

BATRA KAPUR & ASSOCIATES

C-39 ANAND NIKETAN, NEW DELHI-110021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HIMSHIKHAR INVESTMENT LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Himshikhar Investment Limited** ("the **Company**"), which comprise the balance sheet as at March 31, 2019, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows 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 Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan



and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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:

- i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2019;
- ii. In the case of statement of Profit & Loss, of the LOSS for the year ended on that date;
- iii. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
- iv. In the case of Statement of Change in Equity, of the Equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of section 143(11) of the Act (hereinafter referred to as the "Order"), we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The balance sheet, the statement of profit and loss, the cash flow statement and the statement of change in equity dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company has no long-term contracts including derivative contracts as at March 31, 2019;
 - iii. The Company has no amount to be transferred to the Investor Education and Protection Fund.

Place: New Delhi
Date: 17th April, 2019

For Batra Kapur And Associates
Chartered Accountants
Firm Registration No. 002533N


(Ravinder Kapur)
Partner

Membership No: 16061

Annexure A to the Independent Auditor's Report to the members of Himshikhar Investment Limited

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) According to the information and explanation given to us and the records examined by us, the Company is not having any Immovable Property, in view of which the related reporting requirement of the Order is not applicable to the Company.
- ii. According to the information and explanation given to us and the records examined by us, the Company is not having any inventory, in view of which the related reporting requirement of the Order is not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act., in view of which the related reporting requirement of the Order is not applicable to the Company.
- iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable. Hence, clause 3(iv) of the Order is not applicable to the Company.
- v. As the Company has not accepted deposits, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, are not applicable.



- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable, with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and as per the books and records examined by us, the company does not have any dues payable to any financial institutions, banks, Government and debenture holders.
- ix. In our opinion, and according to the information and explanations given to us during the course of audit, the Company has not raised any money by way of initial public offer / further public offer and term loans hence, reporting under clause (ix) is not applicable to the Company.
- x. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management.
- xi. In our opinion, and according to the information and explanations given to us during the course of audit, the provisions of section 197 of the Act is not applicable to the company and hence the related reporting requirement of the Order are not applicable.
- xii. The company is not a Nidhi company, hence the related reporting requirement of the Order are not applicable.



- xiii. In our opinion, and according to the information and explanations given to us during the course of audit, transactions with the related parties are in compliance with section 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence the related reporting requirement of the Order are not applicable.
- xiv. According to the information and explanations given to us, the provisions of section 45-1A of the RBI Act, 1934 are applicable to the company. The company has Invested Rs.129.91 Cr being the market value (Cost Rs. 131.26 Cr) as on 31.03.2019 in a company in the same group in the ordinary course of business. In view of the above, in our opinion, the Net owned fund (NOF) will turn negative as on 31st March 2019, since the said investment is not considered for computation of Net owned Fund (NOF).
- xv. According to the information and explanations given to us and on an overall examination of the books of account, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, hence the related reporting requirement of the Order are not applicable.
- xvi. In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

Place: New Delhi
Date: 17th April, 2019

For Batra Kapur And Associates
Chartered Accountants
Firm Registration No. 002533N


(Ravinder Kapur)
Partner

Membership No: 16061

Annexure B to the Independent Auditor's Report to the members of Himshikhar Investment Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of **Himshikhar Investment Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a



material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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:

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to 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.



HIMSHIKHAR INVESTMENT LTD
Balance Sheet as at 31st March 2019

(Amount in Rs.)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
ASSETS			
A. Non-current assets			
a) Property, Plant and Equipment			
b) Capital Work in Progress			
c) Intangible assets			
d) Financial Assets			
i) Investments	3.1	33,739,593	55,698,144
ii) Loans			
iii) Other Financial Assets			
e) Other Non Current Assets			
B. Current assets			
a) Inventory			
b) Financial Assets			
i. Investments	3.2	1,299,122,693	1,893,430,148
ii. Trade Receivables			
iii. Cash and Bank balances	3.3	4,230,831	1,206,511
iv. Loans			
v. Bank Balances			
vi. Other Financial Assets			
c) Current Tax Assets (Net)	3.4	4,413,702	2,377,030
d) Other Current Assets			
Total		1,341,506,819	1,952,711,833
EQUITY & LIABILITIES			
A. Equity			
a) Equity Share Capital	3.5	4,500,000	4,500,000
b) Other Equity	3.6	(140,679,825)	597,798,602
		(136,179,825)	602,298,602
B. Liabilities			
Non- Current Liabilities			
a) Financial Liabilities			
a. Long-term borrowings			
b. Other Financial liabilities			
b) Long Term Provisions			
c) Deferred Tax Liabilities (Net)			
d) Other Non Current Liabilities			
Current Liabilities			
a) Financial Liabilities			
a. Short-term borrowings	3.9	1,272,775,000	1,262,775,000
b. Trade payables	3.7	20,000	20,000
c. Other Financial liabilities			
b) Short Term Provisions	3.8	4,378,489	2,238,965
C) Other Current Liabilities	3.10	200,513,155	85,379,266
Total		1,341,506,819	1,952,711,833

