

### **Contract balances**

#### **Trade receivables**

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (q) Financial instruments – initial recognition and subsequent measurement.

#### **Contract liabilities**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

#### **e. Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received, all the conditions attached to the same will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

#### **f. Taxes**

##### *Current income tax*

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### *Deferred tax*

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

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

- ▶ When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ▶ In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

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

- ▶ When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ▶ In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will be reversed in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

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

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

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relates to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

*Sales/ value added taxes paid on acquisition of assets or on incurring expenses*

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- ▶ When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in that case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- ▶ When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**g. Operating Cycle**

All assets and liabilities have been classified as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**h. Property, plant and equipment**

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit & loss as and when incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for creating a provision are met.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

Depreciation is calculated on a Written down Value (WDV) basis over the estimated useful lives of the assets as follows:

Type of Asset	Useful Life estimated by the management
Building	60 Years
Plant & Equipment	5-15 years
Computers	3 years
Furniture & Fixtures	10 years
Office equipments	5 years
Electrical Equipments	10 years
Motor Vehicles	8 years

The Company depreciates its Property, plant and equipment over estimated useful lives which are as per the useful life prescribed in Schedule II to the Companies Act, 2013 except Plant & Equipment which is lower than those indicated in Schedule II i.e. 5-15 years. The management believes that these useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

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.

### i. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is derecognised.

### j. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### *Company as a lessee*

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### *(i) Right-of-use assets*

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (I) Impairment of non-financial assets.

*(ii) Lease Liabilities*

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

*(iii) Short-term leases and leases of low-value assets*

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**k. Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- ▶ Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
- ▶ Finished goods: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on first in, first out basis.
- ▶ Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on specific identification of cost basis.

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

**l. Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of from the other assets of the company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified,



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as increase in revaluation.

Under Ind AS 116.33, right-of-use assets are subject to the impairment requirements of Ind AS 36 Impairment of Assets.

### **m. Investments**

Investment in subsidiaries, associates, joint ventures and Quoted Bonds are carried at cost less accumulated impairment, if any

### **n. Claims**

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

### **o. Provisions**

#### *General*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### **p. Retirement and other employee benefits**

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



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

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

Past service costs are recognised in profit or loss on the earlier of:

- ▶ The date of the plan amendment or curtailment, and
- ▶ The date that the Company recognises related restructuring costs
- ▶ Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:
- ▶ Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- ▶ Net interest expense or income

**q. 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.

**Financial assets**

*Initial recognition and measurement*

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (d) Revenue from contracts with customers.

For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

*Subsequent measurement*

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

- ▶ Financial assets at amortised cost (debt instruments)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

- ▶ Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- ▶ Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- ▶ Financial assets at fair value through profit or loss

### Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the Statement of profit or loss. The Company's financial assets at amortised cost includes trade receivables, loans and cash & bank balance. For more information on receivables, refer to Note 6.

### Financial assets at fair value through OCI (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon de-recognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

### Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the Statement of profit and loss.

The Company elected to classify its Quoted Equity Shares & Unquoted mutual funds under this category.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020***Derecognition*

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

- ▶ The rights to receive cash flows from the asset have expired, or
- ▶ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

*Impairment of financial assets*

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- ▶ Trade receivables– see Note 6

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

**Financial liabilities***Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

*Subsequent measurement*

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- ▶ Financial liabilities at fair value through profit or loss
- ▶ Financial liabilities at amortised cost (loans and borrowings)
- ▶ Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

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

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

### Financial liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR 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 the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 16.

### Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

### *De-recognition*

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

### *Reclassification of financial assets*

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### *Offsetting of financial instruments*

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

### **r. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

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 as they are considered an integral part of the Company's cash management.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****s. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**t. Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not 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.

**u. Segment Reporting**

The Company has identified that its business segments are the primary segments. The Company's operating businesses are organized and managed separately according to the nature of products/services provided, with each segment representing a strategic business unit that offers different products/services and serves different markets. The analysis of geographical segments is based on the areas in which the operating divisions of the company operates.

**v. Standards issued but not yet made effective by the Ministry of Corporate Affairs**

There are no standards issued but not yet effective up to the date of issuance of the Company's financial statements.

**3.2. Significant accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**a. Useful lives of property, plant and equipment:**

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

**b. Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 40 and 41 for further disclosures.

**c. Retirement and other Employee benefits**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 35.

**d. Determining the lease term of contracts with renewal and termination options – Company as lessee**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

**e. Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

**f. Claims, Provisions and Contingent Liabilities**

The Company has ongoing litigations with various third parties / regulatory authorities. 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 accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>4. Cash and cash equivalents</b>			
Cash on hand	6.76	5.74	2.24
Balances with Banks:			
On Current Accounts	1,423.75	421.64	698.56
Cheques on Hand	44.78	203.69	66.42
Bank Deposits with original maturity of less than 3 months	270.00	-	450.00
	<b>1,745.29</b>	<b>631.07</b>	<b>1,217.22</b>

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>5. Bank Balance other than (a) above</b>			
Unclaimed Dividend Account	-	1.08	1.64
Bank Deposits with original maturity for more than 3 months but not more than 12 months	57.48	22.77	22.60
Bank Deposits with original maturity for more than 12 months (Refer Note 5.1 below)	24.23	8.68	38.11
	<b>81.71</b>	<b>32.53</b>	<b>62.35</b>

**5.1.** Fixed Deposit of Rs. 34.71 Lacs held with HDFC bank as security against Bank Guarantee.

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>6. Trade receivables</b>			
Trade receivables	1,496.49	787.67	393.04
	<b>1,496.49</b>	<b>787.67</b>	<b>393.04</b>

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>Break up of Security details</b>			
<b>Trade receivables</b>			
Secured, considered good	367.21	137.10	105.34
Unsecured, considered good	1,129.28	650.57	287.70
Trade Receivables - credit impaired	34.89	-	-
	<b>1,531.38</b>	<b>787.67</b>	<b>393.04</b>
<b>Impairment Allowance (allowance for bad and doubtful debts)</b>			
Trade Receivables - credit impaired	(34.89)	-	-
	<b>(34.89)</b>	<b>-</b>	<b>-</b>
<b>Total Trade receivables</b>	<b>1,496.49</b>	<b>787.67</b>	<b>393.04</b>

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

For terms and conditions relating to related party receivables, refer note 36.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

Trade receivables are non-interest bearing and are generally on terms of 3 to 30 days.

Rs. in Lacs

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>7. Loans (Unsecured considered good, unless otherwise stated) (At Amortised Cost)</b>			
Unsecured, considered good			
- Inter Corporate Loans	875.49	1,161.39	1,512.07
- Loan to Employees	10.64	-	-
	<b>886.13</b>	<b>1,161.39</b>	<b>1,512.07</b>

\* Loans are provided in India

Rs. in Lacs

	Face Value per Share/ Unit	No. of Shares/ Units	As at March 31, 2020	No. of Shares/ Units	As at March 31, 2019	No. of Shares/ Units	As at April 1, 2018
<b>8. Investments</b>							
<b>Investments (Valued at Amortised cost)</b>							
<b>Quoted Bonds (fully paid Up)</b>							
National Bank for Agriculture and Rural Development	20,000	1	0.09	1	0.09	1	0.09
(A)			0.09		0.09		0.09
<b>Investments (valued at Fair Value through profit &amp; loss Account)</b>							
<b>Quoted Equity Shares (fully paid up)</b>							
Apollo Hospitals Enterprise Limited	5	-	-	2,000	24.42	2,000	21.25
Asian Paints Limited	1	-	-	-	-	4,400	49.31
Bajaj Finserv Limited	5	-	-	730	51.36	-	-
Bandhan Bank Limited	10	-	-	10,460	54.91	-	-
Britannia Industries Limited*	1	-	-	2,100	64.72	1,050	52.20
Divis Laboratories Limited	2	-	-	4,150	70.68	-	-
Godrej Consumer Products Limited	1	-	-	-	-	9,800	107.07
HDFC Asset Management Company Limited	5	-	-	2,800	42.96	-	-
HDFC Bank Limited	2	12,845	110.71	-	-	5,399	102.12
HDFC Life Insurance Company Limited	10	-	-	39,200	148.37	34,200	155.10
Housing Development Finance Corporation Limited	2	-	-	5,490	108.00	5,490	100.16
IndusInd Bank Limited	10	-	-	-	-	5,866	105.33
Info Edge (India) Limited	10	-	-	3,100	57.13	-	-
Jindal Steel & Power Limited	1	-	-	20,000	35.91	36,500	80.04
Kotak Mahindra Bank Limited	5	9,500	123.12	9,500	126.90	9,500	99.62
Kovai Medical Center and Hospital Limited	10	-	-	767	5.91	767	9.59
L&T Technology Services Limited	2	-	-	-	-	3,400	42.15
Larsen & Toubro Limited	2	-	-	-	-	3,750	49.20
Maruti Suzuki India Limited	5	-	-	-	-	1,100	97.49
Narayana Hrudayalaya Limited	10	-	-	7,000	14.96	7,000	19.51
Orient Electric Limited#	1	-	-	-	-	31,000	19.72
Page Industries Limited	10	-	-	430	107.06	905	205.30
Power Grid Corporation of India Limited	10	-	-	39,500	78.25	39,500	76.57
Ramkrishna Forgings Limited	10	-	-	4,200	21.96	-	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

							Rs. in Lacs
	Face Value per Share/ Unit	No. of Shares/ Units	As at March 31, 2020	No. of Shares/ Units	As at March 31, 2019	No. of Shares/ Units	As at April 1, 2018
Reliance Industries Limited	10	10,220	113.83	3,220	43.89	21,390	188.83
Sreeleathers Limited	10	-	-	12,654	29.22	12,654	28.56
SBI Life Insurance Company Limited	10	-	-	-	-	7,200	48.49
Sun Pharmaceutical Industries Limited	1	-	-	4,870	23.34	-	-
The New India Assurance Company Limited	5	-	-	-	-	19,150	135.29
Vodafone Idea Limited	10	-	-	100	0.02	-	-
<b>(B)</b>			<b>347.66</b>		<b>1,109.97</b>		<b>1,792.90</b>
<b>Investments held under PMS A/c with Microsec Wealth Management Limited- MOF (Valued at Fair Value through profit &amp; loss Account)</b>							
<b>Quoted Equity Shares (fully paid up)</b>							
Abbott India Limited	10	861	133.03	509	37.18	-	-
Alkem Laboratories Limited	2	2,063	47.98	-	-	-	-
Asian Paints Limited	1	6,222	103.69	-	-	-	-
Avenue Supermarts Limited	10	4,879	106.73	2,743	40.35	-	-
Axis Bank Limited	2	-	-	3,995	31.05	-	-
Bajaj Finance Limited	2	-	-	1,072	32.43	-	-
Bajaj Finserv Limited	5	-	-	395	27.80	-	-
Bandhan Bank Limited	10	-	-	7,024	36.96	-	-
Britannia Industries Limited	1	3,047	81.93	1,764	54.43	-	-
City Union Bank Limited	1	-	-	7,937	16.26	-	-
Dabur India Limited	1	20,428	91.94	-	-	-	-
Divis Laboratories Limited	2	5,280	105.03	3,697	62.96	-	-
Dr. Reddy's Laboratories Limited	5	-	-	1,617	44.96	-	-
Havells India Limited	1	-	-	6,707	51.81	-	-
Hindustan Unilever Limited	1	3,036	69.78	-	-	-	-
IndusInd Bank Limited	10	-	-	2,102	37.42	-	-
IPCA Laboratories Limited	2	5,782	80.50	-	-	-	-
Kajaria Ceramics Limited	1	-	-	5,905	34.83	-	-
Kotak Mahindra Bank Limited	5	-	-	2,371	31.64	-	-
Marico Limited	1	-	-	10,681	37.03	-	-
Nestle India Limited	10	740	120.62	519	56.89	-	-
Page Industries Limited	10	-	-	270	67.43	-	-
Pidilite Industries Limited	1	6,844	92.83	4,162	51.87	-	-
PI Industries Limited	1	5,627	65.84	-	-	-	-
Reliance Industries Limited	10	-	-	5,261	71.72	-	-
Sun Pharmaceutical Industries Limited	1	-	-	8,940	42.81	-	-
Supreme Industries Limited	2	-	-	1,713	19.14	-	-
The Ramco Cements Limited	1	-	-	4,709	34.65	-	-
Torrent Pharmaceuticals Limited	5	-	-	1,145	22.32	-	-
TTK Prestige Limited	10	-	-	232	20.26	-	-
UltraTech Cement Limited	10	-	-	1,305	52.18	-	-
VIP Industries Limited	2	-	-	5,648	27.30	-	-
<b>Unquoted Overnight Fund (fully paid up)</b>							
SBI Overnight Fund - Direct Plan - Growth	-	11,802	384.00	493	15.25	-	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	Face Value per Share/ Unit	No. of Shares/ Units	As at March 31, 2020	No. of Shares/ Units	As at March 31, 2019	No. of Shares/ Units	As at April 1, 2018
(C)			1,483.90		1,058.93		-
<b>Investment in Unquoted Mutual Fund (fully paid up) (Valued at Fair Value through profit &amp; loss Account)</b>							
HDFC Liquid Fund - Direct Plan - Growth Option	-	37,054	1,445.20	3,062	112.62	-	-
Reliance Liquid Fund - Treasury Plan - Growth Plan - Growth Option	-	-	-	24,863	1,128.60	67,195	2,841.80
Aditya Birla Sun Life Liquid Fund - Growth Regular Plan	-	-	-	37,676	112.65	-	-
Union Arbitrage Fund- Regular Plan- Growth	-	-	-	2,49,990	25.15	-	-
Union Corporate Bond Fund Regular Plan- Growth	-	-	-	2,50,000	26.74	-	-
Union Liquid Fund Growth	-	-	-	943	16.86	-	-
(D)			1,445.20		1,422.62		2,841.80
<b>Other Investments (Valued at Amortised Cost)</b>							
HDFC Smart Deposits	-	-	2,300.00	-	-	-	-
(E)			2,300.00		-		-
<b>Total (A+B+C+D+E)</b>			<b>5,576.85</b>		<b>3,591.61</b>		<b>4,634.79</b>

**Note:** All investments are inside India only. No investments have been made outside India

\* In the Previous year 2017-18, Face Value of Equity Shares (fully paid up) of Britannia Industries Limited fully paid up was Rs. 2 per share.

