

INDEPENDENT AUDITOR'S REPORT

**To the Members of Abans Securities Pvt Ltd
Report on the Financial Statements**

Opinion

We have audited the accompanying financial statements of Abans Securities Pvt Ltd ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at , 31st March 2020 , its Profit including Other Comprehensive Income and its Cash flows, and the Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Reporting of key audit matters as per SA 701, are not applicable to the Company as it is an unlisted company.



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

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

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

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and the Statement Of 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 provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that we are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 appears from our examination of those books.

c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

i. The Company does not have any pending litigations which would impact on its financial position.



ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Paresh Rakesh & Associates
Chartered Accountants
FRN: 119728W

Rakesh Chaturvedi
Partner

M. no: 102075

UDIN: 20102075A A A A F V 9 0 1 1



Date: 31st July 2020

Place: Mumbai

Abans Securities Pvt Ltd
F.Y 2019-20

“Annexure A” to Independent Auditors’ Report referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date.

1 . In respect of its Fixed Assets :

a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

b) According to explanation provided to us the company has carried out physical verification of fixed assets, which in our opinion appears to be reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification

c) According to the information, explanations and records given to us, we report that the Company does not hold any Immovable Property

2. In respect of its Inventories :

a) According to the information’s and explanation given to us, Physical verification of inventory has been conducted, at reasonable intervals by the management .Stock not in possession of the Company are not physically verified by the Company, however management has provided verification certificate by the third party, stock held in demat form are not physically verified by the Company, however the same is certified by the Company to be correct.

b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

c) The Company has maintained proper records of inventories. As per records provided to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records, having regards to the size of the operations of the company

3. Since, the Company has not granted any Loans to parties covered in in the register maintained under Section 189 of the Companies Act, 2013 , the clause (iii) of paragraph 3 of the Order is not applicable to the Company.

4. In respect of Investment made by the Company: a) The Company has complied with the provisions of section 185 and section 186.

5. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.



6. To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.

7(a). According to the records examined by us, the Company has regularly deposited, undisputed statutory dues including Direct Taxes, Indirect Taxes and any other statutory dues with appropriate authorities and there were no outstanding dues as at 31st March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Direct or Indirect Taxes on account of any dispute, which have not been deposited.

8. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.

9. The company has not raised money by way of initial public offer or further public offer (including debt instruments) or term Loan and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.

10. Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

11. The company is a private limited company and hence provision of section 197 read with schedule V of the companies Act are not applicable. Accordingly, paragraph 3(xi) of the order is not applicable.

12. In our opinion company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.

13. In our opinion and according to the information and explanations given to us, in respect of transactions with related parties :

a)Section 177 of the Act is not applicable to the Company.

b)Company is in compliance with the section 188 of the Act and details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

14. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of Shares or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the company.



15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.

16. In our opinion and according to the information and explanations given to us, The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Paresh Rakesh & Associates

Chartered Accountants

FRN: 119728W



Rakesh Chaturvedi

Partner

M. no: 102075

UDIN: 20102075AAAAFV9011

Date: 31st July 2020

Place: Mumbai

“Annexure B” to Independent Auditors’ Report referred to in paragraph 2(f) under the heading “Report on other legal and regulatory requirements” of our report of even date.

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

We have audited the Internal Financial Control over financial reporting of Abans Securities Pvt Ltd (“the company”) as of 31st March 2020, in conjunction with our audit of the financial statements of the Company for the year then ended.

Management Responsibility for the Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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 Act.

Auditor’s Responsibility

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



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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



Opinion

In our opinion, considering nature of business, size of operations and organizational structure of the entity, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020 based on the Internal Control over Financial reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial reporting issued by the ICAI.

For Paresh Rakesh & Associates

Chartered Accountants

FRN: 119728W



Rakesh Chaturvedi

Partner

M. no: 102075

UDIN: 20102075AAA AFV9011



Date: 31st July 2020

Place: Mumbai

Abans Securities Private Limited

CIN :- U67120MH2007PTC176260

Balance Sheet as at 31st March 2020

Particulars	Note No.	(Amounts in Rs)		
		March 31, 2020	March 31, 2019	April 01, 2018
ASSETS				
Financial Assets				
(a) Cash and cash equivalents	3	103,602,462	97,366,696	140,071,081
(b) Receivables	4	172,616,939	8,198,057	282,082,480
(i) Trade Receivable		2,035,871	1,511,506	1,481,868
(ii) Other Receivables		3,502,594	428,292	13,966,693
(c) Loans	5	33,088,248	63,209,914	47,983,631
(d) Investments	6	48,901,621	-	-
(e) Derivative Financial Instruments	7	11,712,847	9,240,351	14,878,531
(f) Other Financial assets	8	<u>375,460,582</u>	<u>179,954,816</u>	<u>500,464,284</u>
Non-Financial Assets				
(b) Deferred tax Assets (Net)	9	-	1,557,000	2,272,719
(c) Property, Plant and Equipment	10	3,175,587	2,302,846	2,616,887
(d) Intangible asset	10	3,792,084	1,016,459	1,223,154
(e) Inventories	11	11,547,900	1,354,815	-
(f) Other non-financial assets	12	305,443,406	428,352,743	5,972,720
		<u>323,958,977</u>	<u>434,583,863</u>	<u>12,085,480</u>
Total Assets		<u>699,419,559</u>	<u>614,538,679</u>	<u>512,549,764</u>
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
(a) Payables	13			
(i) Trade Payables				
(i) dues of micro enterprises and small enterprises		156,095,058	98,135,975	115,967,333
(ii) dues of creditors other than micro enterprises and small enterprises		-	-	-
(ii) Other Payables				
(i) dues of micro enterprises and small enterprises		33,137,602	913,821	827,193
(ii) dues of creditors other than micro enterprises and small enterprises		250,347,308	308,941,656	210,854,566
(c) Borrowings (Other than Debt Securities)	14			
Non-Financial Liabilities	15	54,685	2,212,723	973,509
(a) Current Tax Liabilities (Net)	16	6,593,274	4,339,636	836,565
(b) Provisions	7		208,312	5,593,576
(b) Derivative Financial Instruments	17	1,605,747	1,121,120	555,325
(d) Other non-financial liabilities	18	12,122,927	-	-
(e) Deferred Tax Liabilities [Net]				
EQUITY				
(a) Equity Share capital	19	24,150,000	24,150,000	24,150,000
(b) Other Equity	20	215,312,958	174,515,436	152,791,697
		<u>699,419,559</u>	<u>614,538,679</u>	<u>512,549,764</u>
Total Liabilities and Equity				

Significant Accounting Policies

Notes to Accounts

Significant Accounting Policies and Notes attached thereto form an integral part of Financial Statements

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As per our attached report of even date
For Paresh Rakesh & Associates
Chartered Accountants
Firm Registration No. 119728W

Rakesh Chaturvedi
Partner

Membership No: 102075
Place :- Mumbai

Date:- 31st July, 2020

UDIN:- 20102075AAAAFY9011



For and Behalf of the Board
Abans Securities Private Limited

Abhishek Bansal
Director
DIN : 01445730

Ashish Sinar
Director
DIN : 07619276

Abans Securities Private Limited
Statement of Profit & Loss for the year ended 31st March 2020

Particulars	Note No.	(Amount in Rs.)	
		For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from Operations			
Sale of Products		3,171,207,346	7,507,409,596
Sale of service		33,923,122	27,600,683
Dividend Income		487,871	245,580
Interest Income	21	20,681,267	25,677,118
Net Gain on Fair Value Changes	22	88,249,266	95,784,496
Total Revenue from operations (I)		3,314,548,872	7,656,717,473
Expenses			
Finance Costs	23	35,339,339	29,279,324
Purchases		3,159,655,534	7,531,778,542
Change in inventory		(10,193,085)	(1,354,815)
Employee Benefits Expenses	24	40,986,413	40,476,028
Depreciation, amortization and impairment	10	2,079,738	1,681,857
Others expenses	25	29,559,982	25,899,000
Total Expenses (II)		3,257,427,921	7,627,759,935
Profit/(loss) before tax (III=I-II)		57,120,951	28,957,538
Less: Tax Expense (IV):			
Current Tax		2,320,000	6,396,000
Earlier Year		206,531	108,515
Deferred Tax		13,679,927	715,719
Profit/(loss) for the period from continuing operations (V=III-IV)		40,914,492	21,737,304
Profit/(loss) from discontinued operations (VIII)		-	-
Tax Expense of discontinued operations (IX)		-	-
Profit/(loss) from discontinued operations(After tax) (X=VIII-IX)		-	-
Profit/(loss) for the period (XI= VII-X)		40,914,492	21,737,304
Other Comprehensive Income			
Items that will be reclassified to profit or loss			
- Remeasurement gain/(loss) on defined benefit plan		(116,971)	(13,567)
Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (A)		(116,971)	(13,567)
Items that will be reclassified to profit or loss (specify items and amounts)		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		(116,971)	(13,567)
Total Comprehensive Income		40,797,521	21,723,737
Earnings per equity share (for continuing operations)			
Basic (Rs.)		16.89	9.00
Diluted (Rs.)		16.89	9.00

Significant Accounting Policies
Notes to Accounts
Significant Accounting Policies and Notes attached thereto form an integral part of Financial Statements.