The accompanying significant accounting policies and notes are integral part of the financial statements - Note 1 & 2

As per our report of even date

For **BATRA KAPUR AND ASSOCIATES**
Chartered Accountants
FRN 002533N
Ravinder Kapur
PARTNER
Membership No.16061

New Delhi
Dated: 17th April, 2019

Bhabagrahi Pradhan
Director
DIN:02148704

Manisha Bansal
Director
DIN:06852044

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HIMSHIKHAR INVESTMENT LTD

Statement of profit and loss for the year ended 31st March 2019

(Amount in Rs.)

	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations (Gross)	3.11	4,415,808	4,708,916
Other income	3.12	-	35,055
Total		4,415,808	4,743,971
Expenses			
Other expenses	3.13	181,084	941,320
Interest expenses	3.14	126,725,444	126,432,844
Total		126,906,528	127,374,164
Profit before tax and exceptional items		(122,490,721)	(122,630,192)
Less : Exceptional Items (net-gain/(loss))		-	-
Profit Before Tax		(122,490,721)	(122,630,192)
Tax expense:			
Current tax		2,036,672	2,093,849
Deferred tax		-	-
Mat credit (entitlement) / charge		(2,036,672)	(1,338,884)
Excess Income tax Written Back		-	-
Total of Tax Expense		-	754,965
Net Profit After Tax		(122,490,721)	(123,385,157)
Other Comprehensive Income		(615,987,706)	560,204,750
Total Comprehensive Income		(738,478,427)	436,819,593
Earning per share	3.15	(272.20)	(274.19)
Earning per share (Basic & Diluted) (Face Value Rs. 2/- per share)			
Significant accounting policies	2		

The accompanying significant accounting policies and notes are an integral part of the financial statements - 1 & 2

As per our report of even date

For **BATRA KAPUR AND ASSOCIATES**

Chartered Accountants

FRN 002533N

Ravinder Kapur
NEW DELHI

Ravinder Kapur
PARTNER
Membership No. 16061

Bhabagrahi Pradhan
Director
DIN:02148704

Manisha Bansal
Director
DIN:06852044

New Delhi

Dated: 17th April, 2019

HIMSHIKHAR INVESTMENT LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	2018-19 Rs.	2017-18 Rs.
Cash Flow from operating activities :		
Net Profit before tax	(122,490,721)	(122,630,192)
Add: Non cash Expenses		
Provision for Interest on Income Tax	102,852	120,616
Less Non Cash Income		
Profit on sale Investment	2,184,653	-
Operating Profit before working capital changes	(124,572,522)	(122,509,576)
Adjustments for working capital changes:-		
Other Current Liabilities	115,133,889	75,049,793
Other Non current Asset	-	(890,404)
Cash generated from operations	(9,438,633)	(48,350,187)
Direct Taxes paid/(refund)	-	-
Net Cash from operating activities	(9,438,633)	(48,350,187)
Cash flow from investing activities		
(Purchase)/Sale of Non Current Investment	2,462,953	(532,964,634)
(Purchase)/Sale of Current Investment	-	97,044,168
Cash flow from financing activities		
Short Term Borrowing (Net)	10,000,000	483,000,000
Net change in cash & cash equivalents	3,024,320	(1,270,653)
Cash & cash equivalents (opening balance)	1,206,511	2,477,164
Cash & cash equivalents (closing balance)	4,230,831	1,206,511
Change in cash & cash equivalents	3,024,320	(1,270,653)

The accompanying significant accounting policies and notes are an integral part of the financial statements - 1 & 2