# In the previous year 2017-18, pursuant to Scheme of Arrangement between Orient Paper and Industries Limited (OPIL) and Orient Electric Limited (OEL) the Board of Director of OPIL had fixed One fully paid up equity share of Re. 1 each of OEL for every equity share of Re. 1 each held in OPL. The "OEL" has not been listed on stock exchange.

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Rs. in Lacs			
<b>9. Other Financial Assets (Unsecured considered good, unless otherwise stated) (At Amortised Cost)</b>			
Accrued Interest on Fixed Deposits	69.29	0.58	1.98
Rent Receivables from Tenant	7.80	1.06	-
Accrued Interest on Security Deposit	-	0.50	0.51
Incentive Receivable	4.75	3.20	2.38
Security Deposits	584.43	408.86	-
	<b>666.27</b>	<b>414.20</b>	<b>4.87</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>10. Inventories</b>			
(Valued at lower of cost and net realisable value)			
<b>Traded Goods</b>			
Medicines	6,888.14	2,457.70	2,077.33
FMCG Goods	707.57	533.39	525.49
<b>Raw Materials</b>			
Food Ingredients	13.80	70.36	56.70
<b>Finished Goods</b>			
Food Products	8.99	62.09	12.30
<b>Stock-in-Transit</b>			
- Food Product-in-Transit	0.18	-	-
<b>Packing Materials</b>	61.72	103.80	133.02
<b>Reagent &amp; Consumables</b>	28.25	31.18	-
	<b>7,708.65</b>	<b>3,258.52</b>	<b>2,804.84</b>

For details of Lien/Charges against the inventories, Refer Note 16.1

During the year ended March 31, 2020, Rs 19.90 lacs (March 31, 2019: Rs 107.65 lacs) is recognised as an expense for inventories carried at net realisable value.

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>11. Tax Assets</b>			
Advance Income tax and Tax Deducted at Source [Net of Provision: Rs. 8.17 Lacs (March 31, 2019: Rs. 87.58 Lacs, April 01, 2018: Rs. 76.71 Lacs)]	194.76	271.19	263.53
	<b>194.76</b>	<b>271.19</b>	<b>263.53</b>

	Rs. in Lacs									
	ROU Assets	Freehold land	Building	Computers	Furniture and fixtures	Plant and machinery	Electrical equipments	Office equipments	Motor vehicles	Total
<b>12.1. Property, Plant and Equipment</b>										
<b>Cost</b>										
As at April 01, 2018 (refer note (a))	2,415.04	235.13	2,779.76	78.87	431.46	220.38	111.87	194.03	8.62	6475.16
Additions	32.37	-	2.35	25.96	82.84	193.14	16.55	19.36	0.07	372.64
Withdrawals & Adjustments	-	-	14.11	0.04	11.61	-	8.45	1.50	0.25	35.96
<b>As at March 31, 2019</b>	<b>2,447.41</b>	<b>235.13</b>	<b>2,768.00</b>	<b>104.79</b>	<b>502.69</b>	<b>413.52</b>	<b>119.97</b>	<b>211.89</b>	<b>8.44</b>	<b>6811.84</b>
Additions	57.97	-	110.06	28.09	32.03	25.37	1.32	9.62	8.29	272.75
Withdrawals & Adjustments	-	0.91	67.47	0.28	11.03	-	-	0.54	-	80.23
<b>As at March 31, 2020</b>	<b>2,505.38</b>	<b>234.22</b>	<b>2,810.59</b>	<b>132.60</b>	<b>523.69</b>	<b>438.89</b>	<b>121.29</b>	<b>220.97</b>	<b>16.73</b>	<b>7,004.36</b>
<b>Depreciation</b>										
As at April 01, 2018 (refer note (a))	-	-	-	-	-	-	-	-	-	-
Charge for the year	37.21	-	135.71	50.03	126.24	84.31	54.14	55.57	2.43	545.64
Withdrawals & Adjustments	-	-	-	-	-	4.41	-	-	-	4.41
<b>As at March 31, 2019</b>	<b>37.21</b>	<b>-</b>	<b>135.71</b>	<b>50.03</b>	<b>126.24</b>	<b>79.90</b>	<b>54.14</b>	<b>55.57</b>	<b>2.43</b>	<b>541.23</b>
Charge for the year	40.23	-	126.44	30.65	101.44	76.78	40.71	32.13	1.88	450.26
Withdrawals & Adjustments	-	-	2.84	0.19	4.92	-	-	0.32	-	8.27
<b>As at March 31, 2020</b>	<b>77.44</b>	<b>-</b>	<b>259.31</b>	<b>80.49</b>	<b>222.76</b>	<b>156.68</b>	<b>94.85</b>	<b>87.38</b>	<b>4.31</b>	<b>983.22</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

Rs. in Lacs

	ROU Assets	Freehold land	Building	Computers	Furniture and fixtures	Plant and machinery	Electrical equipments	Office equipments	Motor vehicles	Total
<b>Net book value</b>										
As at April 01, 2018	2415.04	235.13	2779.76	78.87	431.46	220.38	111.87	194.03	8.62	6475.16
As at March 31, 2019	2410.20	235.13	2632.29	54.76	376.45	333.62	65.83	156.32	6.01	6270.61
As at March 31, 2020	2427.94	234.22	2551.28	52.11	300.93	282.21	26.44	133.59	12.42	6021.14

(a) The Company has adopted the exemption under Ind AS 101 and has considered previous GAAP carrying amount as the deemed cost for the Opening Balance sheet as at April 01, 2018.

The Gross block of each class of Property, plant and equipment has been netted off with their respective accumulated depreciation balances as at April 01, 2018 under Previous GAAP to arrive at the deemed cost for the purpose of opening Ind AS balance sheet.

Rs. in Lacs

As per Previous GAAP	Leasehold Asset*		Freehold land	Building	Computers	Office equipments	Plant and machinery	Furniture and fixtures	Electrical equipments	Motor vehicles
	Land	Buiding								
Gross block as at April 1, 2018	2118.52	291.05	235.13	3526.03	517.96	595.04	410.74	1001.08	351.33	56.39
Ind AS 116 Adjustments	169.20	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at April 1, 2018	136.07	27.66	-	746.27	439.09	401.01	190.36	569.62	239.46	47.77
Deemed cost as at April 1, 2018	2151.65	263.39	235.13	2779.76	78.87	194.03	220.38	431.46	111.87	8.62

\* After application of IndAS 116 with effect from April 01, 2018, the same has been regrouped as part of Right of Use assets.

Rs. in Lacs

As per Previous GAAP	Computer Software	Web Application Portal	Copyrights - Right on Web Application Portal - Personal Resource Planning
Gross block as at April 1, 2018	264.15	191.56	500.01
Accumulated depreciation as at April 1, 2018.	194.38	117.11	500.01
Deemed cost as at April 1, 2018.	69.77	74.45	-

Rs. in Lacs

	Computer Software	Web Application Portal	Total
<b>12.2 Intangible Assets</b>			
<b>Cost</b>			
As at April 1, 2018 (refer note (a))	69.77	74.45	144.22
Additions	3.65	-	3.65
Withdrawals & Adjusments	-	-	-
As at March 31, 2019	73.42	74.45	147.87
Additions	18.52	-	18.52
Withdrawals & Adjusments	-	-	-
As at March 31, 2020	91.94	74.45	166.39
<b>Amortisation</b>			
As at April 1, 2018 (refer note (a))	-	-	-
Charge for the year	33.92	17.67	51.59
Withdrawals & Adjusments	-	-	-
As at March 31, 2019	33.92	17.67	51.59

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	Computer Software	Web Application Portal	Total
Charge for the year	22.26	17.67	39.93
Withdrawals & Adjustments	-	-	-
<b>As at March 31, 2020</b>	<b>56.18</b>	<b>35.34</b>	<b>91.52</b>
<b>Net book value</b>			
<b>As at April 01, 2018</b>	<b>69.77</b>	<b>74.45</b>	<b>144.22</b>
<b>As at March 31, 2019</b>	<b>39.50</b>	<b>56.78</b>	<b>96.28</b>
<b>As at March 31, 2020</b>	<b>35.76</b>	<b>39.11</b>	<b>74.87</b>

Particulars	ROU Land	ROU Building	Total
<b>12.3. Disclosure of Right of Use (ROU) Assets as per Ind AS 116: "Leases"</b>			
<b>Carrying book value as at April 01, 2018</b>	<b>2,151.65</b>	<b>263.39</b>	<b>2,415.04</b>
Addition during the previous year	-	32.37	<b>32.37</b>
Depreciation Charged during the previous year	23.23	13.98	<b>37.21</b>
<b>Carrying book value as on March 31, 2019</b>	<b>2128.42</b>	<b>281.78</b>	<b>2,410.20</b>
Addition during the previous year	-	57.97	<b>57.97</b>
Depreciation charged during the year	23.23	17.00	<b>40.23</b>
<b>Carrying book value as on March 31, 2020</b>	<b>2,105.19</b>	<b>322.75</b>	<b>2,427.94</b>

Rs. in Lacs

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>13. Other Non-Financial assets</b>			
Capital Advances [Refer Note 37.b]	82.26	82.33	102.57
Advance against Investment Property	-	122.11	122.11
Advance to suppliers	110.55	50.84	33.12
Prepaid Expenses	51.54	196.51	34.86
Advances to Employee	13.49	13.91	8.45
Deposits with Government Authorities and others	1,566.76	719.32	567.35
	<b>1,824.60</b>	<b>1,185.02</b>	<b>868.46</b>

Rs. in Lacs

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>Break up of financial assets carried at amortised cost</b>			
Cash and cash equivalents (Note 4)	1,745.29	631.07	1,217.22
Bank Balance other than (a) above (Note 5)	81.71	32.53	62.35
Trade Receivables (Note 6)	1,496.49	787.67	393.04
Loans (Note 7)	886.13	1,161.39	1,512.07
Investments (Note 8)	2,300.09	0.09	0.09
Other Financial Assets (Note 9)	666.27	414.20	4.87
	<b>7,175.98</b>	<b>3,026.95</b>	<b>3,189.64</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>14. Trade Payables (at Amortised cost)</b>			
<b>Total Outstanding dues</b>			
To Micro and Small Enterprises (Refer Note 14.1 below)	56.71	78.37	12.72
To other than Micro and Small Medium Enterprises	4,966.73	1,356.57	917.24
	<b>5,023.44</b>	<b>1,434.94</b>	<b>929.96</b>

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>14.1 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006</b>			
<b>Trade Payables</b>			
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year :			
- Principal amount due to micro and small enterprises	56.71	78.37	12.72
- Interest due on above	-	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed.	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006. The amount of interest accrued and remaining unpaid at the end of each accounting year.			