As per our attached report of even date
For Paresh Rakesh & Associates
Chartered Accountants
Firm Registration No. 119728W




Rakesh Chaturvedi
Partner
Membership No: 102075
Place :- Mumbai

Date:-31st July, 2020



For and Behalf of the Board
Abans Securities Private Limited


Abhishek Bansal
Director
DIN : 01445730


Ashish Shah
Director
DIN : 07619276

Abans Securities Private Limited
Cash Flow Statement for the year ended 31st Mar 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before tax as per Statement of Profit and Loss	57,120,950	28,957,539
Adjusted for :		
Depreciation	2,079,738	1,681,857
Loss on sale of Property Plant & Equipment	6,813	43,924
Dividend	(487,871)	(245,580)
Interest income	(523,480)	(1,291,199)
Prepaid Expenses	4,185,133	2,693,233
Employee defined benefit plan expenses	1,140,073	1,013,058
Interest Expenses	28,064,063	21,872,791
	<u>34,464,469</u>	<u>21,872,791</u>
Increase / (Decrease) in Payables	90,182,864	(17,744,730)
Increase / (Decrease) in Provision	996,594	1,639,881
Increase / (Decrease) in Tax Provision	(4,684,569)	(5,263,271)
Increase / (Decrease) in Other Financial Liabilities	484,627	565,795
Increase / (Decrease) in Derivative Financial Instruments	(208,313)	(5,385,264)
Decrease / (Increase) in Receivables	(164,943,247)	273,854,785
(Increase)/Decrease in Loans	(3,074,302)	13,538,401
(Increase)/Decrease in inventories	(10,193,085)	(1,354,815)
(Increase)/Decrease in investments	30,121,666	(15,226,283)
Decrease / (Increase) in Other Financial Assets	67,350,087	(419,435,075)
	<u>6,032,322</u>	<u>(174,810,576)</u>
Cash Generated from Operations	97,617,741	(120,084,954)
Taxes Paid		
Net Cash from Operating Activities (A)	<u>97,617,741</u>	<u>(120,084,954)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant & Equipment	(5,734,917)	(1,205,044)
Sale of Property Plant & Equipment	-	834,535
Dividend	487,871	245,580
Interest income	523,480	1,291,199
Net Cash from Investing Activities (B)	<u>(4,723,566)</u>	<u>1,166,270</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Interest Expenses	(28,064,062)	(21,872,791)
Short Term Borrowings	(58,594,348)	98,087,090
Net Cash from Financing Activities (C)	<u>(86,658,410)</u>	<u>76,214,299</u>
Net cash and cash equivalents (A + B + C)	<u>6,235,765</u>	<u>(42,704,385)</u>
Cash and cash equivalents at beginning of the period	97,366,696	140,071,081
Cash and cash equivalents at end of the period	103,602,462	97,366,696

Notes:-

- Cash flow statement has been prepared under indirect method as set out in Ind AS 7 as per the Companies (Indian Accounting Standards) Rule 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rule, 2016.
- Previous years figures have been restated and regrouped wherever necessary.
- Components of cash and cash equivalents at the year end comprise of:

	March 31, 2020	March 31, 2019
Cash Balance	177,756	178,756
Fixed deposits with maturity less than 3 months	43,285,776	94,047,852
Balance with Bank	60,138,930	3,140,088
	<u>103,602,462</u>	<u>97,366,696</u>

As per our attached report of even date
For Paresh Rakesh & Associates
Chartered Accountants

For and Behalf of the Board
Abans Securities Private Limited



Rakesh Chaturvedi
Partner
Membership No: 102075
Place :- Mumbai
Date:-31st July, 2020



Abhishek Bansal
Director
DIN : 01445730



Ashish Shah
Director
DIN : 07619276

Statement of Change in Equity

A Equity Share Capital

	<u>No of Shares</u>	<u>Amount in Rs</u>
Equity shares of INR 10/- each, issued subscribed and fully paid up		
As at April 01, 2018	2,415,000	24,150,000
Changes in Equity Share Capital during the year		
As at April 01, 2019	2,415,000	24,150,000
Changes in Equity Share Capital during the year		
As at March 31, 2020	2,415,000	24,150,000

B Other Equity

Particulars	Retained Earnings	Other Comprehensive Income	Total
As at April 1, 2018	58,691,697	-	152,791,697
Profit for the year	21,737,304	-	21,737,304
Other Comprehensive Income		(13,567)	(13,567)
As at April 1, 2019	80,429,001	(13,567)	174,515,434
Profit for the year	40,914,492		40,914,492
Other Comprehensive Income		(116,971)	(233,942)
As at March 31, 2020	121,343,494	(130,538)	215,312,956

As per our attached report of even date
For Parsh Rakesh & Associates
Chartered Accountants
Firm Registration No. 119728W


Rakesh Chaturvedi
Partner

Membership No: 102075
Place :- Mumbai
Date:-31st July, 2020



For and Behalf of the Board
Abans Securities Private Limited


Abhishek Bansal
Director

Ashish Shah
Director



DIN : 01445730

DIN : 07613276

Note :- 1.

Significant Accounting Policies and Notes to Accounts forming part of financial Statement for year ended March 31, 2020

i) Nature of Operations

Abans Securities Private Limited (the Company) having registered office at 36, 37, 38A, 3rd Floor Nariman Bhavan, Back Bay Reclamation, Nariman Point, Mumbai -400021. The Company is registered with Securities and Exchange Board of India ('SEBI') under the Stock brokers and sub brokers Regulations, 1992 and is a member of recognised Stock and Commodity Exchange. The Company acts as a stock broker and commodities broker to execute proprietary trades and also trades on behalf of its clients and also trade in physical commodity. It is registered with Central Depository Services (India) Limited in the capacity of Depository Participant. The Financial statements were approved for issuance by the company board of directors on 31st July, 2020.

ii) Summary of the significant accounting policies

(a) Basis of Preparation

The Financial Statement is prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended. Accordingly, the first Ind AS financial Statement shall be for the financial year 2019-20 with comparables for the financial year 2018-19 (Refer Note no. 2 for information on Ind AS adoption).

For all periods upto and including the year 31st March 2019 the company prepared its financial statements in accordance with Companies (Accounting Standard) Rules, 2006 (as amended) notified under the Act read with Rule 7 of the Companies (Accounts) Rule 14 (as amended), and other generally accepted accounting principles in India (collectively referred to as 'Indian GAAP' or 'Previous GAAP').

The Balance Sheet, Statement of Change in Equity and Statement of Profit & Loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind AS as the Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

The Financial Statement have been prepared under historical cost convention basis except the following assets and liabilities which have been measured at fair value or revalued amounts. All amounts disclosed in the financial statements and notes are rounded off to the nearest INR rupee in compliance with Schedule III of the Act, unless otherwise stated.

1. Certain Financial Instruments measured at fair value through other comprehensive income (FVTOCI);
2. Certain Financial Instruments measured at fair value through Profit and Loss (FVTPL);
3. Defined Benefit Plan asset measured at fair value;

The functional and presentation currency of the company is Indian rupees. This financial statement is presented in Indian rupees. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

(b) Use of estimates

The preparation of this financial Statement in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates, judgments and assumptions. This estimates, judgments and assumptions affect application of accounting policies and the reported amount of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial Statement and the reported amount of income and expenses for the periods presented. Although this estimates are based on the management's best knowledge of current events and actions, uncertainty about this assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Accounting estimates could change from period to period. Any revision to accounting estimates is recognised prospectively. Actual results could differ from the estimates. Any difference between the actual results and estimates are recognised in the period in which the results are known/materialize. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial Statement are as below:

1. Valuation of Financial Instruments;
2. Evaluation of recoverability of deferred tax assets;
3. Useful lives of property, plant and equipment and intangible assets;
4. Measurement of recoverable amounts of cash-generating units;
5. Obligations relating to employee benefits;
6. Provisions and Contingencies;
7. Provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions;
8. Recognition of Deferred Tax Assets.

(c) Property, plant and equipment (PP&E)

An item of property, plant and equipment that qualifies for recognition as an asset shall be measured at its cost. Cost comprises of the purchase price and any attributable / allocable cost of bringing the asset to its working condition for its intended use. Cost also includes direct cost and other related incidental expenses.

When significant components of property, plant and equipment are required to be replaced at intervals, recognition is made for such replacement of components as individual assets with specific useful life and depreciation if this components are initially recognised as separate asset. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Depreciation is provided from the date the assets are ready to be put to use, as per written down value (WDV) method over the useful life of the assets, as prescribed under Part C of Schedule II of the Companies Act, 2013 mentioned below.

Type of Asset	Estimated useful life
Buildings	60 years
Air Conditioner	5 years
Motor Car	10 years
Furniture and fittings	10 years
Office Equipments	5 years

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss within 'other income' or 'other expenses' respectively.



(d) **Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Cost comprises the acquisition price, development cost and any attributable / allocable incidental cost of bringing the asset to its working condition for its intended use.

Intangible assets acquired in a business combination that qualify for separate recognition are recognised as intangible assets at their fair values at the date of acquisition. The useful life of intangible assets are assessed as either finite or indefinite.