As per our report of even date attached

For **BATRA KAPUR AND ASSOCIATES**
Chartered Accountants
FRN 002533N


Ravinder Kapur
PARTNER
Membership No.16061

New Delhi
Dated: 17th April, 2019


Bhabagrahi Pradhan
Director
DIN:02148704


Manisha Bansal
Director
DIN:06852044



HIMSHIKHAR INVESTMENT LTD

Statement of changes in equity as at March 31,2019

A. Equity Share Capital

Particulars	31-Mar-18	Changes during the year	31-Mar-19
Balance of Equity Share Capital	4,500,000	-	4,500,000

B. Other Equity

Particulars	Reserve and Surplus	Items of other comprehensive income	
	Retained Earnings	Equity instruments through other comprehensive income	Total
As at 1st April,2018	91,339,390	69,639,619	160,979,009
Movement during FY17-18			
Dividends			
Profit of the year	(123,385,157)		(123,385,157)
Transfer to general reserve			
Other comprehensive income		560,204,750	560,204,750
As at March31,2018	(32,045,767)	629,844,369	597,798,602
Movement during FY18-19			
Dividends			
Profit of the year	(122,490,721)		(122,490,721)
Transfer to general reserve			
Other comprehensive income		(615,987,706)	(615,987,706)
As at March31,2019	(154,536,488)	13,856,663	(140,679,825)

For BATRA KAPUR AND ASSOCIATES

Chartered Accountants

FRN:002533N

Ravinder Kapur
PARTNER

Membership No.16061

Bhabagrahi Pradhan
Director
DIN:02148704Manisha Bansal
Director
DIN:06852044

New Delhi

Dated: 17th April, 2019

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HIMSHIKHAR INVESTMENT LTD

Significant Accounting Policies and Notes forming part of the Balance Sheet and Statement of Profit and Loss:

1. Statement of Compliance with Ind AS

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. Accordingly, the financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The Company has adopted all the applicable Ind AS and the adoption was carried out in accordance with Ind AS-101 First time adoption of Indian Accounting Standards.

Basis of preparation of accounts

These financial statements have been prepared in accordance with Ind AS under the historical cost basis except for the following:

- i) Certain financial assets and financial liabilities - measured at fair value and
- ii) Defined benefits plan - plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration in exchange for goods and services.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

Functional and presentation currency

The financial statements including notes thereon are presented in Indian rupees, which is the functional currency of the company. All the financial information presented in Indian rupees has been rounded to the nearest crore as per the requirement of Schedule III to the Act, unless stated otherwise.

2 Significant Accounting Policies:

2.1 Accounting Convention

The financial statements are prepared under historical cost convention as a going concern.

2.2 Revenue Recognition.

Revenue is recognised on accrual basis. Interest Income is recognised on time proportion basis.

2.3 Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity share outstanding, without a corresponding change in resources.



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2.4 Income Taxes

Tax expense comprises of current and deferred. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Deferred income tax reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised, in situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available.

2.5 Borrowing cost

Borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.6 Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The company classifies all other liabilities as non-current.

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



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3 Notes to Balance Sheet and Statement of Profit & Loss:

3.1 Non Current Investment

As at 31.03.2019 As at 31.03.2018

Other investments (valued at
NAV)

Investment in Equity Instruments - Quoted

-193,850 (As on 31.03.2018-
202,318) equity shares of Rs 10
each, fully paid up of Poddar
Pigments Limited
Total

33,739,593	55,698,144
33,739,593	55,698,144

Note:-

(i) Market Price of investments has been taken from Bombay Stock Exchange.



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3.2 Current Investment

	As at 31.03.2019	As at 31.03.2018
Other investments (NAV)		
Investment in Equity Instruments - Quoted		
- 1312444 equity share of Rs.10 each,fully paid up in Odisha Cement Ltd.(As on 31.03.2018- 656222 equity shares of Rs 2 each, fully paid up in Dalmia Bharat Limited) (in the same group company)	1,299,122,693	1,893,430,148
Aggregate amount of quoted investments	1,299,122,693	1,893,430,148

Note:-

(i) Market Price of investments has been taken from Bombay Stock Exchange.

(ii) The above Investment has been made out of Loan taken from Holding company/ Sale of Non Current Investment.