The amount of further interest remaining due and payable even in the remaining years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of this allowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>15. Lease Liabilities</b>			
Lease Liabilities	283.56	224.70	257.87
	<b>283.56</b>	<b>224.70</b>	<b>257.87</b>

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>16. Borrowings (At Amortised Cost)</b>			
<b>Secured</b>			
Cash Credit from Banks (Refer Note 16.1 below)	501.13	-	1,203.13
	<b>501.13</b>	<b>-</b>	<b>1,203.13</b>

**16.1**

Cash credit from bank is secured against hypothecation of inventories, book debts (both present & future), equitable mortgage of factory premises on leasehold land, factory shed, building premises and installed plant & machinery along with corporate guarantee of Sastasundar Ventures Limited (formerly Microsec Financial Services Limited) (i.e. Holding Company). The cash credit is repayable on demand and carries interest @ MCLR plus 2.65%.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>17. Other Financial Liabilities (at Amortised Cost)</b>			
Security Deposits	535.37	388.34	220.33
Unclaimed Dividend (Refer Note 17.1 below)	-	1.07	1.64
Payables for purchase of capital goods	4.57	5.72	67.64
Employee Payables	276.06	221.17	144.72
Other Payables	-	-	40.04
<b>TOTAL</b>	<b>816.00</b>	<b>616.30</b>	<b>474.37</b>

**17.1 Unclaimed Dividend to be paid as and when due to Investor Education and Protection Fund**

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>18. Tax Liabilities</b>			
For Taxation [Net of Advances Rs. 0.09 Lacs (March 31, 2019: Rs. 31.47 Lacs, April 01, 2018: Rs. 186.99 Lacs)]	8.59	1.47	10.32
	<b>8.59</b>	<b>1.47</b>	<b>10.32</b>

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>19. Provisions</b>			
Provision for Employee Benefits [Refer Note 35]	155.93	84.67	51.58
For Standard Assets	2.26	2.98	3.79
<b>TOTAL</b>	<b>158.19</b>	<b>87.65</b>	<b>55.37</b>

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>20. Deferred Tax Liabilities (Net)</b>			
<b>Deferred Tax Liability</b>			
Ind AS adjustment	3.77	-	-
Discount on Deep Discount Debentures	-	545.92	474.32
On Equity Shares	-	8.84	-
<b>Gross Deferred Tax Liability (A)</b>	<b>3.77</b>	<b>554.76</b>	<b>474.32</b>
<b>Deferred Tax Asset</b>			
Fixed Assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting. (adjusted through General Reserve)	0.06	0.06	0.04
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis. Expenses Allowable against taxable income in future years	0.38	0.85	0.73
Deferred tax adjustment on Ind AS adjustment	0.78	0.18	1.17
Provision for standard assets	0.59	0.92	2.76
<b>Gross Deferred Tax Asset (B)</b>	<b>1.80</b>	<b>2.01</b>	<b>4.70</b>
<b>Net Deferred Tax Liabilities (A-B)</b>	<b>1.97</b>	<b>552.75</b>	<b>469.62</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>21. Other Non-Financial Liabilities</b>			
Statutory Dues	85.89	72.81	60.10
Advance from Customers	44.87	20.13	4.12
Deferred Income on Security Deposits	5.46	-	-
	<b>136.22</b>	<b>92.94</b>	<b>64.22</b>

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>Break up of financial liabilities carried at amortised cost</b>			
Trade Payables (Note 14)	5,023.44	1,434.94	929.96
Lease Liabilities (Note 15)	283.56	224.70	257.87
Borrowings (Note 16)	501.13	-	1,203.13
Other Financial Liabilities (Note 17)	816.00	616.30	474.37
	<b>6,624.13</b>	<b>2,275.94</b>	<b>2,865.33</b>

	Rs. in Lacs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>22. Equity Share Capital</b>			
<b>Authorised</b>			
3,55,32,000 (March 31, 2019: 3,55,32,000, April 01, 2018: 3,55,32,000) Equity Shares of Rs. 10 each	3,553.20	3,553.20	3,553.20
	<b>3,553.20</b>	<b>3,553.20</b>	<b>3,553.20</b>
<b>Issued, Subscribed and Fully Paid-up Shares</b>			
3,18,10,500 (March 31, 2019: 3,18,10,500, April 01, 2018: 3,18,10,500) Equity Shares of Rs. 10 each	3,181.05	3,181.05	3,181.05
	<b>3,181.05</b>	<b>3,181.05</b>	<b>3,181.05</b>

**(a) Terms / Rights attached to the equity shares**

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(b) Issued Equity Share Capital**

	Rs. in Lacs					
	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	No. of Shares	Rs. In Lacs	No. of Shares	Rs. In Lacs	No. of Shares	Rs. In Lacs
At the beginning of the year	3,18,10,500	3,181.05	3,18,10,500	3,181.05	3,18,10,500	3,181.05
Fresh issue of Equity shares during the year	-	-	-	-	-	-
Outstanding at the end of the year	3,18,10,500	3,181.05	3,18,10,500	3,181.05	3,18,10,500	3,181.05

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****(c) Details of shareholders holding more than 5% shares in the Company**

Rs. in Lacs

Name of the shareholder	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
(Equity shares of Rs. 10 each full paid up)						
Banwari Lal Mittal	1,06,16,000	33.37	1,06,16,000	33.37	1,06,16,000	33.37
Topview Enclaves LLP	78,77,745	24.76	78,77,745	24.76	78,77,745	24.76
Luv Kush Projects Limited	17,95,036	5.64	17,88,778	5.62	17,79,438	5.59
Microsec Vision Employees Trust	13,33,400	4.19	14,83,400	4.66	16,33,400	5.13

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

- (d) No shares have been reserved for issue under options and contracts/commitments for the same of shares/disinvestment as at the balance sheet date.
- (e) No shares have been allotted or has been bought back by the company during the period of 5 years, preceding the date as at which the balance sheet is prepared.
- (f) No Convertible securities have been issued by the company during the period.
- (g) No Calls are unpaid by any Director and officer of the company during the period.

Rs. in Lacs

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>23 Other Equity</b>			
Reserve under Section 45-IC of the Reserve Bank of India Act, 1934 (Refer Note 23.1 below)			
Balance as per the last financial statements	1,746.20	1,727.72	
Add: Amount transferred from the Statement of Profit and Loss	12.71	18.48	
	1,758.91	1,746.20	1,727.72
Capital Redemption Reserve (Balance as per the last financial statements)	102.00	102.00	102.00
Capital Reserve (on Consolidation)	10,700.81	36.44	36.44
General Reserve	162.36	162.36	162.36
Securities Premium Account (Balance as per the last financial statements)	13,898.44	13,898.44	13,898.44
Share Warrant (Refer Note 47)	500.00	500.00	-
Retained Earnings	(9,291.19)	(5,375.27)	(1,596.21)
<b>Total Other Equity</b>	<b>17,831.33</b>	<b>11,070.17</b>	<b>14,330.75</b>

- 23.1** According to Section 45-IC of the Reserve Bank of India Act, 1934, every NBFC shall create a reserve fund and transfer therein a sum not less than 20% of its Net Profit every year as disclosed in the Statement of profit and loss and before declaration of dividend.

Includes Rs. 1687.41 Lacs (March 31, 2019: Rs. 1674.70 Lacs, April 01, 2018: Rs. 1656.22 Lacs) in respect of the Holding Company where, pursuant to the acceptance of Reserve Bank of India (RBI) on the Company's application for cancellation of Certificate of Registration (CoR), as detailed in Note 42. The Company has also sought clarification from RBI on May 6, 2016 regarding further treatment of this Reserve. Pending receipt of clarification from RBI, the Holding Company, as per legal opinion received in this regard, has decided to maintain the status quo of the Reserve.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Rs. in Lacs			
<b>Movement in Capital Reserve</b>			
Balance as per the last financial statements	36.44	36.44	36.44
Add: Addition during the year on Consolidation	10,664.37	-	-
<b>Closing Balance</b>	<b>10,700.81</b>	<b>36.44</b>	<b>36.44</b>

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Rs. in Lacs			
<b>Movement in Retained Earnings</b>			
Balance as per the last financial statements	(5,370.39)	(1,596.21)	-
Less : Loss for the year transferred from the Statement of Profit and Loss	3,879.44	3,755.70	-
	(9,249.83)	(5,351.91)	-
Less : Appropriations			
Transferred to Reserve under Section 45-IC of the RBI Act, 1934	12.71	18.48	-
<b>Closing Balance</b>	<b>(9,262.54)</b>	<b>(5,370.39)</b>	<b>(1,596.21)</b>

	2019-20	2018-19
Rs. in Lacs		
<b>24. Revenue from Operations</b>		
<b>(i) Interest Income</b>		
On Loans	112.03	137.02
<b>(A)</b>	<b>112.03</b>	<b>137.02</b>
<b>(ii) Dividend Income</b>		
Dividend from Investments	13.22	16.75
<b>(B)</b>	<b>13.22</b>	<b>16.75</b>
<b>(iii) Fair Value gain on Investments</b>		
Fair Value gain on Investments	-	118.98
<b>(C)</b>	<b>-</b>	<b>118.98</b>
<b>(iv) Sale of Products</b>		
Traded Goods	37,901.51	21,170.51
Food Products	184.38	190.03
<b>(D)</b>	<b>38,085.89</b>	<b>21,360.54</b>
<b>(v) Sale of Services</b>		
Laboratory Service	208.26	102.06
Technology Support Service	100.49	79.80
Online Advertisement Campaign	-	8.28
Other Income	9.75	7.15
<b>(E)</b>	<b>318.50</b>	<b>197.29</b>
<b>(v) Other Financial Services</b>		
Brokerage and Related Income	0.24	3.84
Portfolio Management & Custody Fees	13.83	5.16
Profit on sale of Investments	-	133.87
Professional Fees	-	0.20
<b>(F)</b>	<b>14.07</b>	<b>143.07</b>
<b>Total (A + B + C + D + E + F)</b>	<b>38,543.71</b>	<b>21,973.65</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	Rs. in Lacs	
	2019-20	2018-19
<b>25. Other Income</b>		
<b>Interest Income on</b>		
Fixed Deposits & Others	133.84	37.26
Income Tax Refund	17.17	2.03
<b>Other Non-Operating Income</b>		
Liabilities no longer required written back	1.81	14.39
Rental & Office Maintenance Income	67.41	8.06
Fair Value Gain on Financial assets through FVTPL	16.19	7.71
Profit on sale of Investments	74.26	162.52
Government Grant	-	7.76
Gratuity Provision no longer required written back [Refer Note 35]	-	1.28
Provision for standard assets written back	0.73	0.80
Profit on sale of Property, Plant & Equipment	-	0.68
Miscellaneous Income	0.48	0.47
	<b>311.89</b>	<b>242.96</b>

	Rs. in Lacs	
	2019-20	2018-19
<b>26. Finance Costs</b>		
<b>Interest Expense</b>		
On Cash Credit Facilities	43.27	164.72
On Security Deposits	1.11	-
On Finance Lease	25.79	28.37
Other Borrowing Costs	-	2.90
	<b>70.17</b>	<b>195.99</b>

	Rs. in Lacs	
	2019-20	2018-19
<b>27. Cost of Materials Consumed</b>		
Inventory at the beginning of the year	101.54	56.70
Add : Purchases	231.47	274.97
Less : Inventory at the end of the year [Refer Note 10]	106.85	101.54
	<b>226.16</b>	<b>230.13</b>

	Rs. in Lacs	
	2019-20	2018-19
<b>28. Purchases of stock-in-trade</b>		
Medicines	36,872.83	17,298.69
FMCG Products	4,080.63	2,858.59
	<b>40,953.46</b>	<b>20,157.28</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	Rs. in Lacs	
	2019-20	2018-19
<b>29. Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		
Inventories at the beginning of the year		
Traded Goods	2,991.09	2,602.81
Finished Goods	62.09	12.30
Inventories at the end of the year [Refer Note 10]		
Traded Goods	7,530.92	2,991.09
Finished Goods	8.99	62.09
	(4,486.73)	(438.07)

	Rs. in Lacs	
	2019-20	2018-19
<b>30. Employee benefit expense</b>		
Salary, Bonus etc.	2,582.13	2,147.85
Contribution to Provident and other funds	129.18	89.15
Contribution to Employees' State Insurance	38.49	36.83
Gratuity expense [Refer Note 35]	56.74	37.92
Employees' Welfare Expenses	38.18	23.79
	2,844.72	2,335.54

	Rs. in Lacs	
	2019-20	2018-19
<b>31. Depreciation and amortisation expense</b>		
Depreciation of Property, Plant and Equipment	450.26	545.64
Amortisation of Intangible Assets	39.93	51.59
	490.19	597.23

	Rs. in Lacs	
	2019-20	2018-19
<b>32. Other Expenses</b>		
Electricity Charges	207.90	189.65
Logistic Expenses	640.95	411.07
Testing Charges	6.27	4.49
Packing Material Consumed	195.05	189.84
Rent	119.19	118.82
Repairs and Maintenance		
Building	21.07	16.27
Others	123.64	119.65
Advertisement and Publicity	1,021.85	732.53
Business Promotion Expenses	154.30	171.97
Server hosting, bandwith and other data service charges	187.17	140.08
Membership Fees and Subscription	4.02	13.46
Software Maintenance charges	10.78	24.08
Depository Transaction charges	0.09	0.17
Communication Expenses	23.88	23.03
Rates and Taxes	53.58	32.95
Directors Sitting Fee	10.06	21.86
Insurance Premium	11.43	8.68
Printing and Stationery	95.38	64.65