All finite-lived intangible assets, are accounted for using the cost model whereby intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Intangible assets are amortised over the useful life. Residual values and useful lives are reviewed at each reporting date.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in the statement of profit and loss within 'other income' or 'other expenses' respectively.

Depreciation is provided from the date the assets are ready to be put to use, as per written down value (WDV) method over the useful life of the assets, as prescribed under Part C of Schedule II of the Companies Act, 2013 mentioned below.

<u>Type of Asset</u>	<u>Estimated useful life</u>
Computer Software	3 years

(e) **Impairment of non-financial assets**

At each reporting date, the Company assesses whether there is any indication based on internal /external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

(f) **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 3 months from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) **Provisions and Contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material

Any reimbursement that the Company is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

(h) **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.

Recognition, Initial measurement and derecognition :-

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

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:

1. The rights to receive cash flows from the asset have expired, or
2. 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.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

1. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Debt instruments at fair value through profit or loss : FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2. Debt instruments at Amortised cost: A 'debt instrument' 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.



3. Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of Profit and Loss.

Impairment of financial assets

The Company is required to recognise expected credit losses (ECLs) based on forward-looking information for all financial assets at amortised cost, debt financial assets at fair value through other comprehensive income and loan commitments. No impairment loss is applicable on equity investments.

The Company follows 'simplified approach' to recognize loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12 Month ECL, unless there has been a significant increase in Credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the statement of profit and loss.

Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- 1) the rights to receive cash flows from the asset have expired, or
- 2) the Company has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Classification and subsequent measurement of financial liabilities

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 payables, other payables, loans and borrowings

The Company classifies all financial liabilities as subsequently measured at amortised cost.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and 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.

Derivative financial instruments

The Company trades in derivative financial instruments. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Derecognition of Financial Liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(i) Fair value measurement

The Company measures financial instruments such as, investment in equity shares, at fair value on initial recognition

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:

1. In the principal market for the asset or liability, or
2. In the absence of a principal market, in the most advantageous market for the asset or liability

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial Statement 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:

1. Level 1 – Inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
2. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
3. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.



(j) **Revenue from contracts with Customers**

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115,

Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers. The company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

- Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the company expects to be entitled in exchange for satisfying each performance obligation.
- Step 5: Recognise revenue when (or as) the company satisfies a performance obligation. The company recognises revenue from the following sources:
- Income from services rendered as a broker is recognised upon rendering of the services on a trade date basis, in accordance with the terms of contract.
 - Fee income including investment banking, advisory fees, financial advisory services, etc., is recognised based on the stage of completion of assignments and terms of agreement with the client.
 - Interest income is recognised using the effective interest rate method.
 - Dividend income is recognised when the right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the company and the amount of the dividend can be measured reliably.
 - Revenue is recognised only when revenue is reasonably certain.

(k) **Foreign currencies Transaction and translation**

a) Monetary items: Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

b) Non – Monetary items: 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. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.

(l) **Leases**

Ind AS 116 sets out the principles for the recognition, measurement and disclosure of leases for both lessees and lessors. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

For short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight line basis over the lease term.

(m) **Income taxes**

Tax expense recognised in the statement of profit and loss comprises the sum of deferred tax and current tax not recognised in OCI or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity).

Deferred income taxes are calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant nontaxable income and expenses and specific limits on the use of any unused tax loss or credit. 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 statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

(n) **Borrowing costs**

Borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

(o) **Employee benefits**

1. Provident Fund

Retirement benefit in the form of Provident Fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

2. Gratuity

Gratuity is in the nature of a defined benefit plan. Provision for gratuity is calculated on the basis of actuarial valuations carried out at balance sheet date and is charged to the statement of profit and loss. The actuarial valuation is performed using the projected unit credit method. Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

3. Compensates Absenses

Leave encashment is recognised (as and when they accrue) as an expense in the statement of profit and loss in line with the leave policy of the Company.



(p) **Inventories**

Items of Inventory are measured at lower of the cost and Net Realizable value. Cost of inventory comprises of cost of purchase and other cost incurred to acquire it. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(q) **Earnings per share**

Basic earnings per share is calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit / (loss) for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted at the beginning of the year and not issued at a later date.

In computing the diluted EPS, potential equity shares that either increase earnings per share or decrease loss per equity share, being anti-dilutive are ignored.

(r) **Segment Reporting Policies:**

The Company is presenting financial statements and hence in accordance with Indian Accounting Standard 108 – Segment Reporting, segment information is disclosed in the financial statements. The Company is operating in two different business segments i.e. Broking & Allied activities and Trading in Commodities. Segments have been identified and reported taking into account nature of products and services, the different risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company.

(s) **Statement of Cashflow:**

Cash Flows of the Group are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing Cash Flows. The cash flows from operating, investing and financing activities of the Company are segregated.



Notes to Financial Statements

Note 2: Transition to Ind AS

Reconciliation of Equity as previously reported under IGAAP to Ind AS as at 1st April, 2018

Particulars	(Amounts in Rs)		
	I GAAP	April 01, 2018 Ind AS Adj	Ind AS
ASSETS			
Financial Assets			
(a) Cash and cash equivalents	140,071,081.0		140,071,081
(b) Receivables			
(i) Trade Receivable	282,082,480.0		282,082,480
(ii) Other Receivables	1,481,868.0		1,481,868
(c) Loans	13,966,693.0		13,966,693
(d) Investments	30,774,855.0	17,208,776	47,983,631
(e) Derivative Financial Instruments	-		-
(f) Other Financial assets	9,284,955.4	5,593,576	14,878,531
	477,661,932	22,802,352	500,464,284
Non-Financial Assets			
(a) Current tax assets (Net)	-		-
(b) Deferred tax Assets (Net)	2,272,719.0		2,272,719
(c) Property, Plant and Equipment	2,616,887.0		2,616,887
(d) Intangible asset	1,223,153.9		1,223,154
(e) Inventories	16,455,393.0	(16,455,393)	-
(f) Other non-financial assets	5,972,720.1		5,972,720
	28,540,873	(16,455,393)	12,085,480
Total Assets	506,202,805	6,346,959	512,549,764
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
(a) Payables			
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-		-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	115,967,333		115,967,333
(ii) Other Payables	-		-
(i) total outstanding dues of micro enterprises and small enterprises	-		-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	827,193		827,193
(c) Borrowings (Other than Debt Securities)	210,854,566		210,854,566
Non-Financial Liabilities			
(a) Current Tax Liabilities (Net)	973,509		973,509
(a) Provisions	836,565		836,565
(b) Derivative Financial Instruments	-	5,593,576	5,593,576
(d) Other non-financial liabilities	555,325		555,325
(e) Deferred Tax Liabilities (Net)	-		-
EQUITY			
(a) Equity Share capital	24,150,000		24,150,000
(b) Other Equity	152,038,314	753,388	152,791,697
Total Liabilities and Equity	506,202,805	6,346,959	512,549,764

a



Reconciliation of Equity as previously reported under IGAAP to Ind AS as at 31st March, 2019

Particulars	(Amounts in Rs)		
	I GAAP	March 31, 2019 Ind AS Adj	Ind AS
ASSETS			
Financial Assets			
(a) Cash and cash equivalents	97,366,696		97,366,696
(b) Receivables			
(i) Trade Receivable	8,198,057		8,198,057
(ii) Other Receivables	1,511,506		1,511,506
(c) Loans	428,292		428,292
(d) Investments	30,774,855	32,435,059	63,209,914
(e) Derivative Financial Instruments	-	-	-
(f) Other Financial assets	9,032,041	208,312	9,240,351
	<u>147,311,447</u>	<u>32,643,371</u>	<u>179,954,816</u>
Non-Financial Assets			
(a) Current tax assets (Net)	-		-
(b) Deferred tax Assets (Net)	1,557,000		1,557,000
(c) Property, Plant and Equipment	2,302,846		2,302,846
(d) Intangible asset	1,016,459		1,016,459
(e) Inventories	31,562,556	(30,207,741)	1,354,815
(f) Other non-financial assets	428,352,743		428,352,743
	<u>464,791,604</u>	<u>(30,207,741)</u>	<u>434,583,863</u>
Total Assets	<u>612,103,051</u>	<u>2,435,630</u>	<u>614,538,679</u>
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
(a) Payables			
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	98,135,975		98,135,975
(ii) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-		-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	913,821		913,821
(c) Borrowings (Other than Debt Securities)	308,941,656		308,941,656
Non-Financial Liabilities			
(a) Current Tax Liabilities (Net)	2,212,723		2,212,723
(b) Provisions	4,339,636		4,339,636
(c) Derivative Financial Instruments	-	208,312	208,312
(d) Other non-financial liabilities	1,121,120		1,121,120
(e) Deferred Tax Liabilities (Net)	-		-
EQUITY			
(a) Equity Share capital	24,150,000		24,150,000
(b) Other Equity	172,288,120	2,227,318	174,515,436
Total Liabilities and Equity	<u>612,103,051</u>	<u>2,435,630</u>	<u>614,538,679</u>

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Statement of Profit and Loss for the Year Ended 31st March, 2019