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	2019-20	2018-19
Postage and Courier Expenses	2.14	2.47
Bank and Demat charges	69.03	54.55
Travelling and Conveyance	112.12	79.83
Security Service Charges	71.76	62.35
Legal and Professional Fees	156.87	142.95
Listing Fees	5.89	5.88
Interest on Stamp Duty	7.25	47.54
Provision for bad and doubtful debt	34.89	-
Sundry Balances Written Off	1.74	2.53
Fair Value Loss on Financial assets through FVTPL	43.77	-
Loss on sale of Investments	184.84	-
Loss on discard of Property, Plant & Equipments	3.40	-
Service Charges	794.74	553.33
Brokerage & Other Expenses	81.91	12.46
Auditor's Remuneration		
Audit Fees	17.95	17.02
Limited Reviews	15.26	10.35
Tax Audit Fee	1.17	0.65
In other capacities for certificates and other services	3.34	2.27
Reimbursement of expenses	1.14	0.63
Miscellaneous Expenses	47.26	26.74
Preliminary Expenses	-	8.83
	<b>4,543.08</b>	<b>3,313.63</b>

**33. Earning Per Share**

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	2019-20	2018-19
Profit / (Loss) after tax (Rs.)	(3,879.44)	(3,755.70)
Weighted Average Number of Equity Shares (Nos.)	3,18,10,500	3,18,10,500
Nominal Value of each Equity Share (Rs.)	10.00	10.00
Basic Earnings Per Share (Rs.)	(12.20)	(11.81)
Diluted Earnings Per Share (Rs.)	(12.20)	(11.81)

- 34.** The Company is a Core Investment Company (CIC) and does not require registration as per notification no. DNBS.PD.CC. No.274/03.02.089/2011-12 dated 11th May, 2012 and which was confirmed by Reserve Bank of India in the letter dated 16th July, 2015. As per the said notification a Company having an asset size of more than Rs. 100 crores and less than Rs. 500 crores and not accessing public funds is exempt from registration as CIC-NDSI with RBI.

**35. Gratuity and other post-employment benefit plans**

The Company has a defined employee benefit plan in the form of gratuity. Every employee, who has completed five years or more of services, is entitled to gratuity on terms not less favorable than the provisions of the Payment of Gratuity Act, 1972. The Gratuity plan provides a lump sum payment to vested employees at retirement, disability or termination of employment being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company. The scheme is funded with Life Insurance Corporation of India.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****Net employee benefits expense recognized in the employee cost.**

Rs. in Lacs

Particulars	2019-20	2018-19
Current service cost	49.87	33.48
Net Interest cost on the net defined benefit liability	5.38	3.80
Net benefit expenses	1.49	(0.64)
<b>Benefit Cost (Expense Recognized in Statement of Profit/loss)</b>	<b>56.74</b>	<b>36.64</b>

**Other Total Comprehensive Income**

Rs. in Lacs

Particulars	2019-20	2018-19
Actuarial (gains) / Losses		
- Changes in demographic assumptions	-	(2.99)
- Changes in financial assumptions	27.37	(0.20)
- Changes in Unexpected Experience	1.00	7.72
- Others	(3.36)	0.21
Return on plan assets, excluding amount recognized in net interest expense	(1.69 )	0.12
<b>Net (Income)/Expense recognised for the period in OCI</b>	<b>23.32</b>	<b>4.86</b>

**Balance Sheet****Defined Benefit asset / liability**

Rs. in Lacs

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
Present value of defined benefit obligation	194.10	120.27	84.71
Fair value of plan assets	38.17	35.60	33.13
<b>Net liability</b>	<b>155.93</b>	<b>84.67</b>	<b>51.58</b>

**Changes in the present value of the defined benefit obligation are as follows :**

Rs. in Lacs

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
Opening defined benefit obligation	120.27	84.71	91.34
Current service cost	49.87	33.48	23.05
Acquisition Adjustment	-	-	10.63
Interest cost	7.74	6.35	5.92
Re-measurement (or Actuarial) (gain) / loss arising from	-	-	-
- Changes in demographic assumptions	-	(2.99)	-
- Changes in financial assumptions	27.38	(0.21)	(9.40)
Experience variance (i.e. Actual experience vs assumptions)	(2.36)	7.93	(7.27)
- Acquisition Adjustment	-	5.87	-
- Settlement Cost	-	(6.19)	(19.63)
Benefits paid	(8.80)	(8.68)	(9.93)
<b>Closing defined benefit obligation</b>	<b>194.10</b>	<b>120.27</b>	<b>84.71</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

Changes in the fair value of plan assets are as follows :

	Rs. in Lacs		
Particulars	March 31, 2020	March 31, 2019	April 01, 2018
Opening fair value of plan assets	35.60	33.13	19.97
Acquisition Adjustment	-	-	0.71
Expected return / Investment income	2.37	2.54	1.60
Employers contribution	5.19	7.90	19.43
Benefits paid	(6.68)	(7.90)	(9.16)
Return on plan assets, excluding amount recognised in net interest expense	1.69	(0.07)	0.58
<b>Closing fair value of plan assets</b>	<b>38.17</b>	<b>35.60</b>	<b>33.13</b>

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	March 31, 2020	March 31, 2019
	%	%
Investments in Insurance Managed Fund	100%	100%

The Principal assumptions used in determining gratuity obligation for the company's plan are as follows:

Particulars	March 31, 2020	March 31, 2019
Discount rate	6.68%	7.71%
Expected rate of return on assets	6.68%	7.71%
Future salary increases	6.00%	6.00%
Mortality Rate	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate

	Rs. in Lacs	
Particulars	March 31, 2020	March 31, 2019
Contribution to Provident and other fund	129.18	89.15

Assumptions sensitivity analysis for significant assumptions is as below:

	Rs. in Lacs	
Assumptions Sensitivity Level	March 31, 2020	March 31, 2019
	<b>Change in defined benefit obligation</b>	
<b>Discount Rate</b>		
Increase by 0.5%	(46.38)	(20.79)
Decrease 0.5%	(33.33)	(11.54)
<b>Salary Growth Rate</b>		
Increase by 0.5%	200.94	125.18
Decrease 0.5%	187.88	115.83
<b>Mortality Rate</b>		
Increase by 10%	194.72	120.30
Decrease 10%	193.47	120.23
<b>Attrition Rate</b>		
Increase by 0.5%	194.25	122.98
Decrease 0.5%	193.93	120.34

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****Expected payment for future years**

	Rs. in Lacs	
	March 31, 2020	March 31, 2019
Within the next 12 months (next annual reporting period)	12.05	8.32
Between 2 and 5 years	14.00	8.80
Between 5 and 10 years	55.89	34.81
Beyond 10 years	578.31	466.22
<b>Total expected payments</b>	<b>660.25</b>	<b>518.15</b>

Discount rate: The discount rate is based on the 5 years government bond yields as at the balance sheet date for the estimated term of the obligations.

Expected rate of return on plan assets: This is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered taking into account the inflation, seniority, promotion and other relevant factors.

The weighted average duration of the defined benefit obligation as at March 31, 2020 is 22 years (March 31, 2019 is 22 years).

**36. Related parties under Ind AS 24 with whom transactions have taken place during the year****(a) Name of related parties and description of relationship****(i) Key Management Personnel**

Mr. Banwari Lal Mittal (Chairman and Managing Director)  
 Mr. Ravi Kant Sharma (Managing Director & Chief Executive Officer in Sastasundar Healthbuddy Limited)  
 Mr. Ramesh Kumar Sharma (Whole Time Director in Sastasundar Healthbuddy Limited )  
 Mr. Naveen Vyas (Whole time Director in Microsec Wealth Management Limited)  
 Mr. Mahesh Kumar Singhi (Whole time Director in Sastasundar Marketplace Limited)  
 Mr. Vinay Khaitan (Whole time Director in Sastasundar Marketplace Limited)  
 Mr. Nishi Kant Mehta (Whole time Director in Sastasundar Marketplace Limited)  
 Mr. Deepak Kumar Agarwal (Chief Financial Officer) (upto 13th September, 2019)  
 Mrs. Manisha Sethia (Chief Financial Officer) (w.e.f. 14th September, 2019)  
 Mr. Biplab Kumar Mani (Company Secretary)  
 Mr. Abhishek Singhi (Chief Financial Officer in Sastasundar Healthbuddy Limited)  
 Mr. Pratap Singh (Company Secretary in Sastasundar Healthbuddy Limited)  
 Mr. Rahul Kumar Singh (Company Secretary in Microsec Wealth Management Limited)  
 Mr. Amitava Sarkar (Executive Director & CEO in Happymate Foods Limited w.e.f. 21st June, 2019)  
 Dr. Bhaskar Bhattacharya (Executive Director in Genu Path Labs Limited w.e.f 20th December, 2019)  
 Dr. Saibal Chandra Pal (Independent Director)  
 Mr. Parimal Kumar Chattaraj (Independent Director)  
 Mr. Bimal Kumar Patwari (Independent Director w.e.f 24th July 2019)  
 Mr. Rajeev Goenka (Independent Director)  
 Mr. Deba Prasad Roy (Independent Director upto 31st March, 2019)  
 Mr. Raj Narain Bhardwaj (Independent Director upto 31st March, 2019)

**(ii) Enterprises exercising significant influence over the Company**

Rohto Pharmaceutical Co., Ltd.  
 Mitsubishi Corporation (w.e.f. 26th September, 2019)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****(iii) Relatives of Key Management Personnel**

Mrs. Abha Mittal (Wife of Mr. Banwari Lal Mittal)  
 Mr. Narsingh Mittal (Brother of Mr. Banwari Lal Mittal)  
 Mr. Sajjan Kumar Sharma (Father of Mr. Ravi Kant Sharma)  
 Mrs. Bharati Sharma (Wife of Mr. Ravi Kant Sharma)  
 Mrs. Kanta Devi Sharma (Mother of Mr. Ravi Kant Sharma)  
 Mr. Arjun Mittal (Brother of Mr. Banwari Lal Mittal)  
 Mrs. Sushila Devi Khaitan (Sister of Mr. Banwari Lal Mittal)  
 Mrs. Gomti Devi Mittal (Mother of Mr. Banwari Lal Mittal)  
 Master Krishna Mittal (Son of Mr. Banwari Lal Mittal)  
 Mr. Rajiv Sharma (Brother of Mr. Ravi Kant Sharma)  
 Ms. Saloni Mittal (Daughter of Mr. Banwari Lal Mittal)  
 Ms. Vidhi Mittal (Daughter of Mr. Banwari Lal Mittal)

**(iv) Enterprises on which Key Management Personnel and / or their relative exercise significant influence**

Topview Enclaves LLP

**(b) Related party transactions during the year:**

Rs. in Lacs

Sl. No	Related Parties	Nature of Transactions	Transactions during the year ended 31 March, 2020	Transactions during the year ended 31 March, 2019	(Payable)/Receivable		
					March 31, 2020	March 31, 2019	April 01, 2018
Enterprise exercising significant influence over the Company							
1	Rohto Pharmaceutical Co., Ltd.	Proceeds from Issue of 0.005% Cumulative Convertible Preference Share Capital in Sastasundar Healthbuddy Limited, a subsidiary company.	-	36.00	-	-	-
		Proceeds from Securities Premium on 0.005% Cumulative Convertible Preference Share Capital in Sastasundar Healthbuddy Limited, a subsidiary company.	-	3,488.76	-	-	-
		Issue of Equity share by conversion of 0.005% Cumulative Convertible Preference Share Capital in Sastasundar Healthbuddy Limited, a subsidiary company.	112.65	-	-	-	-
		Proceeds from Securities Premium on conversion of 0.005% Cumulative Convertible Preference Share Capital into Equity Share in Sastasundar Healthbuddy Limited, a subsidiary company.	3,412.11	-	-	-	-
2	Rohto Pharma (India) Limited	Professional Fees	8.33	-	(7.20)	-	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

Sl. No	Related Parties	Nature of Transactions	Transactions during the year ended 31 March, 2020	Transactions during the year ended 31 March, 2019	(Payable)/Receivable		
					March 31, 2020	March 31, 2019	April 01, 2018
3	Mitsubishi Corporation	Proceeds from Issue of Equity Share Capital in Sastasundar Healthbuddy Limited, a subsidiary company.	304.13	-	-	-	-
		Proceeds from Securities Premium on issue of Equity Share Capital in Sastasundar Healthbuddy Limited, a subsidiary company.	9,695.87	-	-	-	-
4	Mitsubishi Corporation India Pvt Ltd	Professional Fees	8.39	-	(3.60)	-	-
<b>Enterprises on which Key Management Personnel and / or their relative exercise significant influence</b>							
5	Topview Enclaves LLP	Portfolio Management & Custody Fees	9.45	4.39	-	-	-
<b>Key Management Personnel</b>							
6	Mr. Banwari Lal Mittal	Director's Remuneration	81.00	74.04	(7.14)	(5.90)	(3.76)
		Sale of Services	0.14	-	-	-	-
7	Mr. Ravi Kant Sharma	Director's Remuneration	81.00	73.81	(7.14)	(2.72)	(2.61)
		Sale of Services	-	0.02	-	-	-

**(b) Related party transactions during the year:**

Sl. No	Related Parties	Nature of Transactions	Transactions during the year ended 31 March, 2020	Transactions during the year ended 31 March, 2019	(Payable)/Receivable		
					March 31, 2020	March 31, 2019	April 01, 2018
	Key Management Personnel						
8	Mr. Ramesh Kumar Sharma	Director's Remuneration	22.27	19.31	(2.22)	(2.04)	(1.27)
9	Mr. Naveen Vyas	Director's Remuneration	27.93	27.37	(2.32)	(1.54)	-
10	Mr. Mahesh Kumar Singhi	Director's Remuneration	16.20	14.94	(1.87)	(0.83)	(1.22)
11	Mr. Vinay Khaitan	Director's Remuneration	36.59	34.75	(3.64)	(2.27)	(3.78)
12	Mr. Nishi Kant Mehta	Director's Remuneration	14.12	13.24	(1.51)	(1.05)	(1.06)
13	Mr. Amitava Sarkar	Director's Remuneration	15.28	-	(1.08)	-	-
14	Dr. Bhaskar Bhattacharya	Director's Remuneration	5.35	-	(1.80)	-	-
15	Mr. Deepak Kumar Agarwal	Director's Remuneration	-	25.89	-	-	-
		Remuneration	11.95	1.51	-	(0.59)	-
16	Mr. Amrit Daga	Remuneration	-	22.90	-	-	(0.24)
		Sale of Services	-	0.02	-	-	-
17	Mr. Biplab Kumar Mani	Remuneration	19.24	18.08	(1.01)	(1.20)	(0.59)
		Sale of Services	0.03	-	-	-	-
18	Mr. Abhishek Singhi	Loan Given	7.00	-	-	-	-
		Repayment of Advance Given	1.36	0.30	10.64	4.90	5.20
		Interest Income	1.14	-	-	-	-
		Remuneration	21.69	16.47	(1.82)	(0.91)	(0.79)
19	Mrs. Manisha Sethia	Remuneration	7.43	-	(1.33)	-	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

Sl. No	Related Parties	Nature of Transactions	Transactions during the year ended 31 March, 2020	Transactions during the year ended 31 March, 2019	(Payable)/Receivable		
					March 31, 2020	March 31, 2019	April 01, 2018
20	Mr. Pratap Singh	Remuneration	7.86	7.53	(0.85)	(0.81)	(0.55)
21	Mr. Rahul Kumar Singh	Remuneration	5.69	5.38	(0.36)	(0.40)	-
22	Dr. Saibal Chandra Pal	Director's Sitting Fees	3.37	0.90	-	-	-
23	Mr. Parimal Kumar Chattaraj	Director's Sitting Fees	4.78	5.15	-	-	-
24	Mr. Bimal Kumar Patwari	Director's Sitting Fees	0.93	-	-	-	-
25	Mr. Rajeev Goenka	Director's Sitting Fees	0.98	1.64	-	-	-
26	Mr. Deba Prasad Roy	Director's Sitting Fees	-	7.09	-	-	-
27	Mr. Raj Narain Bhardwaj	Director's Sitting Fees	-	7.09	-	-	-
28	Others	Sale of Services	0.39	0.38	-	-	-

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables except as disclosed above. For the year ended March 31, 2020, the Company has recorded impairment of receivables relating to amounts owed by related parties and investment made in subsidiaries (March 31, 2020 : Rs 719.33 lakhs, March 31, 2019: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Refer Note 29 for details.

**37. Contingent liabilities, commitments and leasing arrangements****a. Lease****Company as a lessee**

The Company has entered into lease transactions for office and warehouse premises & Leasehold Land etc. Lease agreements of office and warehouse premises are for period from 1 to 9 years and leasehold land are for the period for 99 years. The warehouse premises are generally rented on cancellable terms and renewable at the option of the Company. The leasehold land is with escalation clause of 25%, after every 15 years.

Below are the carrying amounts of right-of-use assets recognised and the movements during the year: Rs. in Lacs

Particulars	Leasehold Land	Office premises & warehouse	Total
<b>As at April 01, 2018</b>	<b>2,151.65</b>	263.39	2,415.04
Additions (Refer Note 12)	-	32.37	32.37
Depreciation expense	<b>23.23</b>	13.98	37.21
<b>As at March 31, 2019</b>	<b>2,128.42</b>	<b>281.78</b>	<b>2,410.20</b>
Additions (Refer Note 12)	-	57.97	57.97
Depreciation expense	<b>23.23</b>	<b>17.00</b>	<b>40.23</b>
<b>As at March 31, 2020</b>	<b>2,105.19</b>	322.75	2,427.94

Below are the carrying amounts of lease liabilities and the movements during the year: Rs. in Lacs

Particulars	Leasehold Land		Office premises & warehouse	
	2019-20	2018-19	2019-20	2018-19
<b>As at April 01</b>	<b>224.70</b>	257.87	-	-
Additions	-	-	57.97	-
Accretion of interest	<b>24.72</b>	28.37	1.07	-
Payments	<b>21.26</b>	61.54	3.64	-
<b>As at March 31</b>	<b>228.16</b>	224.70	55.40	-
Non-current	<b>228.16</b>	<b>224.70</b>	55.40	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

The maturity analysis of lease liabilities are disclosed in Note 42.3.

The effective interest rate for lease liabilities is 11% - 11.20%, with maturity between 2022-2023.

The following are the amounts recognised in profit or loss:

Rs. in Lacs

Particulars	Leasehold Land		Office premises & warehouse	
	2019-20	2018-19	2019-20	2018-19
Depreciation expense of right-of-use assets	23.23	23.23	17.00	13.98
Interest expense on lease liabilities	24.72	28.37	1.07	-
Expense relating to short-term leases (included in other expenses)	-	-	119.19	-
<b>Total amount recognised in profit or loss</b>	<b>47.95</b>	<b>51.60</b>	<b>137.26</b>	<b>13.98</b>

The company had total cash outflows for leases of Rs 24.90 Lacs in March 31, 2020 ( Rs. 61.54 Lacs in March 31, 2019).

### b. Commitments

Rs. in Lacs

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
Estimated amount of contracts remaining to be executed on capital account.	31.14	222.38	68.07
	<b>31.14</b>	<b>222.38</b>	<b>68.07</b>

### c. Contingent Liabilities

Claims against the Company not acknowledged as debts:

Rs. in Lacs

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
Income Tax Demand under Appeal	82.95	37.89	82.86
Service Tax Demand under Appeal	65.91	71.34	71.34
Bank Guarantee issued by subsidiary companies outstanding in favour of West Bengal State Electricity Distribution Company Limited	34.71	34.71	55.70
West Bengal Value Added Tax, 2003	-	58.64	68.98
West Bengal Tax on Entry of Goods into Local Areas Act, 2012	0.89	0.89	0.89
<b>Total</b>	<b>184.46</b>	<b>203.48</b>	<b>279.78</b>

### 38. Segment reporting

The Company has identified the following as business segments :

#### (i) Business Segment

- Financial Services: consists mainly of financing of loans and investment in shares and securities, financial consultancy, professional fees, wealth management, financial planning, distribution and related services.
- Healthcare Network: includes activities for pathology and marketing of healthcare products through e-commerce portal [www.sastasundar.com](http://www.sastasundar.com), [www.retailershakti.com](http://www.retailershakti.com) and diagnostic services which consist of pathological/radiological investigations.
- Food Processing: includes Own Branded Foods Business.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

- (ii) **Geographical Segments:-** The Company operates in only one geographical segment i.e. 'Within India' and no separate information for geographical segment has been given.

Rs. in Lacs

Sr. No.	Particulars	As at	
		31.03.2020	31.03.2019
<b>1</b>	<b>Segment Revenue</b>		
(a)	Financial Services	136.02	415.82
(b)	Healthcare Network	38,223.31	21,329.56
(c)	Food Processing	184.38	228.27
	<b>Total</b>	<b>38,543.71</b>	<b>21,973.65</b>
	Less : Inter Segment Revenue	-	-
	<b>Income from Operations</b>	<b>38,543.71</b>	<b>21,973.65</b>
<b>2</b>	<b>Segment Results</b>		
	<b>Profit / (Loss) before Finance Costs and Tax</b>		
(a)	Financial Services	(167.50)	166.96
(b)	Healthcare Network	(4,425.28)	(3,403.41)
(c)	Food Processing	(1,050.25)	(495.64)
	<b>Total</b>	<b>(5,643.03)</b>	<b>(3,732.10)</b>
	Less:		
	Finance Costs	70.17	195.99
	Other unallocable expenditure net of unallocable income	43.67	247.03
	<b>Profit / (Loss) before tax</b>	<b>(5,756.87)</b>	<b>(4,175.12)</b>

Rs. in Lacs

Sr. No.	Particulars	Year ended		
		31.03.2020	31.03.2018	31.03.2019
<b>3</b>	<b>Segment Assets</b>			
(a)	Financial Services	4,780.41	4,685.64	7,318.88
(b)	Healthcare Network	18,547.93	12,220.93	10,897.23
(c)	Food Processing	934.94	838.28	358.92
(d)	Unallocated	7,287.76	5,304.75	5,194.89
	<b>Total</b>	<b>31,551.04</b>	<b>23,049.60</b>	<b>23,769.92</b>
<b>4</b>	<b>Segment Liabilities</b>			
(a)	Financial Services	271.54	84.90	85.54
(b)	Healthcare Network	4,647.03	1,603.94	1,375.76
(c)	Food Processing	1,099.33	414.31	16.23
(d)	Unallocated	911.20	907.60	1,987.33
	<b>Total</b>	<b>6,929.10</b>	<b>3,010.75</b>	<b>3,464.86</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

### 39. Fair value measurement

Set out below, is a comparison by class of the carrying amounts and fair value of the Company financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Rs. in Lacs

Particulars	Carrying Value as at			Fair Value as at		
	March 31, 2020	March 31, 2019	April 01, 2018	March 31, 2020	March 31, 2019	April 01, 2018
<b>(i) Financial Assets</b>						
<b>a) Measured at FTPL</b>						
Investment in Quoted Equity Shares	1,447.56	2,153.65	1,792.90	1,447.56	2,153.65	1,792.90
Investment in Unquoted mutual funds	1,829.20	1,437.87	2,841.80	1,829.20	1,437.87	2,841.80
<b>b) Measured at Amortized Cost</b>						
(a) Cash and cash equivalents	1,745.29	631.07	1,217.22	1,745.29	631.07	1,217.22
(b) Bank Balance other than (a) above	81.71	32.53	62.35	81.71	32.53	62.35
(c) Trade Receivables	1,496.49	787.67	393.04	1,496.49	787.67	393.04
(d) Loans	886.13	1,161.39	1,512.07	886.13	1,161.39	1,512.07
(e) Investments	2,300.09	0.09	0.09	2,300.09	0.09	0.09
(f) Other Financial Assets	666.27	414.20	4.87	666.27	414.20	4.87
<b>Total Financial assets</b>	<b>10,452.74</b>	<b>6,618.47</b>	<b>7,824.34</b>	<b>10,452.74</b>	<b>6,618.47</b>	<b>7,824.34</b>
<b>(ii) Financial Liabilities</b>						
<b>a) Measured at Amortized Cost</b>						
(a) Trade Payables	5,023.44	1,434.94	929.96	5,023.44	1,434.94	929.96
(b) Lease Liabilities	283.56	224.70	257.87	283.56	224.70	257.87
(c) Borrowings	501.13	-	1,203.13	501.13	-	1,203.13
(d) Other Financial Liabilities	816.00	616.30	474.37	816.00	616.30	474.37
<b>Total Financial liabilities</b>	<b>6,624.13</b>	<b>2,275.94</b>	<b>2,865.33</b>	<b>6,624.13</b>	<b>2,275.94</b>	<b>2,865.33</b>

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other financial liabilities and assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

#### 39.1. Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in Note 40.

### 40. Fair Value Hierarchy of assets and liabilities

I. The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2020 is as follows:

Rs. in Lacs

Particulars	Fair Value through Profit & Loss Accounts					
	Carrying Value	Fair Value	Level - 1	Level - 2	Level - 3	Total
Investment in Quoted Equity Shares	1,447.56	1,447.56	1,447.56	-	-	1,447.56
Investment in Unquoted mutual funds	1,829.20	1,829.20	1,829.20	-	-	1,829.20
<b>Total</b>	<b>3,276.76</b>	<b>3,276.76</b>	<b>3,276.76</b>	<b>-</b>	<b>-</b>	<b>3,276.76</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

II. The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2019 is as follows:

Rs. in Lacs

Particulars	Fair Value through Profit & Loss Accounts					
	Carrying Value	Fair Value	Level - 1	Level - 2	Level - 3	Total
Investment in Quoted Equity Shares	2,153.65	2,153.65	2,153.65	-	-	2,153.65
Investment in Unquoted mutual funds	1,437.87	1,437.87	1,437.87	-	-	1,437.87
<b>Total</b>	<b>3,591.52</b>	<b>3,591.52</b>	<b>3,591.52</b>	-	-	<b>3,591.52</b>

III. The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2018 is as follows:

Rs. in Lacs

Particulars	Fair Value through Profit & Loss Accounts					
	Carrying Value	Fair Value	Level - 1	Level - 2	Level - 3	Total
Investment in Quoted Equity Shares	1,792.90	1,792.90	1,792.90	-	-	1,792.90
Investment in unquoted Mutual Fund	2,841.80	2,841.80	2,841.00	-	-	2,841.80
<b>Total</b>	<b>4,634.70</b>	<b>4,634.70</b>	<b>4,634.70</b>	-	-	<b>4,634.70</b>

#### 41. Financial risk management objectives and policies

The Company's financial liabilities comprise loans and borrowing and other payables. The main purpose of these financial liabilities is to finance the Company's operation. The Company's financial assets include loans, trade & other receivables and cash & cash equivalents. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management has the overall responsibility for establishing and governing the Company's financial risk management framework and developing and monitoring the Company's financial risk management policies. The Company's financial risk management policies are established to identify and analyze the risks faced by the Company, to set and monitor appropriate controls.