Particulars	(Amount in Rs.)		
	I GAAP	March 31, 2019 Ind AS Ad)	Ind AS
Revenue from Operations			
Interest Income			25,677,118
Sale of Service	27,600,683		27,600,683
Dividend Income	245,580		245,580
Sale of Products	7,507,409,596		7,507,409,596
Sale of Shares	823,419,586	(823,419,586)	-
Net Gain on Fair Value Changes	-		95,784,496
Total Revenue from operations (I)	8,358,675,445	(823,419,586)	7,656,717,473
Expenses			
Finance Costs	29,279,323		29,279,324
Purchases	8,372,984,513	(841,205,971)	7,531,778,542
Change in inventory	(15,107,613)	13,752,798	(1,354,815)
Employee Benefits Expenses			40,476,028
Depreciation, amortization and impairment	1,681,857		1,681,857
Others expenses			25,899,000
Total Expenses (II)	8,388,838,080	(827,453,173)	7,627,759,935
Profit/(loss) before tax (III=I-II)	(30,162,635)	4,033,587	28,957,538
Less: Tax Expense (IV):			
Current Tax	6,396,000		6,396,000
Earlier Year	108,515		108,515
Deferred Tax	(692,072)		715,719
Profit/(loss) for the period from continuing operations (V=III-IV)	(35,975,078)	4,033,587	21,737,304
Profit/(loss) from discontinued operations (VIII)			
Tax Expense of discontinued operations (IX)			
Profit/(loss) from discontinued operations(After tax) (X=VIII-IX)			
Profit/(loss) for the period (XI= VII-X)	(35,975,078)		21,737,304
Other Comprehensive Income			
Items that will be reclassified to profit or loss			
- Remeasurement gain/(loss) on defined benefit plan	-	(13,567)	(13,567)
Income tax relating to items that will be reclassified to profit or loss			-
Subtotal (A)			(13,567)
Items that will be reclassified to profit or loss (specify items and amounts)			
Income tax relating to items that will be reclassified to profit or loss			-
Subtotal (B)			-
Other Comprehensive Income			(13,567)
Total Comprehensive Income	(35,975,078)	-	21,723,737
Earnings per equity share (for continuing operations)			
Basic (Rs.)	6.65		7.26
Diluted (Rs.)	6.65		7.26

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirement for the purpose of this note.

The transition to Ind AS has resulted in changes in presentation of the financial statements, disclosure in the notes thereto and accounting policies and principles. The accounting policies set out in Note 2 above have been applied in preparing financial statements for the year ended March 31, 2019 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Group's Balance Sheet and Statement of Profit & Loss is set out in Note above

- Business combinations prior to the Ind AS transition date of 1 April 2018 are recorded using previous GAAP principles, consequently the requirements of Ind AS 103 are not applied

- Property, plant and equipment and intangible assets are measured at their previous GAAP carrying value. The Group has assessed that the previous GAAP accounting approximates, at 1 April 2018, the accounting that would have resulted, had Ind-AS been applied retrospectively.

- In the separate financial statements of the company, investments in subsidiaries can be measured at transition date: (a) at cost (determined in accordance with Ind-AS 27); or (b) at deemed cost (fair value or previous GAAP carrying amount). ASPL has adopted the deemed cost (previous GAAP carrying amount) exemption for investment in subsidiaries

The Group has elected to apply the derecognition criteria under Ind AS with retrospective effect

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Notes on Financial Statements for the period Ended 31st Mar, 2020

Particulars	As at	As at	As at
	March 31, 2020	March 31, 2019	April 01, 2018
Note 3: Cash and Cash Equivalent			
Cash on Hand	177,756	178,756	196,409
Balance with Bank	60,138,930	3,140,088	3,656,486
Fixed deposits with maturity less than 3 months **	43,285,776	94,047,852	136,218,186
TOTAL	103,602,462	97,366,696	140,071,081
Note 3.1: Fixed Deposit (under Lien)			
For Margin to Exchange	1,770,776	1,756,848	10,094,348
Earmarked towards issue of Bank Guarantee to Exchange	41,015,000	82,341,004	126,123,838
** Carrying amount			
** Bank Gaurantee issued to Exchange against the Margin Obligation is obtained against the earmarked Fixed Deposits out of Clients Funds.			
Note 4: Receivables			
Trade Receivables			
Receivables considered good - unsecured	172,616,939	8,198,057	282,082,480
Less: Allowance for impairment loss	-	-	-
	172,616,939	8,198,057	282,082,480
Other Receivables			
Receivables considered good - unsecured	2,035,871	1,511,506	1,481,868
	2,035,871	1,511,506	1,481,868
TOTAL	174,652,810	9,709,563	283,564,348
Note 5: Loans			
Unsecured- Others			
Inter Corporate Deposits	3,502,594	428,292	13,966,693
Total Loans in India	3,502,594	428,292	13,966,693
Loans outside India - at amortised cost			
- Public Sector	-	-	-
- Others	-	-	-
Total Loans Outside India	-	-	-
TOTAL	3,502,594	428,292	13,966,693
Note 6: Investments			
INVESTMENTS:			
Investment in Equity Instruments			
- Unquoted - in Subsidiary - (Valued at cost)			
Abans Middle East DMCC			
March 31, 2020 477 no of equity shares at face value of AED 1,000/- each	7,010,000	-	-
March 31, 2019 477 no of equity shares at face value of AED 1,000/- each	-	7,010,000	-
April 01, 2018 477 no of equity shares at face value of AED 1,000/- each	-	-	7,010,000
- Unquoted - in Associate - (Valued at cost)			
Abans Global Limited			
March 31, 2020 4,200,00 no of ordinary shares at face value of GBP 1/- each	23,764,855	-	-
March 31, 2019 4,200,00 no of ordinary shares at face value of GBP 1/- each	-	23,764,855	-
April 01, 2018 4,200,00 no of ordinary shares at face value of GBP 1/- each	-	-	23,764,855
- Quoted (Valued at Fair value through Profit or loss)			
investment in equity shares held for trading purpose -(Refer Note 6.1)	2,313,402	32,435,059	17,208,776
TOTAL Investments	33,088,248	63,209,914	47,983,631
Investment in India	2,313,402	32,435,059	17,208,776
Investment Outside India	30,774,855	30,774,855	30,774,855
TOTAL	33,088,257	63,209,914	47,983,631
Note 7: Derivative Financial Instrument			
Equity Derivatives			
Notional Amount	2,060,708	298,280,392	57,195,340
Fair Value - Assets	194,730	-	-
Fair Value - Liabilities	-	778,232	1,325,465
Total (A)	194,730	(778,232)	(1,325,465)
Currency Derivatives			
Notional Amount	1,752,669,730	2,335,680,150	3,469,613,920
Fair Value - Assets	48,706,891	569,920.00	-
Fair Value - Liabilities	-	-	4,268,111.00
Total (B)	48,706,891	569,920	(4,268,111)
TOTAL Fair Value - Asset / (Liability) (A+B)	48,901,621	(208,312)	(5,593,576)



Notes on Financial Statements for the period Ended 31st Mar, 2020

Note 8: Other Financial Asset

Loan to Employee	550,800	337,000	162,000
Margins & balance with exchange	-	208,312	6,026,633
Deposits*	10,209,000	7,709,000	7,749,000
Interest accrued but not due on fixed deposits	953,047	986,039	940,898
TOTAL	11,712,847	9,240,351	14,878,531

* It includes deposit with exchanges and Depository

Note 9: Deferred Tax Assets (Net)

Deferred Tax Asset on account of Depreciation on Fixed Assets	-	1,557,000	2,272,719
Depreciation and Amortization	-	-	-
Provision for Employee Benefit	-	-	-
Closing Deferred Tax Asset	-	1,557,000	2,272,719
Movement in Net deferred tax Asset during the year	(1,557,000)	(715,719)	-

Note 11: Inventory

Stock in trade*	11,547,900	1,354,815	-
TOTAL	11,547,900	1,354,815	-

* Stock in trade includes gold, gaurseeds and silver

Note 12: Other Non Financial Asset

Security deposits	340,971	331,531	378,884
Balance with Revenue Authorities	598,704	1,751,278	2,059,595
Advance recoverable in cash or kind	228,668	-	-
Prepaid expenses	4,185,133	2,693,233	3,309,241
Advance to employee for Expenses	89,930	87,412	225,000
Advance to vendor	300,000,000	423,489,290	-
TOTAL	305,443,406	428,352,743	5,972,720

Note 13: Payables

(a) Payables

(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(iii) total outstanding dues of creditors other than micro enterprises and small	156,095,058	98,135,975	115,967,333
(ii) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(iii) total outstanding dues of creditors other than micro enterprises and small	33,137,602	913,821	827,193
(iii) Margin Payable to exchange	290,571,726	382,615,691	321,335,037
Less : Margins & balance with exchange #	(30,102,415)	(214,666,546)	(178,171,375)
Less: Fixed Deposit earmarked	(260,469,310)	(167,949,145)	(143,163,662)
TOTAL	189,232,660	99,049,796	116,794,526

The Unrealised Gain / (Loss) on unexpired derivate contracts are recognised as Derivative Asset/(Liability) and hence Margin with exchange are exclusive of such Gain/ (Loss). Refer note no. 7 for Derivate Assets/ (Liabilities).

The Company has not received any intimation from "Creditors" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosures if any, relating to amounts unpaid as at the year end together with Interest paid/payable as required under the said Act have not been made.