##### 41.1. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three type of risk i.e. currency risk, interest rate risk and other price risk such as commodity price risk and equity price risk. Financial instruments affected by market risk include trade payable, trade receivables, borrowings etc. Currency risk is not applicable to the Company it is not involved in substantial foreign currency transactions.

##### 41.1.1 Interest rate risk

The Company has taken debt to finance its working capital, which exposes it to interest rate risk. Borrowings issued at variable rates expose the Company to interest rate risk.

##### Interest rate risk exposure:

Rs. in Lacs

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
Variable rate borrowing	501.13	-	1,203.13
Fixed rate borrowing	-	-	-
<b>Total</b>	<b>501.13</b>	-	<b>1,203.13</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****Interest rate sensitivity:**

Profit or loss and equity is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Rs. in Lacs

	March 31, 2020	March 31, 2019	April 01, 2018
	Effect on Statement of profit & loss - (Loss)/Profit		
Interest Rates increase by 50 basis points	(1.86)	-	(12.85)
Interest Rates decrease by 50 basis points	1.86	-	12.85

**41.1.2. Price Risk**

The Company's mutual funds and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total instruments. Reports on the portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all investment decisions.

**41.2. Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, bank balances, loans, investments and other financial assets. At each reporting date, the Company measures loss allowance for certain class of financial assets based on historical trend, industry practices and the business environment in which the Company operates. Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Credit risk arising from investments, financial instruments and balances with banks is limited because the counterparties are banks and recognised financial institutions with high credit worthiness.

The ageing analysis of trade receivables considered from the date of invoice as follows:

Rs. in Lacs

Financial Year Ended as on	Less than year	More than year	Total
March 31, 2020	1,464.27	32.22	1,496.49
March 31, 2019	773.51	14.16	787.67
April 01, 2018	391.23	1.81	393.04

**Reconciliation of Loss Allowance**

Rs. in Lacs

Particulars	Trade Receivables
<b>As at April 1, 2018</b>	-
Add : Allowance for Credit Loss	-
<b>As at March 31, 2019</b>	-
Add : Allowance for Credit Loss *	34.89
<b>As at March 31, 2020</b>	34.89

**41.3. Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****Maturities of Financial Liabilities :**

The table below analyzes the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities :

**As at March 31, 2020**

Rs. in Lacs

Particulars	Within 12 months	After 12 months	Total
<b>Financial Liabilities</b>			
Trade Payables	5,023.44	-	5,023.44
Lease Liabilities	-	283.56	283.56
Borrowings	501.13	-	501.13
Other Financial Liabilities	816.00	-	816.00

**As at March 31, 2019**

Rs. in Lacs

Particulars	Within 12 months	After 12 months	Total
<b>Financial Liabilities</b>			
Trade Payables	1,105.14	329.80	1,434.94
Lease Liabilities	-	224.70	224.70
Borrowings	-	-	-
Other Financial Liabilities	616.30	-	616.30

**As at March 31, 2018**

Rs. in Lacs

Particulars	Within 12 months	After 12 months	Total
<b>Financial Liabilities</b>			
Trade Payables	929.96	-	929.96
Lease Liabilities	-	257.87	257.87
Borrowings	1,203.13	-	1,203.13
Other Financial Liabilities	474.37	-	474.37

**42. Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, security premium and all other equity reserves attributable to the equity holders of the Company.

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds. The Company monitors capital on the basis of the net debt to equity ratio. Net debts are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents). Equity comprises share capital and free reserves (total reserves excluding OCI). The following table summarizes the capital of the Company:

Rs. in Lacs

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
Borrowings	501.13	-	1,203.13
Less : Cash & cash equivalents	1,745.29	631.07	1,217.22
Net debt	(1,244.16)	(631.07)	(14.09)
Equity	20,541.03	13,756.10	17,511.80
Equity and Net debts	19,296.87	13,125.03	17,497.71
<b>Gearing ratio</b>	0.03	-	0.07

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

### 43. Exceptional item :

The Company has sold its property for Rs. 65 Lakhs and Profit amounting to Rs. 28.58 Lakhs has been recognised as an exceptional item in these results.

### 44. Disclosure for Going Concern in Subsidiary Company :

The Happymate Foods Limited (HFL), subsidiary of the company had started its operation in fast moving consumer goods in 2018 with an aim to reach the consumer with a premium brand. During the year under consideration, the HFL had taken various steps to build distribution channel & offline stores, which did not turn out as expected and huge losses had been incurred. Presently the company has plans of restructuring its business strategy by re-organising its product lines and distribution channels. Further, the HFL has been assured by its parent company Sastasundar Healthbuddy Ltd (SHL), subsidiary of the company, of providing the necessary funds to implement the new plans and strategy to revive the business.

45. The Sastasundar Marketplace Limited (SMPL), subsidiary of the company being a start-up and in the e-commerce business having long gestation period will take time to be profitable as the recurring technology cost is high and profits will start flowing as the volume increases. The SMPL expects to incur losses for next few years which would be adequately funded by its parent company Sastasundar Healthbuddy Ltd (SHL), subsidiary of the company as per commitment.

46. Minimum Alternate Tax (MAT) credit entitlement of Rs. 572.65 Lacs (March, 31 2019: Rs. 548.87 Lacs, April 01, 2018: Rs. 338.65 Lacs) although available as tax credit for set off in future years as per Income Tax Act, 1961, has not been accounted for in view of accounting policy specified in Note 3.1 herein.

### 47. Share Warrants

On 16th July, 2018, the Happymate Foods Limited (HFL), subsidiary of the company the Bennett Coleman and Company Limited (BCCL) and the Sastasundar Healthbuddy Limited, subsidiary of the company has executed a Share Cum Warrant Subscription Agreement ("the Warrant Agreement"). In terms of the Warrant Agreement, HFL had issued 100 equity shares of Rs. 10 each and five warrants at a subscription price of Rs 100 Lacs each to BCCL. The Face Value of the warrant is Rs. 100 Lacs. The BCCL shall have the right to subscribe equity shares of HFL within the period as mentioned in Article 2.3.4 of the Warrant Agreement. The conversion price of the Warrant shall be in accordance with as mentioned in Article 2.3 of the Warrant Agreement. HFL has also entered into an Advertisement Agreement with Bennett Coleman and Company Limited for long term credit facility for release of advertisement for an amount Rs. 500 Lacs over a period of five years.

48. In the current year, Sastasundar Healthbuddy Limited ("SHL"), subsidiary of the company has converted 72,000 (Seventy Two Thousand) Cumulative Compulsory Convertible Preference Shares into 22,52,962 no. of Equity shares (The Company and Rohto Pharmaceuticals Co., Ltd (ROHTO) each of which subscribed to 11,26,481 no. of Equity shares of face value of Rs. 10/ share which constitute 3.76% of the share capital of SHL on preferential allotment and private placement basis.

In the previous year SHL has executed a Share Subscription Agreement (SSA) on 22nd May, 2017 with ROHTO, a company incorporated in Japan. As per the said SSA, Rohto has acquired 24,35,583 (Nominal value Rs. 10 per share and Security Premium Rs. 122.10 per share) aggregating USD 5 million (Rs. 32.17 crores) which constitute 13.23% of the share capital of SHL on preferential allotment and private placement basis.

In the Previous year, SHL and ROHTO have executed a share subscription agreement (The Agreement) on 28th January, 2019. Pursuant to the Agreement the Company and Rohto has subscribed aggregate of 72,000 (Seventy Two Thousand) Cumulative Compulsory Convertible Preference Shares ("CCPS") [each of which has subscribed to 36,000 (Thirty Six Thousand) CCPS] of face value of Rs. 100 per share including Security Premium Rs. 9,691 per share aggregating to USD 10 million (Rs. 70.50 crores) which constitute 3.76% of the share capital of SHL on preferential allotment and private placement basis.

49. SHL has executed a Share Subscription Agreement (SSA) on 26th August, 2019 with Mitsubishi Corporation (Japan) (Mitsubishi), a company incorporated in Japan. As per the said SSA, Mitsubishi has acquired 30,41,300 (Nominal value Rs. 10 per share and Security Premium Rs. 318.81 per share) aggregating Rs. 100.00 crores which constitute 12.83% of the share capital of SHL on preferential allotment and private placement basis.

50. The Urban Improvement Trust (UIT), Rajasthan has allotted Bharatiya Sanskriti Village Private Limited (BSVPL), subsidiary of the Company, a plot at Resort No. 3 at Tiger Hill, Udaipur for set up resort. As per the lease deed dated 27th July, 2012 executed between UIT and BSVPL, the BSVPL shall within a period of 3 years from 18th April 2012 and after obtaining sanction to the building plan, construct at its own expenses on the Resort plot and complete in a substantial and workman like manner resort building for private dwelling in accordance with the sanction plan and obtain the completion certificate from the UIT. BSVPL vide its letter dated January 23, 2013 and April 26, 2016 has requested the UIT to provide the basic facilities such as availability of water, sewerage, electricity and roads for setup of resort. On the basis of reply received from UIT and considering the current market condition, the BSVPL is studying the feasibility of various mean to plan its future

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

course of action. As per the notification no. F.3(50) UDH/3/2012 dated 31.3.2012 issued by the Government of Rajasthan, "Urban assessment" means annual charges recoverable from the lessee or sub-lessee for the grant of lease hold rights. As per the agreement, the urban assessment is payable before the start of the financial year. The BSVPL has not paid the Urban Assessment for the FY 2017-18, FY 2018-19 and FY 2019-20. As per the lease deed executed with the Urban Improvement Trust dated 27th July, 2012, all the arrears of Urban assessment and other payments which become due in respect of the Resort Plot shall be recoverable in the same manner as arrears of land revenue.

51. The Urban Improvement Trust (UIT), Rajasthan has allotted Ruchika Advisory Services LLP (Ruchika), subsidiary of the Company, plot at Resort No. 4 at Tiger Hill, Udaipur for set up resort. As per the lease deed dated 27th July, 2012 executed between UIT and Ruchika, the Ruchika shall within a period of 3 years from 30th June, 2011 and after obtaining sanction to the building plan, construct at its own expenses on the Resort plot and complete in a substantial and workman like manner resort building for private dwelling in accordance with the sanction plan and obtain the completion certificate from the UIT. Ruchika vide its letter dated January 23, 2013 and April, 26, 2016 has requested the UIT to provide the basic facilities such as availability of water, sewerage, electricity and roads for setup of resort. On the basis of reply received from UIT and considering the current market condition, the Ruchika is studying the feasibility of various mean to plan its future course of action. As per the notification no. F.3(50) UDH/3/2012 dated 31.3.2012 issued by the Government of Rajasthan, "Urban assessment" means annual charges recoverable from the lessee or sub-lessee for the grant of lease hold rights. As per the agreement, the urban assessment is payable before the start of the financial year. The Ruchika has not paid the Urban Assessment for the FY 2017-18, FY 2018-19 and FY 2019-20. As per the lease deed executed with the Urban Improvement Trust, all the arrears of Urban assessment and other payments which become due in respect of the Resort Plot shall be recoverable in the same manner as arrears of land revenue.

**52. Deferred Tax Assets (Net)**

Rs. in Lacs

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
<b>Deferred Tax Liabilities:</b>			
Tax impact arising on temporary differences in depreciable assets	107.62	122.54	200.38
<b>Deferred Tax Assets:</b>			
Tax Impact on Expense Allowable in Future Years	91.17	88.42	222.32
Tax Impact on Brought Forward Business Losses/ unabsorbed depreciation to the extent of deferred tax liabilities on taxable temporary differences available (net)	16.45	34.12	(21.94)
<b>Net Deferred Tax Assets</b>	-	-	-

\* Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. In the absence of reasonable certainty of future taxable profits, supported by convincing evidence, the net deferred tax assets have not been recognised in these financial results.

Unused tax losses for which no deferred tax asset is recognized amount to Rs. 11,961.61 lacs as at March 31, 2020 and Rs. 7,966.11 lacs as at March 31, 2019.

53. Based on initial assessment, the Management does not expect any significant medium to long-term impact on the business of the Company due to the COVID-19 pandemic. The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, inventory and receivables basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to the above, and the Company's liquidity position, there is no material uncertainty in meeting the financial obligations over the foreseeable future.

54. Additional information in respect of net assets and profit / loss of each entity within the Group and their proportionate share of the totals.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

(Rs. in Lakhs)

Name of the Entity	As at 31.03.2020		2019-20		2019-20	
	Net assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
<b>Parent</b>						
Sastasundar Ventures Limited	24.99%	6,154.03	9.76%	508.76	9.71%	508.58
<b>Indian Subsidiaries</b>						
Sastasundar Healthbuddy Limited	39.36%	9,690.20	-46.98%	(2,449.21)	-47.18%	(2,470.71)
Innogrow Technologies Limited	7.60%	1,870.92	-2.83%	(147.55)	-2.82%	(147.45)
Microsec Resources Private Limited	6.93%	1,707.07	-0.65%	(33.89)	-0.62%	(32.60)
Sastasundar Marketplace Limited	3.50%	862.62	-32.26%	(1,681.85)	-32.20%	(1,686.15)
Genu Path Labs Limited	1.49%	367.05	-7.46%	(388.90)	-7.44%	(389.67)
Microsec Wealth Management Limited	2.91%	715.78	-1.91%	(99.67)	-1.91%	(99.90)
Retailer Shakti Supply Chain Private Limited	3.04%	748.05	0.97%	50.34	0.95%	49.66
Myjoy Technologies Private Limited	1.15%	282.84	-0.43%	(22.57)	-0.43%	(22.57)
BharatiyaSanskriti Village Private Limited	2.08%	511.74	-0.39%	(20.28)	-0.39%	(20.28)
Happy Mate Foods Limited	-1.30%	(321.08)	-17.18%	(895.84)	-17.06%	(893.34)
Microsec Invictus Advisors LLP	4.08%	1,003.48	0.23%	11.82	0.23%	11.82
Alokik Advisory Services LLP	0.55%	134.99	-0.01%	(0.34)	-0.01%	(0.34)
Dreamscape Advisors LLP	0.31%	75.17	-0.11%	(5.83)	-0.11%	(5.83)
Ruchika Advisory Services LLP	3.19%	785.77	-0.66%	(34.54)	-0.66%	(34.54)
Stuti Advisory Services LLP	0.13%	32.91	-0.06%	(2.89)	-0.06%	(2.89)
Innogrow Partners LLP (w.e.f, 23rd May, 2018)	0.00%	0.40	-0.01%	(0.69)	-0.01%	(0.69)
<b>Total</b>	100.00%	24,621.94	100.00%	(5,213.13)	100.00%	(5,236.90)
Minority Interests in a subsidiary		3,609.56		(1,333.69)		(1,333.69)
<b>Parent</b>						
Name of the Entity	As at 31.03.2019		2018-19		2018-19	
	Net assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Sastasundar Ventures Limited	30.64%	6,140.65	-2.75%	(118.02)	-2.81%	(120.68)
<b>Indian Subsidiaries</b>						
Sastasundar Healthbuddy Limited	29.05%	5,822.24	-43.27%	(1,854.61)	-43.22%	(1,854.60)
Innogrow Technologies Limited	8.48%	1,699.36	-4.51%	(193.36)	-4.60%	(197.33)
Microsec Resources Private Limited	6.22%	1,247.03	1.67%	71.55	1.67%	71.61
Sastasundar Marketplace Limited	0.56%	111.69	-33.25%	(1,425.27)	-33.18%	(1,423.82)
Genu Path Labs Limited	1.61%	321.79	-7.72%	(330.96)	-7.70%	(330.61)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

Rs. in Lacs

Name of the Entity	As at 31.03.2019		2018-19		2018-19	
	Net assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Microsec Wealth Management Limited	2.79%	559.49	-1.20%	(51.41)	-1.19%	(50.91)
Retailer Shakti Supply Chain Private Limited	1.72%	344.13	0.10%	4.26	0.10%	4.19
Myjoy Technologies Private Limited	1.47%	294.82	-0.52%	(22.48)	-0.52%	(22.48)
BharatiyaSanskriti Village Private Limited	2.65%	531.82	-0.82%	(35.26)	-0.82%	(35.26)
Happy Mate Foods Limited	2.56%	512.64	-9.76%	(418.18)	-9.76%	(418.73)
Microsec Invictus Advisors LLP	6.91%	1,384.65	3.83%	164.31	3.83%	164.31
Alokik Advisory Services LLP	0.67%	134.98	0.00%	(0.05)	0.00%	(0.05)
Dreamscape Advisors LLP	0.39%	77.15	-0.26%	(11.11)	-0.26%	(11.11)
Ruchika Advisory Services LLP	4.09%	820.21	-1.45%	(62.08)	-1.45%	(62.08)
Stuti Advisory Services LLP	0.17%	34.79	-0.07%	(3.14)	-0.07%	(3.14)
Innogrow Partners LLP (w.e.f, 23rd May, 2018)	0.01%	1.41	-0.01%	(0.29)	-0.01%	(0.29)
<b>Total</b>	100.00%	20,038.85	100.00%	(4,286.10)	100.00%	(4,290.98)
Minority Interests in a subsidiary		5,787.63		(530.40)		(530.40)

Name of the Entity	As at 01.04.2018	
	Net assets i.e. total assets minus total liabilities	
	As % of consolidated net assets	Amount
<b>Parent</b>		
Sastasundar Ventures Limited	42.04%	8,536.86
<b>Indian Subsidiaries</b>		
Sastasundar Healthbuddy Limited	18.71%	3,799.95
Innogrow Technologies Limited	9.44%	1,917.79
Microsec Resources Private Limited	7.81%	1,585.38
Sastasundar Marketplace Limited	0.54%	108.65
Genu Path Labs Limited	1.42%	288.48
Microsec Wealth Management Limited	2.86%	581.42
Retailer Shakti Supply Chain Private Limited	0.10%	19.87
Myjoy Technologies Private Limited	1.41%	286.70
BharatiyaSanskriti Village Private Limited	2.79%	567.12
Microsec Invictus Advisors LLP	7.28%	1,477.41
Alokik Advisory Services LLP	0.66%	134.88
Dreamscape Advisors LLP	0.40%	81.99
Ruchika Advisory Services LLP	4.34%	882.04

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020**

Name of the Entity	As at 01.04.2018	
	Net assets i.e. total assets minus total liabilities	
	As % of consolidated net assets	Amount
Stuti Advisory Services LLP	0.18%	36.52
<b>Total</b>	<b>100.00%</b>	<b>20,305.06</b>
Minority Interests in a subsidiary		2,793.26

**55. First-time adoption of Ind AS**

These financial statements, for the year ended March 31, 2020, are the first annual Ind AS financial statements, the Company has prepared in accordance with Ind AS, with date of transition being April 01, 2018. For periods up to and including the year ended March 31, 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2020, together with the comparative period data as at and for the year ended March 31, 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 April 01, 2018, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2018 and the previously published Indian GAAP financial statements as at and for the year ended March 31, 2019.

**Exemptions applied**

Ind AS 101 "First-time Adoption of Indian Accounting Standards" allows first-time adopter certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

**Ind AS optional exemptions****1) Deemed cost**

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its Property, plant and equipment and intangible assets 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 as at the date of transition.

Accordingly, since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its Property, plant and equipment and intangible assets, as recognised in its Indian GAAP financials, as deemed cost at the transition date.

- 2) The Company has elected to measure investment in equity instruments of subsidiaries at deemed cost, which is the previously applicable Indian GAAP carrying amount, as on the date of transition.

**Ind AS mandatory exceptions****1) Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP, unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2018 are consistent with the estimates as at the same date made in the conformity with previous GAAP. The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2018, the date of transition to Ind AS and as of March 31, 2019.

**2) Classification and measurement of financial assets**

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

**3) Reconciliations between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS:

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****RECONCILIATION OF BALANCE SHEET AS AT APRIL 01, 2018**

				Rs. In Lacs
Particulars	Foot note	Indian GAAP	Adjustments	Ind-AS
<b>ASSETS</b>				
<b>1. Financial Assets</b>				
(a) Cash and cash equivalents		1,217.22	-	<b>1,217.22</b>
(b) Bank Balance other than (a) above		62.35	-	<b>62.35</b>
(c) Trade Receivables		393.04	-	<b>393.04</b>
(d) Loans	1	1,512.07	-	<b>1,512.07</b>
(e) Investments		4,582.40	52.39	<b>4,634.79</b>
(f) Other Financial Assets		4.87	-	<b>4.87</b>
		7,771.95	52.39	<b>7,824.34</b>
<b>2. Non- Financial Assets</b>				
(a) Inventories		2,804.84	-	<b>2,804.84</b>
(b) Tax Assets		263.53	-	<b>263.53</b>
(c) Property, Plant and Equipment	3	6,305.96	169.20	<b>6,475.16</b>
(d) Goodwill on Consolidation		5,273.34	-	<b>5,273.34</b>
(e) Intangible Assets		144.22	-	<b>144.22</b>
(f) Capital Work in progress		116.03	-	<b>116.03</b>
(g) Other Non- Financial Assets		868.46	-	<b>868.46</b>
		15,776.38	169.20	<b>15,945.58</b>
<b>TOTAL ASSETS</b>		<b>23,548.33</b>	<b>221.59</b>	<b>23,769.92</b>
<b>EQUITY AND LIABILITIES</b>				
<b>1. Financial Liabilities</b>				
(a) Trade Payables				
Total outstanding dues of Micro Enterprises and Small Enterprises		12.72	-	<b>12.72</b>
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		917.24	-	<b>917.24</b>
(b) Lease Liabilities	3	-	257.87	<b>257.87</b>
(c) Borrowings		1,203.13	-	<b>1,203.13</b>
(d) Other Financial Liabilities		474.37	-	<b>474.37</b>
	<b>(A)</b>	<b>2,607.46</b>	<b>257.87</b>	<b>2,865.33</b>
<b>2. Non- Financial Liabilities</b>				
(a) Provisions		55.37	-	<b>55.37</b>
(b) Tax Liabilities		10.32	-	<b>10.32</b>
(c) Deferred Tax Liabilities	5	472.38	(2.76)	<b>469.62</b>
(d) Other Non- financial Liabilities	2	65.84	(1.62)	<b>64.22</b>
	<b>(B)</b>	<b>603.91</b>	<b>(4.38)</b>	<b>599.53</b>
<b>TOTAL LIABILITIES</b>	<b>(A+B)</b>	<b>3,211.37</b>	<b>253.49</b>	<b>3,464.86</b>
<b>3. Equity</b>				
(a) Equity Share Capital		3,181.05		<b>3,181.05</b>
(b) Other Equity	8	14,362.87	(32.12)	<b>14,330.75</b>
<b>Equity attributable to the owners of the parent</b>		<b>17,543.92</b>	<b>(32.12)</b>	<b>17,511.80</b>
(c) Non-Controlling Interest		2,793.04	0.22	<b>2,793.26</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>23,548.33</b>	<b>221.59</b>	<b>23,769.92</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****RECONCILIATION OF BALANCE SHEET AS AT MARCH 31, 2019**