Note 14: Borrowings (Other than Debt Securities)

At Amortised Cost			
Secured working capital facilities from banks	250,347,308	308,941,656	210,854,566
TOTAL	250,347,308	308,941,656	210,854,566
Borrowings in India	250,347,308	308,941,656	210,854,566
Borrowings outside India	-	-	-
TOTAL	250,347,308	308,941,656	210,854,566

Note: 14.1 Terms of Borrowings

- 1) All the borrowings are renewable within a period of 1 year
- 2) Rate of interest is between 9% to 12% pa
- 3) Secured by Property owned by director, relative of director and Company controlled by Director along with their Personal Guarantees and corporate guarantee by Holding Company and Company controlled by Director.
- 4) Other Terms : Additionally the Company in accordance with its special resolution dated 29/01/2018 had unconditionally and irrevocably agreed and undertaken to Bank of India to participate in any restructuring upto the amount of Rs.59 Crores together with unpaid interest if any, as deemed fit by the Bank in accordance with any Scheme as may be formulated by Bank or RBI from time to time in the event of any stress in the account and convert the same into fully paid-up equity shares of the company.

Note 15: Current tax liabilities (Net)

Provision for taxation	54,685	2,212,723	973,509
TOTAL	54,685	2,212,723	973,509



Notes on Financial Statements for the period Ended 31st Mar, 2020

Note 16: Provisions

Provision for Leave Encashment	817,334	423,700	-
Provision for Expenses	3,497,505	2,476,446	-
Provision for Gratuity	2,278,435	1,439,490	836,565
TOTAL	6,593,274	4,339,636	836,565

Note 17: Other Non Financial Liabilities

Statutory Liabilities	1,605,747	1,121,120	555,325
TOTAL	1,605,747	1,121,120	555,325

Note 18: Deferred Tax Liabilities (Net)

Depreciation and Amortization	594,511	-	-
Provision for Employee Benefit	(779,143)	-	-
Unrealised gain on derivative financial instruments	12,307,560	-	-
TOTAL	12,122,927	-	-

Note 19: Equity Share Capital

Authorised

Equity Share			
March 31, 2020 - 50,00,000 nos. - face value of Rs 10/- each	50,000,000	-	-
March 31, 2019 - 50,00,000 nos. - face value of Rs 10/- each	-	50,000,000	-
April 01, 2018 - 50,00,000 nos. - face value of Rs 10/- each	-	-	50,000,000
TOTAL	50,000,000	50,000,000	50,000,000

Issued, Subscribed and Paid up:

Equity shares			
March 31, 2020 - 24,15,000 nos. - face value of Rs 10/- each	24,150,000	-	-
March 31, 2019 - 24,15,000 nos. - face value of Rs 10/- each	-	24,150,000	-
April 01, 2018 - 24,15,000 nos. - face value of Rs 10/- each	-	-	24,150,000
TOTAL	24,150,000	24,150,000	24,150,000

Note 19.1: Reconciliation of number of shares outstanding is set out below:

Equity Shares :			
At the beginning of the period	2,415,000	2,415,000	2,415,000
Addition during the period	-	-	-
Closing Balance	2,415,000	2,415,000	2,415,000

Note 19.2: The details of shareholders holding more than 5% shares :

Equity Shares:			
Name of the Shareholder			
ABans Finance Private Limited (No. of Shares)	2,414,000	2,414,000	2,414,000
ABans Finance Private Limited (% held)	99.96%	99.96%	99.96%

Terms / Rights attached to Equity Shares

The company has only one class of equity share have been having a par value of Rs.10 each holder of equity share is entitled to one vote per share. The company declares and pays dividend if any, in Indian Rupee. The dividend proposed if any, by the board of Directors is subject to the approval of the share holders at the ensuing Annual General meeting accept in case of interim dividend. In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of remaining assets of the company after distribution of preferential amount. The distribution will be in proportion to the number of equity shares held by the share holders.

Note 20: Other Equity

Securities Premium**			
Opening Balance	94,100,000	94,100,000	94,100,000
Add/(Less) : Changes during the year	-	-	-
Closing Balance	94,100,000	94,100,000	94,100,000
Retained Earnings***			
Opening Balance	80,429,001	58,691,697	58,691,697
Add : Profit for the year	40,914,492	21,737,304	-
Closing Balance	121,343,494	80,429,001	58,691,697
Other Comprehensive Income			
Opening Balance	(13,567)	-	-
Add : Other comprehensive income for the year	(116,971)	(13,567)	-
Closing Balance	(130,538)	(13,567)	-
TOTAL	215,312,956	174,515,434	152,791,697

** Security Premium- Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of the Companies Act, 2013.

***Retained Earnings : Created out of Accretion of Profits

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Note: 6.1 :Investment in equity shares held for trading purpose

Particulars	31/03/2020		31/03/2019		01/04/2018	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
Future Retail Ltd	14,029	1,098,471	534	242,356	-	-
Future Consumer Ltd	42,284	308,673	5,005	224,474	-	-
Indo National Ltd	2,100	906,255	2,100	1,465,590	2100	1709820
Reliance Communications Ltd	4	3	4	17	4	87
Aditya Birla Fashion Ltd	-	-	9,383	2,067,544	-	-
Alkem Laboratories Ltd	-	-	387	677,579	958	525,319
AU Small Finance Bank Ltd	-	-	542	322,815	-	-
Avanti Feeds Ltd	-	-	1,179	481,975	-	-
Central Bank of India	-	-	13,452	479,564	-	-
Coromandl International Ltd	-	-	5,043	2,559,323	-	-
Crompton Greaves Consumer Ltd	-	-	7,663	1,741,034	-	-
Dilip Buildcon Limited	-	-	1,596	1,023,834	-	-
Edelweiss Capital Limited	-	-	1,351	267,160	-	-
Endurance Technologies Ltd	-	-	453	525,865	-	-
Godrej Agrovet Ltd	-	-	1,733	880,884	-	-
Graphite India Limited	-	-	2,412	1,077,923	99	71,884
Gruh Finance Ltd	-	-	729	201,058	-	-
Gujarat State Petronet Ltd	-	-	4,944	942,821	1,033	195,754
HEG Limited	-	-	323	676,201	-	-
Housing & Urban Development Corp Ltd	-	-	1,406	63,129	-	-
Indiabulls Ventures Ltd	-	-	259	84,473	-	-
Indian Hotels Company Ltd.	-	-	15,658	2,425,424	2,496	322,982
Info Edge India Ltd	-	-	300	552,765	-	-
JSW Energy Ltd	-	-	1,097	79,642	-	-
Jubilant Life Science Ltd	-	-	1,882	1,251,154	-	-
Karur Vysa Bank Ltd	-	-	906	64,598	1,983	199,192
Larsen & Toubro Ltd	-	-	514	875,136	-	-
Mphasis Ltd	-	-	1,098	1,088,228	960	804240
Natco Pharma Ltd	-	-	5,570	3,194,117	1138	857653.7
Oberoi Realty Ltd	-	-	2,675	1,413,203	-	-
PI Indus Ltd	-	-	1,318	1,360,110	-	-
PNB Housing Finance Limited	-	-	216	186,786	362	467,867
Prestige Estates Project Limited	-	-	1,072	271,002	-	-
Qess Corp Limited	-	-	378	282,272	-	-
Rajesh Exports Ltd	-	-	2,311	1,539,010	2110	1560556
Sterlite Technologies Limited	-	-	3,421	747,317	-	-
Sun Pharma Advanced Research Co Ltd	-	-	299	57,139	-	-
Syngene International Ltd	-	-	1,374	817,942	-	-
Vakrangee Ltd	-	-	1,686	84,806	-	-
Varrco Engineering Limited	-	-	224	129,696	-	-
Bombay Burmah Trading Corp Ltd	-	-	7	9,095	-	-
ABB LTD	-	-	-	-	192	248,573
Avenue Supermarts Limited	-	-	-	-	209	276,883
CRISIL LTD	-	-	-	-	571	1,076,021
DISH TV Ltd	-	-	-	-	1	71
EMAMI LIMITED	-	-	-	-	536	572,904
GLAXOSMITHKLINE PLC	-	-	-	-	284	1,732,428
GREAT EASTE	-	-	-	-	216	71,323
GUJARAT PIPAVAV Port Ltd	-	-	-	-	892	129,652
ICICI BANK LTD	-	-	-	-	1	278
INDIABULLS REALESTATE LTD	-	-	-	-	306	55,524
IPCA LAB LTD	-	-	-	-	273	178,992
KANSAI NEROLAC PAINTS LTD	-	-	-	-	2,270	1,148,166
PERSISTENT SYSTEM LTD	-	-	-	-	660	458,073
Procter & Gamble Co	-	-	-	-	312	2,981,394
SANOFI INDIA LTD	-	-	-	-	273	1,416,774
THERMAX LIMITED	-	-	-	-	129	146,363
Investment in equity shares held for trading purpose	58,417	2,313,402	102,504	32,435,059	20,368	17,208,776

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ABans Securities Private Limited

Notes to the Financial Statements

Note: 10-Property, Plant & Equipment

(Amt in Rs.)