				Rs. In Lacs
Particulars	Foot note	Indian GAAP	Adjustments	Ind-AS
<b>ASSETS</b>				
<b>1. Financial Assets</b>				
(a) Cash and cash equivalents		631.07	-	<b>631.07</b>
(b) Bank Balance other than (a) above		32.53	-	<b>32.53</b>
(c) Trade Receivables		787.67	-	<b>787.67</b>
(d) Loans		1,161.39	-	<b>1,161.39</b>
(e) Investments	1	3,451.16	140.45	<b>3,591.61</b>
(f) Other Financial Assets	4	422.45	(8.25)	<b>414.20</b>
		6,486.27	132.20	<b>6,618.47</b>
<b>2. Non- Financial Assets</b>				
(a) Inventories		3,258.52	-	<b>3,258.52</b>
(b) Tax Assets		271.19	-	<b>271.19</b>
(c) Property, Plant and Equipment	3	6,140.50	130.11	<b>6,270.61</b>
(d) Goodwill on Consolidation		5,273.34	-	<b>5,273.34</b>
(e) Intangible Assets		96.28	-	<b>96.28</b>
(f) Capital Work in progress		76.17	-	<b>76.17</b>
(g) Other Non- Financial Assets		1,185.02	-	<b>1,185.02</b>
		16,301.02	130.11	<b>16,431.13</b>
<b>TOTAL ASSETS</b>		<b>22,787.29</b>	<b>262.31</b>	<b>23,049.60</b>
<b>EQUITY AND LIABILITIES</b>				
<b>1. Financial Liabilities</b>				
(a) Trade Payables				
Total outstanding dues of Micro Enterprises and Small Enterprises		78.37	-	<b>78.37</b>
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2	1,373.31	(16.74)	<b>1,356.57</b>
(b) Lease Liabilities	3	-	224.70	<b>224.70</b>
(c) Other Financial Liabilities		616.30	-	<b>616.30</b>
	<b>(A)</b>	<b>2,067.98</b>	<b>207.96</b>	<b>2,275.94</b>
<b>2. Non- Financial Liabilities</b>				
(a) Provisions		87.65	-	<b>87.65</b>
(b) Tax Liabilities		1.47	-	<b>1.47</b>
(c) Deferred Tax Liabilities	5	544.09	8.66	<b>552.75</b>
(d) Other Non- financial Liabilities		92.94	-	<b>92.94</b>
	<b>(B)</b>	<b>726.15</b>	<b>8.66</b>	<b>734.81</b>
<b>TOTAL LIABILITIES</b>	<b>(A+B)</b>	<b>2,794.13</b>	<b>216.62</b>	<b>3,010.75</b>
<b>3. Equity</b>				
(a) Equity Share Capital		3,181.05	-	<b>3,181.05</b>
(b) Other Equity	8	11,027.11	43.06	<b>11,070.17</b>
<b>Equity attributable to the owners of the parent</b>		<b>14,208.16</b>	<b>43.06</b>	<b>14,251.22</b>
(c) Non-Controlling Interest	9	5,785.00	2.63	<b>5,787.63</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>22,787.29</b>	<b>262.31</b>	<b>23,049.60</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****RECONCILIATION OF PROFIT OR LOSS FOR THE YEAR ENDED MARCH 31, 2019**

				Rs. In Lacs
Particulars	Foot note	Indian GAAP	Adjustments	Ind-AS
<b>INCOME</b>				
I. Revenue from operations	1	21,853.40	120.25	<b>21,973.65</b>
II. Other income	1,4,6	241.15	1.81	<b>242.96</b>
<b>III. Total Revenue (I + II)</b>		<b>22,094.55</b>	<b>122.06</b>	<b>22,216.61</b>
<b>IV. EXPENSES:</b>				
Finance Costs	3	167.62	28.37	<b>195.99</b>
Cost of Materials Consumed		230.13	-	<b>230.13</b>
Purchases of stock-in-trade		20,157.28	-	<b>20,157.28</b>
Changes in inventories of finished goods, work-in-progress and stock-in-trade		(438.07)	-	<b>(438.07)</b>
Employee Benefits Expense	6	2,339.31	(3.77)	<b>2,335.54</b>
Depreciation and Amortisation Expenses	3	598.44	(1.21)	<b>597.23</b>
Other Expenses		3,308.84	4.79	<b>3,313.63</b>
		26,363.55	28.18	<b>26,391.73</b>
<b>V. (LOSS) BEFORE EXCEPTIONAL ITEM AND TAX (III - IV)</b>		<b>(4,269.00)</b>	<b>93.88</b>	<b>(4,175.12)</b>
VI. Exceptional Items [Refer Note 43]		-	-	-
<b>VII. (LOSS) BEFORE TAX (V + VI)</b>		<b>(4,269.00)</b>	<b>93.88</b>	<b>(4,175.12)</b>
<b>VIII. Tax Expenses:</b>				
(a) Current tax		28.13	-	<b>28.13</b>
(b) Deferred tax	5	71.72	11.40	<b>83.12</b>
(c) Short/(excess) Provision for Tax relating to earlier year		(0.27)	-	<b>(0.27)</b>
<b>IX. (LOSS) FOR THE YEAR AFTER TAX (VII + VIII)</b>		<b>(4,368.58)</b>	<b>82.48</b>	<b>(4,286.10)</b>
<b>X. OTHER COMPREHENSIVE INCOME</b>				
<b>(i) Items that will be not reclassified subsequently to profit or loss (net of tax)</b>				
Re-Measurement gains/(losses) on defined benefit obligations	6	-	(4.86)	<b>(4.86)</b>
Tax Impact on above	5	-	0.02	<b>0.02</b>
<b>(ii) Items that will be reclassified subsequently to profit or loss (net of tax)</b>		-	-	-
		-	(4.88)	<b>(4.88)</b>
<b>XI. TOTAL COMPREHENSIVE INCOME (IX + X)</b>		<b>(4,368.58)</b>	<b>77.60</b>	<b>(4,290.98)</b>
<b>XII. LOSS FOR THE YEAR ATTRIBUTABLE TO</b>				
(i) Owner of the company		(3,835.77)	80.07	<b>(3,755.70)</b>
(ii) Non-Controlling Interests		(532.81)	2.41	<b>(530.40)</b>
<b>XIII. TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO</b>				
(i) Owner of the company		(3,835.77)	75.19	<b>(3,760.58)</b>
(ii) Non-Controlling Interests		(532.81)	2.41	<b>(530.40)</b>
<b>XIV. EARNING PER SHARE :</b>				
Basic (Nominal Value per Share Rs. 10)		(12.06)	-	<b>(11.81)</b>
Diluted (Nominal Value per Share Rs. 10)		(12.06)	-	<b>(11.81)</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****RECONCILIATION OF OTHER EQUITY AS ON MARCH 31, 2019 AND APRIL 01, 2018**

Rs. In Lacs

Particulars	As at March 31, 2019	As at April 1, 2018	Profit Reco for the year ended March 31, 2019
Balance of Other Equity under IGAAP	11,027.11	14,362.87	(4,368.58)
<b>Add: Ind AS Adjustments</b>			
(a) Impact of measuring Investments at FVTPL	140.45	52.39	74.25
(b) Impact of Fair Valuation of Security Deposits	(8.25)	-	(8.25)
(c) Reversal of Lease Equalisation Reserve	16.74	1.62	15.12
(d) Other Adjustments	(94.59)	(88.67)	(1.09)
(e) Deferred Tax Impact on the above	(8.66)	2.76	2.45
(f) Adjustments in Share of profits relating to Non- Controlling Interests	(2.63)	(0.22)	-
<b>Balance of Other Equity under Ind AS</b>	<b>11,070.17</b>	<b>14,330.75</b>	<b>(4,286.10)</b>

The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Footnotes to the reconciliation of Other equity as at April 1, 2018 and March 31, 2019 and profit or loss for the year ended March 31, 2019:

**1. Fair valuation of Investments**

Under Indian GAAP, the Company including group subsidiaries have accounted for Investments in Quoted Bonds, Equity Shares and unquoted mutual funds as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has recognised the investments as FVTPL and accordingly gain/(loss) on fair valuation has been recognised in Statement on profit & loss.

**2. Reversal of rent equalisation reserve**

Sastasundar Healthbuddy Limited, a group subsidiary has adopted Ind AS 116, which does not specify straightlining of lease rentals. Hence, straight lining reserve created under previous GAAP is not required and the same is been reversed as at April 01, 2018 and March 31, 2019. There is a corresponding impact of Rs. 15.12 lakhs in the statement of profit and loss for the year ended March 31, 2019.

**3. Application of IND AS 116**

Bharatiya Sanskriti Village Private Limited and Ruchika Advisory Services LLP, a group subsidiary have adopted Ind AS 116 retrospectively, with the cumulative effect of initially applying the standard recognised as an adjustment to the opening balance of retained earnings at the date of initial application i.e., April 01, 2018. The Standard requires lessees to recognize a 'right of use asset' (ROU) and a corresponding 'lease liability' for all leases. Lease costs are to be recognised in the income statement over the lease term in the form of depreciation on the ROU asset and finance charges representing the unwinding of the discount on the lease liability.

Accordingly, Bharatiya Sanskriti Village Private Limited has recognised lease liability of Rs. 94.74 Lacs , ROU of Rs. 626.48 Lacs and adjustment to retained earning amounting to Rs. 29.96 Lacs and Ruchika Advisory Services LLP has recognised as lease liability of Rs. 163.13 Lacs , ROU of Rs. 1,060.46 Lacs and adjustment to retained earning amounting to Rs. 58.72 Lacs as on April 10, 2018 (date of transition to Ind AS). On Consolidation basis, the Company has recognised lease liability of Rs. 257.87 Lacs, ROU of Rs. 1,686.94 Lacs and adjustment to retained earning amounting to Rs. 88.68 Lacs as on April 10, 2018 (date of transition to Ind AS).

Correspondingly during the year ended March 31, 2019, there is interest unwinding of Rs. 10.42 Lacs and depreciation of ROU asset of Rs. 6.73 Lacs in Bharatiya Sanskriti Village Private Limited and in Ruchika Advisory Services LLP, there is interest unwinding of Rs. 17.94 Lacs and depreciation of ROU asset of Rs. 11.50 Lacs. As at March 31, 2019, the balance of Lease liability was Rs. 82.54 Lacs and ROU asset was Rs. 619.75 Lacs in Bharatiya Sanskriti Village Private Limited and the balance of Lease liability was Rs. 142.15 Lacs and ROU asset was Rs. 1,048.96 Lacs in Ruchika Advisory Services LLP. On Consolidation basis, there is interest unwinding of Rs. 28.36 Lacs and depreciation of ROU asset of Rs. 18.23 Lacs and as at March 31, 2019, the balance of Lease liability was Rs. 224.70 Lacs and ROU asset was Rs. 1,668.71 Lacs.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020****4. Fair Valuation of Security Deposits**

Under the previous GAAP, interest free security deposit given was recorded at transactional value. On transition to Ind AS, these deposits are measured at amortised cost using the effective interest method. The difference between the transaction value of the deposit and amortised cost is regarded as prepaid expense and recognised as “other expenses” uniformly over the agreement period. The effect of these is reflected in equity/ and or profit & loss, as applicable.

**5. Deferred tax**

Deferred Tax as at April 1, 2018 and March 31, 2019 has been adjusted consequent to the above Ind AS transition adjustments.

**6. Re-measurements of post-employment benefit obligations**

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in Other Comprehensive Income (OCI) instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the profit or loss for the year. As a result of this change there is no impact on the total equity as at March 31, 2018.

**7. Other comprehensive income**

Under Ind AS, all items of income and expense recognised during the year should be included in profit or loss for the year, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss are shown in the statement of profit and loss as “other comprehensive income” (OCI). OCI for the Company includes re-measurements of defined benefit plans of Rs. 4.88 lacs .The concept of other comprehensive income did not exist under previous GAAP.

**8. Retained Earnings**

Retained Earnings as at April 1, 2018 and March 31, 2019 has been adjusted consequent to the above Ind AS transition adjustments.

**9. Non-Controlling Interest**

Non- Controlling Interest as at April 1, 2018 and March 31, 2019 has been adjusted consequent to the above Ind AS transition adjustments.

**10. Statement of Cash flows**

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

As per our report of even date

**For Singhi & Co.**  
Firm Registration No: 302049E  
Chartered Accountants

**Rajiv Singhi**  
Partner  
Membership No. 053518

Place : Kolkata  
Date : 29th June, 2020

For and on behalf of the Board of Directors of  
**Sastasundar Ventures Limited**

**Banwari Lal Mittal**  
Chairman & Managing Director  
DIN : 00365809

**Manisha Sethia**  
Chief Financial Officer

**Ravi Kant Sharma**  
Director  
DIN : 00364066

**Biplab Kumar Mani**  
Company Secretary  
Membership No. ACS19883



Genuine Medicines

Diagnostics

Diet Clinic

Health Foods

Health Articles & Information

Health Profile & Records

Health Condition Products

Health Tools

**Innovation Tower**

Premises no 16-315,  
Plot no DH 6/32  
Action Area -1D  
Newtown, Rajarhat  
Kolkata 700156  
Tel: 91 33 6651 2100

**Registered Office**

Azimganj House, 2nd Floor  
7, Abanindra Nath Thakur Sarani  
(Formerly Camac Street)  
Kolkata- 700 017  
Phone:+ 913322829330

**AREA Logistic Centre- Kolkata**

Purba Salepur  
Dr. Narman Bethun Sarani  
P.O :- Baruipur, Kolkata- 700144  
South 24 Parganas, West Bengal  
Tel: 91 33 7180 0900



SastaSundar is a digital platform of healthcare supported by a network of physical counselling and service centres called "Healthbuddies".

The service verticals of SastaSundar are Pharmacy, Diagnostics and Wellness.

The name 'SastaSundar' is derived from a popular Indian phrase in terms of consumer experience of Savings and Quality.

---