Particulars	Plant and Machinery	Air Conditioner	Furniture & Fixtures	Office Equipments	Computer	Total
Gross Block:						
As at April 1, 2018	136,268	1,020,808	176,056	2,991,508	7,401,257	11,725,897
Additions	-	-	-	103,368	1,101,676	1,205,044
Disposal / Adjustments	-	-	-	-	878,459	878,459
As at March 31, 2019	136,268	1,020,808	176,056	3,094,876	7,624,474	12,052,482
Additions	-	-	-	59,780	2,603,731	2,663,511
Disposal / Adjustments	136,268	-	-	-	-	136,268
As at March 31, 2020	-	1,020,808	176,056	3,154,656	10,228,205	14,579,725
Depreciation and Impairment:						
As at April 1, 2018	129,455	969,765	151,913	2,137,272	5,720,605	9,109,010
For the year	-	-	7,009	370,486	1,097,667	1,475,162
Disposal	-	-	-	-	834,536	834,536
As at March 31, 2019	129,455	969,765	158,922	2,507,758	5,983,736	9,749,636
For the year	-	-	4,891	256,897	1,522,168	1,783,956
Disposal	129,455	-	-	-	-	129,455
As at March 31, 2020	-	969,765	163,813	2,764,656	7,505,904	11,404,138
Net Block:						
As at April 1, 2018	6,813	51,043	24,143	854,236	1,680,652	2,616,887
As at March 31, 2019	6,813	51,043	17,134	587,118	1,640,738	2,302,846
As at March 31, 2020	-	51,043	12,243	390,000	2,722,301	3,175,587
Note 10: Intangible Asset						
				(Amt in Rs.)		
Particulars	Computer software	Back office software	Membership card	Total		
Gross Block:						
As at April 1, 2018	7,992,025	-	561,800	8,553,825		
Additions	-	-	-	-		
Disposal / Adjustments	-	-	-	-		
As at March 31, 2019	7,992,025	-	561,800	8,553,825		
Additions	71,407	3,000,000	-	3,071,407		
Disposal / Adjustments	-	-	-	-		
As at March 31, 2020	8,063,432	3,000,000	561,800	11,625,232		
Depreciation and Impairment:						
As at April 1, 2018	7,330,671	-	-	7,330,671		
For the year	206,695	-	-	206,695		
Disposal	-	-	-	-		
As at March 31, 2019	7,537,366	-	-	7,537,366		
For the year	140,472	155,310	-	295,782		
Disposal	-	-	-	-		
As at March 31, 2020	7,677,838	155,310	-	7,833,148		
Net Block:						
As at April 1, 2018	661,354	-	561,800	1,223,154		
As at March 31, 2019	454,659	-	561,800	1,016,459		
As at March 31, 2020	385,594	2,844,690	561,800	3,792,084		



Notes on Financial Statements for the period Ended 31st Mar, 2020

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Note 21: Interest Income		
At amortised cost		
Interest on Loans	523,480	1,291,199
Interest on deposit with banks	20,157,787	24,385,919
TOTAL	20,681,267	25,677,118
Note 22: Net gain/ (loss) on fair value changes		
A) Net Gain on financial instruments at fair value through profit or loss		
on sale of Market linked debenture held for trade	16,692,009	-
on sale of derivatives held for trade	75,756,884	98,344,598
	92,448,893	98,344,598
B) Others		
on sale on sale of investments at fair value through profit /loss	(4,199,627)	(2,560,102)
C) Total net gain/(loss) on fair value changes	88,249,266	95,784,496
22.1 Fair value changes:		
Realised	41,574,963	94,310,561
Unrealized	46,674,303	1,473,935
TOTAL	88,249,266	95,784,496
Note 23: Finance Costs		
Interest expenses on financial liabilities measured at amortised cost		
Interest on working capital facilities	28,064,063	21,872,791
Other borrowing costs	7,275,276	7,406,533
TOTAL	35,339,339	29,279,324
Note 24: Employee Benefits and Expenses		
Salaries and Wages	38,994,522	38,502,153
Contribution to gratuity	721,974	589,358
Provision for Leave salary	418,099	-
Contribution to provident and other funds	733,342	1,025,257
Staff welfare expenses	118,476	359,260
TOTAL	40,986,413	40,476,028
Note 25: Establishment and Other Expenses		
Communication Expenses	5,479,222	5,336,446
Rent Expenses	1,740,000	1,761,935
Stock exchange charges, turnover & other charges	5,888,156	6,525,017
Repairs & Maintenance	3,371,280	3,123,751
Commission exp	2,600,000	-
Legal & Profession Expenses	3,533,314	2,440,666
Statutory Audit Fees	275,000	125,000
Travelling & Conveyance Expenses	1,999,985	1,809,727
Lodging & Boarding	151,918	538,300
Business development expenses	1,502,403	2,279,199
Loss on Discard of Assets	6,813	43,924
Ineligible Input tax Credit	812,339	-
ROC Fees	19,644	12,652
Interest on late deposit of statutory liabilities	360,581	12,082
Office & Sundry Expenses	1,763,781	1,673,728
Warehousing Charges	55,546	216,572
TOTAL	29,559,982	25,899,000



26 **Earning Per Share :**

Particulars	2019-20	2018-19
A Face Value of the shares (Rs.)	10	10
B Outstanding No. of Equity Shares	2,415,000	2,415,000
C Weighted Average no. of shares	2,415,000	2,415,000
D Net Profit after tax as per statement of profit and loss	40,914,492	21,737,304
E Basic Earnings Per Share (Rs.) (E = D / C)	16.94	9.00
F Weighted Average no. of shares (Diluted)	2,415,000	2,415,000
G Diluted Earnings Per Share	16.94	9.00

27 **Related Party Disclosure :**

A. Related parties with whom transaction have been entered during the year.

Relations hip Category	Particulars	Name of the Party
1	Holding Company	• Abans Finance Private Limited
2	Subsidiary Companies (Direct /Indirect)	• Abans Middle East DMCC
3	Associates	• Abans Global Limited
4	Key Management Personnel	• Ashish Shah • Abhishek Bansal (wef 02.08.2018)
5	Fellow Subsidiary	• Abans Broking Services Private Ltd
6	Relatives of key management personnel	• None
7	Enterprises owned or significantly influenced by key management personnel or their relatives	• None
8	Enterprises owned or significantly influenced by a group of individuals or their relatives who have a control or significant influence over the company	• Abans Finance Private Limited • Abans Enterprises Limited • Pantone Enterprises Private Limited • Zale Trading Private Limited • Shello Tradecom Private Limited • Zicuro Technologies Private Limited • ABans International Ltd • Abans Textiles Private Limited(Agrometal Vendibles Private Limited) • ABans Agri Warehousing & Logistics Private Limited • Cultured Curio Jewels Private Limited • Abans Metals Private Limited • Abans Jewels Private Limited • Abans Broking Services Private Limited
9	Individuals owning, directly or indirectly, an interest in the voting power of reporting enterprise that gives them control of significant influence over enterprise and relatives of any such individual	• Abhishek Bansal • Fortune Gems (Proprietor Mr. Abhishek Bansal) • Abhishek Bansal HUF • Shriyam Bansal

B. The Following transactions were carried out with the related parties in the ordinary course of business and at arm's length.

Sr No	Nature of transactions	Relationship Category	March 31, 2020	March 31, 2019	April 01, 2018
1	Rent Expenses				
	Abhishek Bansal	9	120,000	141,935	-
	Abans Finance Pvt Ltd	1	1,620,000	1,620,000	-
	Total		1,740,000	1,761,935	-
2	Brokerage Income				
	Abans Metals Private Limited	8	13,527,968	677,486	-
	Abans Jewels Private Limited	8	87,128	411,748	-
	Fortune Gems	9	-	32,074	-
	ABans Agri Warehousing & Logistics Private Limited	8	-	90,734	-
	Abhishek Bansal HUF	9	-	10,294	-
	Abans Enterprises Limited	8	-	182,981	-
	Abans International Limited	8	370,491	469,776	-
	Cultured Curio Jewels Private Limited	8	6,983,143	666,781	-
	Abans Finance Private Limited	1	495,220	-	-
	Agrometal Vendibles Private Limited	8	107	1,127,310	-
	Pantone Enterprises Private Limited	8	1,407,316	351,434	-
	Shello Tradecom Private Limited	8	1,470,459	52,185	-
	Zale Trading Private Limited	8	69,926	9,642	-
	Abans Broking Services Private Limited	5	11,830	-	-
	Total		24,423,588	4,082,445	-
3	Purchase of Back office software				
	Zicuro Technologies Private Limited	8	3,000,000	-	-
	Total		3,000,000	-	-

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4	Subscription to Market Linked Debentures-Unsecured				
	Abans Finance Pvt Ltd	1	500,000,000	-	-
	(Discount on issue Rs. 4,50,00,000)				
	Abans Finance Pvt Ltd	1	1,000,000,000	-	-
	(Discount on issue Rs. 9,00,00,000)				
	Total		1,500,000,000	-	-
5	Investment in Equity Instruments				
	Abans Middle East DMCC	2	7,010,000	7,010,000	7,010,000
	Abans Global Limited	3	23,764,855	23,764,855	23,764,855
	Total		30,774,855	30,774,855	30,774,855
6	Payables				
	Zicuro Technologies Pvt Ltd	8	3,540,000	-	-
	Abans Jewels Private Limited	8	-	-	573,596
	Abans Agri Warehousing & Logistics Pvt Ltd	8	55,546	194,915	-
	Abans metals private limited	8	1,731,536	3,579,957	-
	Abans international limited	8	46,104,783	74,518,564	22,791,991
	Cultured curio jewels private limited	8	4,150,379	2,454,771	-
	Abans textiles private limited	8	355	3,314,012	-
	Abans finance private limited	1	5,194,700	1,216,566	-
	Pantone enterprises private limited	8	3,658,037	2,841,619	-
	Shello tradecom private limited	8	2,300,890	-	-
	Zale trading private limited	8	2,344,280	-	-
	Total		69,080,506	88,120,404	23,365,587
7	Other Receivables				
	Abans Broking Services Pvt Ltd	5	8,850	461,740	172,959
	Cultured curio jewels private limited	8	-	-	173,371
	Abans Enterprises Limited	8	-	-	138,086
	Abans textiles private limited	8	-	-	4,471,748
	Abhishek Bansal (Dr/Cr)	9	647,296	-	-
	Total		656,146	461,740	4,956,164

28 Segment Reporting

Primary segment (Business segment)

The Company is Operating in two different business segments i.e. trading in commodities such as gold, seeds etc and broking and allied activities. Segments have been identified and reported taking into account nature of products and services, the different risk and returns and internal business reporting system. The accounting Policy adopted for Segment Reporting are in line with Company's Accounting Policy

Particulars	Year ended	
	March 31, 2020 (Audited)	March 31, 2019 (Audited)
1. Segment Revenue		
a) Segment - Trading in Commodities	3,171,207,346	7,507,409,596
b) Segment - Broking and allied activities	142,330,175	968,157,210
c) Segment - Others / un allocable	1,011,351	276,654
Total	3,314,548,872	8,475,843,460
Less: Inter Segment Revenue	-	-
Net Sales / Income from Operations	3,314,548,872	8,475,843,460
2. Segment Results		
Profit / (Loss) before tax and interest from each segment		
a) Segment - Trading in Commodities	18,156,036	(23,014,131)
b) Segment - Broking and allied activities	136,442,019	124,359,989
c) Segment - Others / un allocable	(62,137,767)	(48,702,573)
Total	92,460,288	52,643,285
Less		
Finance cost	(35,339,339)	(29,279,324)
Total profit before exceptional item & tax	57,120,949	23,363,961
3. Capital Employed		
Segment Assets		
a) Segment - Trading in Commodities	477,275,947	431,127,653
b) Segment - Broking and allied activities	33,967,705	36,052,322
d) Segment - Others / un allocable	188,175,906	151,814,263
Total	699,419,559	618,994,238
Segment Liabilities		
a) Segment - Trading in Commodities	71,974,473	-
b) Segment - Broking and allied activities	117,258,187	98,135,974
d) Segment - Others / un allocable	270,723,941	322,192,830
Total	459,956,601	420,328,804

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29 **Tax Expense**

Reconciliation of tax expense

Particulars

	For the year ended	
	March 31, 2020	March 31, 2019
Current tax	2,320,000	6,396,000
Earlier year tax	206,531	108,515
Deferred tax	13,679,927	715,719
	<u>16,206,458</u>	<u>7,220,234</u>
Profit before tax	8,219,330	21,876,461
Company's domestic tax rate (current year 25.17% and previous year 33.38%)	25.17%	33.38%
Computed tax expenses	2,068,641	7,302,363
Tax effect of		
Expenditure in the nature of permanent disallowances/(allowances) [Net]	246,639	(1,090,803)
Interest expenses	4,022	184,440
Round off	698	
Current tax provision (A)	<u>2,320,000</u>	<u>6,396,000</u>
Tax expense of earlier year (B)	206,531	108,515
Incremental deferred tax Asset /liability on account of financial asset and other items	13,679,927	715,719
Deferred tax Asset/Liability (C)	<u>13,679,927</u>	<u>715,719</u>
Total tax expense (A+B+C)	<u>16,206,459</u>	<u>7,220,234</u>

30 **Impact of COVID -19 on Going Concern.**

On March 11, 2020, the World Health Organisation (WHO) officially declared COVID-19, the disease caused by novel coronavirus, a pandemic. It continued to progress and evolve from the year end till the date of signing of this financials. Due to it's nature, it is challenging at this juncture, to predict the full extent and duration of its impact on financial performance and business. However, management is closely monitoring the evolution of this pandemic and has evaluated and re-assessed it's impact on all major class of assets, liabilities, income and expenditures which are likely to have significant impact on the operations, profitability and continuity of the business. Areas of re-assessment includes;

1. Asset impairment- Our assets consist of investments, unsettled receivables for trade and advances for trade. The investments are of long term in nature and receivable are being settled on the basis of contractual terms without any substantial delay/ delinquencies. Management don't see any impairment on these assets.
2. Expected credit loss- Receivables and advances are being recovered wherever applicable without any delinquencies, management do not expect any additional credit loss on the same.
3. Inventory - Nature of Inventory does not pose any physical and market risk and based on present market conditions management do not foresee any loss on account of sale or its ultimate collection.
4. Debt repayment - Projected cash flow reflects ability of the company to discharge it debts in form of working capital loan as per contractual terms through realisation of current assets.
5. Fair value measurement - There are no indicators (except accounted for) which requires further provision / disclosure to the carrying value based on fair value measurement.
6. Revenue – Company operates in two different segments viz trading in derivatives on recognised exchanges and trading in physical commodities. The business of trading in derivatives on recognised exchange does not have any impact of Covid-19. The other segment of the business is trading in physical commodities, which has temporary impact due to restrictions on physical movement of goods due to nationwide lockdown imposed by government. However the management is of the view, this being temporary in nature will not have any substantial impact on long term business prospects of the company.

7. Government policies on Social norms, travelling restrictions etc. – Measures taken by government to stop the spread of the disease caused by novel coronavirus forced the Company to operate on 'work from home model'. The Company has successfully adapted the new working culture and is confident that such kind of temporary restrictions will not have adverse effect on the prospects of the Company.

Based on above, Management is of the view that till date there is no significant impact of COVID-19 which requires adjustment to the carrying value of it's assets and liabilities and provide for losses. Management currently has an appropriate response plan in place. Management will continue to monitor and assess the on going development and respond accordingly.

31 **Employee Benefits**

Particulars

	March 31, 2020	March 31, 2019
Gratuity - Current	112,223	80,565
Gratuity - Non-current	2,166,212	1,358,925
Compensated Absences (Leave Salary) - Current	399,235	423,700
Compensated Absences (Leave Salary) - Non-current		
Total outstanding as on reporting date	<u>2,677,670</u>	<u>1,863,190</u>

A **Gratuity (Defined Benefit Plan)**

i) **General Description:**

The Company provides for gratuity for employees in India as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The company's liability towards gratuity is determined on the basis of year end actuarial valuations applying the Projected Unit Credit Method (as per Ind AS 19) done by an independent actuary.

ii) **Particulars**

	March 31, 2020	March 31, 2019
Change in the present value of the defined benefit obligation		
Opening defined benefit obligation	1,439,490	836,565
Current service cost	613,062	525,407
Interest cost	108,912	63,951
Actuarial (gain) / loss due to remeasurement on change in assumptions	116,971	13,567
Past Service cost		
Experience (gain) / loss on plan liability		
Benefits paid and transfer out		
Contributions by employee		
Transfer in		
Closing defined benefit obligation	<u>2,278,435</u>	<u>1,439,490</u>

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iii) Change in the fair value of plan assets:		
Opening fair value of plan assets	-	-
Investment Income	-	-
Contributions by employer	-	-
Contributions by employee	-	-
Benefits paid	-	-
Return on plan assets, excluding amount	-	-
Acquisition adjustments	-	-
Closing fair value of plan assets	-	-
iv) Breakup of Actuarial gain/loss		
Actuarial [gain]/ loss arising from change in demographic assumption	-	-
Actuarial [gain]/ loss arising from change in financial assumption	-	-
Actuarial [gain]/ loss arising from experience adjustment	-	-
v) Expenses/ [Incomes] recognised in the		
Current service cost	613,062	525,407
Past service cost	-	-
(Gains) / losses - on settlement	-	-
Interest cost / (Income) on benefit obligation	108,912	63,951
Net expenses/ [benefits]	<u>721,974</u>	<u>589,358</u>
vi) Other Comprehensive Income		
Actuarial (Gain)/Loss recognized for the period	116,971	13,567
Asset limit effect	-	-
Return on plan assets excluding net interest	-	-
Unrecognized Actuarial (Gain) / Loss from previous period	-	-
Total Actuarial (Gain)/Loss recognized in OCI	<u>116,971</u>	<u>13,567</u>
vii) Movement in net liabilities recognised in Balance Sheet:		
Opening net liabilities	2,278,435	1,439,490
Expenses as above [P & L Charge]	721,974	589,358
Benefits Paid	-	-
Other Comprehensive Income (OCI)	116,971	13,567
Liabilities/ [Assets] recognised in the Balance Sheet	<u>3,117,380</u>	<u>2,042,415</u>
viii) Amount recognized in the balance sheet:		
PVO at the end of the year	3,117,380	2,042,415
Fair value of plan assets at the end of the year	-	-
Deficit	(3,117,380)	(2,042,415)
Unrecognised past service cost	-	-
(Liabilities)/Assets recognized in the Balance Sheet	<u>(3,117,380)</u>	<u>(2,042,415)</u>
ix) Principal actuarial assumptions as at Balance sheet date:		
<u>Discount rate</u>		
[The rate of discount is considered based on market yield on Government Bonds having currency and terms in consistence with the Annual increase in salary cost]	6.60%	7.50%
[The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion and Employee Attrition Rate (Past Services (PS))]	9.00%	9.00%
<u>Employee Attrition Rate (Past Services (PS))</u>	10.00%	10.00%
<u>Decrement adjusted remaining working life</u>	8.58	8.61

Sensitivity analysis:

March 31, 2020

	Discount rate of 1%	Salary Escalation rate of 1%	Attrition rate of 50%	Mortality rate of 10%
Impact on statement of Profit & Loss increase in rate	2,064,409	2,480,345	2,079,257	2,278,129
Impact on statement of Profit & Loss of decrease in rate	2,530,381	2,090,910	2,538,266	1,439,392

March 31, 2019

Impact on statement of Profit & Loss increase in rate	1,307,060	1,569,528	1,328,203	1,439,486
Impact on statement of Profit & Loss of decrease in rate	1,595,321	1,319,366	1,563,716	1,439,492

B Compensated absence (long term employee benefits)

i) **General description:-**

The company provides Privilege Leave to its employees in India. Privilege leave is computed on calendar year basis, however, any unavailed privilege leaves upto 45 days will be carried forward to the next calendar year. Privilege leave can only be encashed at the time of retirement / termination / resignation / withdrawal and is computed as no. of privilege leaves multiplied with applicable salary for leave encashment. The company's liability towards privilege leaves is determined on the basis of year end actuarial valuations applying the Projected Unit Credit Method (as per Ind AS 19) done by an independent actuary.

Particulars	March 31, 2020	March 31, 2019
ii) Asset and Liability (Balance Sheet position)		
Present value of obligation	817,334	423,700
Fair value of plan assets	(817,334)	(423,700)
Surplus/(Deficit)		
Effects of asset ceiling		
Net Asset/ (Liability)	<u>(817,334)</u>	<u>(423,700)</u>

* The liability as at 31-03-2019 is the provisional amount, which has been provided by the Company.



	March 31, 2020	March 31, 2019
iii) Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013		
Current Liability (Short Term)	72,473	-
Non-current Liability (Long term)	744,861	-
Present value of the obligation at the end	817,334	-
iv) Expenses Recognized in the Statement of Profit and Loss		
Present value of obligation as at the beginning	423,700	-
Present value of obligation as at the end	817,334	-
Benefit Payment	24,465	-
Actual return on plan asset	-	-
Acquisition adjustment	-	-
Expense recognized	418,099	-
v) Principal actuarial assumptions as at Balance sheet date:		
<u>Discount rate</u>	6.60%	-

[The rate of discount is considered based on market yield on Government Bonds having currency and terms in consistency with the currency and terms of the post-employment benefit obligations].

Annual increase in salary cost

9.00%

[The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market].

Sensitivity analysis:

March 31, 2020

Impact on statement of Profit & Loss

increase in rate

Impact on statement of Profit & Loss of

decrease in rate

Discount

rate of 1%

Salary Escalation rate of 1%

Attrition rate of 50%

Mortality rate of 10%

C **Defined Contribution Plans**

The Company also has certain defined contribution plans. Contributions payable by the Company to the concerned Government authorities in respect of Provident Fund are charged to Statement of Profit and Loss. The obligation of the Company is limited to the amount contributed and it has no contractual or any constructive obligation. Amount recognized during the year as contribution in statement of Profit & Loss is Rs. 7,21,974/- and Rs 5,89,358/- for the year ended March 31, 2020 and March 31, 2019.

32 **Financial Instruments – Fair Values and Risk Management**

A. Accounting classification

March 31, 2020	Fair Value through Profit / (Loss)-Level 1	Fair Value through OCI	Amortised Cost	Total
Financial assets				
Cash and cash equivalents	-	-	103,602,462	103,602,462
Receivables	-	-	174,652,810	174,652,810
Loans	-	-	3,502,594	3,502,594
Investments	2,313,402	-	-	2,313,402
Derivative Financial Instruments	48,901,621	-	-	48,901,621
Other Financial assets	-	-	11,712,847	11,712,847
Total Financial Assets	51,215,022	-	293,470,713	344,685,735
Financial liabilities				
Derivative financial instruments	-	-	-	-
Payables	-	-	189,232,660	189,232,660
Debt Securities	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	250,347,308	250,347,308
Subordinated Liabilities	-	-	-	-
Total Financial Liabilities	-	-	439,579,968	439,579,968
March 31, 2019				
Financial assets				
Cash and cash equivalents	-	-	97,366,696	97,366,696
Investments	32,435,059	-	-	32,435,059
Receivables	-	-	9,709,563	9,709,563
Loans	-	-	428,292	428,292
Derivative Financial Instruments	-	-	-	-
Other Financial assets	-	-	9,240,351	9,240,351
Total Financial Assets	32,435,059	-	116,744,902	149,179,961
Financial liabilities				
Derivative financial instruments	-	-	-	-
Payables	-	-	407,077,631	407,077,631
Borrowings (Other than Debt Securities)	-	-	308,941,656	308,941,656
Total Financial Liabilities	-	-	716,019,287	716,019,287

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April 1, 2018	Fair Value through Profit / (Loss)-Level 1	Fair Value through OCI	Amortised Cost	Total
Financial assets				
Cash and cash equivalents	-	-	140,071,081	140,071,081
Receivables	-	-	283,564,348	283,564,348
Loans	-	-	13,966,693	13,966,693
Investments	17,208,776	-	-	17,208,776
Derivative Financial Instruments	-	-	-	-
Other Financial assets	-	-	14,878,531	14,878,531
Total Financial Assets	17,208,776	-	452,480,653	469,689,429
Financial liabilities				
Payables	-	-	115,967,333	-
Borrowings	-	-	210,854,566	210,854,566
Total Financial Liabilities	-	-	326,821,899	210,854,566

B. Fair value Measurement

Financial instruments measured at FVTPL / FVOCI :

All assets and liabilities for which the 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 – Inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement are (other than quoted prices) included within Level 1 that are observable for the asset or liability, either directly or indirectly.

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

Financial instruments measured at amortised cost:

The carrying value approximates fair value for long term financial assets and liabilities measured at amortised cost. There are no transfers during the year in level 1, 2 and 3. The Company policy is to recognize transfers into and transfers out of fair value hierarchy level as at the end of reporting period.

C. Financial risk management

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

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

1. Credit risk
2. Liquidity risk and
3. Market risk

1 Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date. The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. The Company has no history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good. The credit risk for cash and cash equivalents, mutual funds, bank deposits, loans and derivative financial instruments is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings. Company provides for expected credit losses on financial assets by assessing individual financial instruments for expectation of any credit losses. Since the assets have very low credit risk, and are for varied natures and purpose, there is no trend that the company can draw to apply consistently to entire population. For such financial assets, the Company's policy is to provide for 12 month expected credit losses upon initial recognition and provides for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets.

2 Liquidity risk

Liquidity Risk is defined as the risk that the Company will not be able to settle or meets its obligations on time at a reasonable price In addition; processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity through rolling forecasts of expected cash flows.

Exposure to liquidity risk

The table below is an analysis of Company's financial liabilities based on their remaining contractual maturities of financial liabilities at the reporting date.

March 31, 2020	Contractual cash flows			
	Less than 1 year	1 year to 3 year	3 year to 5 year	5 year and above
Non-derivative financial liabilities :				
Payables	189,232,660	-	-	-
Borrowings (Other than Debt Securities)	250,347,308	-	-	-
Subordinated Liabilities	-	-	-	-
March 31, 2019				
Non-derivative financial liabilities :				
Payables	98,135,975	-	-	-
Borrowings (Other than Debt Securities)	308,941,656	-	-	-
April 1, 2018				
Non-derivative financial liabilities :				
Payables	115,967,333	-	-	-
Borrowings (Other than Debt Securities)	210,854,566	-	-	-



3 **Market risk**

Changes in market prices which will affect the Company's income or the value of its holdings of financial instruments is considered as market risk. It is attributable to all market risk sensitive financial instruments.

INR/USD Strengthening [8.98 % Movement (Previous year 6.19%)]

INR/USD Weakening [8.98 % Movement (Previous year 6.19%)]

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss.

	March 31,2020 <u>% Increase in rate</u>	March 31,2019	March 31,2020 <u>Increase/(decrease) in profit</u>	March 31,2019
Borrowings that are repriced	0.26%	0.26%	(1,957,511)	(1,819,287)
Loans that are repriced	0.26%	0.26%	-	-
	<u>% Decrease in rate</u>		<u>Increase/(decrease) in profit</u>	
Borrowings that are repriced	0.26%	0.26%	1,957,511	1,819,287
Loans that are repriced	0.26%	0.26%	-	-

33 **Other**

Previous year's figures have been regrouped/rearranged/reworked wherever necessary and possible so as to confirm to current year's classification.