3.3 Cash and cash equivalents:

	As at 31.03.2019	As at 31.03.2018
Balances with Scheduled banks in Current Account	4,230,831	1,206,511
	4,230,831	1,206,511

3.4 Current Tax Assets (Net):

	As at 31.03.2019	As at 31.03.2018
Advance Income Tax	1,024,540	1,024,540
Income Tax Refund A/C	13,606	13,606
MAT Recoverable	3,375,556	1,338,884
	4,413,702	2,377,030

*There is no amount due to Micro & Small Enterprises as per MSMED Act



3.5 Share Capital:

Particulars	As at 31.03.2019		As at 31.03.2018	
	Number	Rs.	Number	Rs.
Authorized:				
Equity shares of Rs. 10 /- each	500,000	5,000,000	500,000	5,000,000
		<u>5,000,000</u>		<u>5,000,000</u>
Issued, subscribed and paid up:				
Equity shares of Rs. 10 /- each fully paid up	450,000	4,500,000	450,000	4,500,000
		<u>4,500,000</u>		<u>4,500,000</u>
Reconciliation of the shares outstanding at the beginning and at the end of the year				
At the beginning of the year	450,000	4,500,000	450,000	4,500,000
Issued during the reporting period	-	-	-	-
Bought back during the reporting period	-	-	-	-
At the close of the year	450,000	<u>4,500,000</u>	450,000	<u>4,500,000</u>
Shares held by the holding company/ultimate holding company/subsidiaries or associates of the holding company/ultimate holding company, in aggregate				
Dalmia Bharat Sugar & Industries Limited (Holding Company)	450,000		450,000	
Particulars of equity share holders holding more than 5% of the total number of equity share capital:				
Dalmia Bharat Sugar & Industries Limited (100 % Holding Company)	450,000	100%	450,000	100%



3.6 Reserves and Surplus:

Particulars	Surplus i.e. balance in Statement of Profit & Loss As at 31.03.2019	Surplus i.e. balance in Statement of Profit & Loss As at 31.03.2018	Retained Earning As at 31.03.2019	Retained Earning As at 31.03.2018	Other comprehensive Income As at 31.03.2019	Other comprehensive Income As at 31.03.2018	Total As at 31.03.2019	Total As at 31.03.2018
At the beginning of the year	(110,199,947)	13,185,210	78,154,180	78,154,180	629,844,369	69,639,619	597,798,602	160,979,009
Transferred from Statement of Profit & Loss	(122,490,721)	(123,385,157)					(122,490,721)	(123,385,157)
Increase/Decrease in value of investments					(615,987,706)	560,204,750	(615,987,706)	560,204,750
Transferred to Reserve								
At the close of the year	(232,690,668)	(110,199,947)	78,154,180	78,154,180	13,856,663	629,844,369	(140,679,825)	597,798,602

Note: OCI is other comprehensive income/(Loss) resulting from the revaluation of share in investment as per current NAV. Detail is as per Below Table.

Particulars	No. of shares	Cost/Unit	NAV/Unit	Cost Rs.	NAV Rs.	OCI Rs.
As on 31.03.2018						
Equity Shares of Dalmia Bharat Limited	656,222	2,000.29	2,885.35	1,312,634,735	1,893,430,148	580,795,413
Equity Shares of Poddar Pigments Limited	202,318	32.87	275.30	6,649,189	55,698,145	49,048,956
					Total	629,844,369
As on 31.03.2019						
Equity Shares of Odisha Cement Ltd.*#	1,312,444	1,000.15	989.85	1,312,634,735	1,299,122,693	(13,512,042)
Equity Shares of Poddar Pigments Ltd.	193,850	32.87	174.05	6,370,888	33,739,593	27,368,704
					Total	13,856,663

Working for Other comprehensive income/(loss) for the FY 2018-19

Particulars	No. of shares	Opening NAV/Cost	Closing NAV/Cost	Diff	Change in OCI	Grand Total
	No.	Rs./Share	Rs./Share	Rs./Share	Rs.	Rs.
Dalmia Bharat Ltd.						
Investments carried from beginning of the year.	407,807	1,967.20	2,885.35	918.15	374,427,997	
Purchased during the year	248,415	2,145.46	2,885.35	739.89	183,799,588	
Total	656,222				558,227,585	
Poddar Pigments Ltd						
Investments carried from beginning of the year.	202,318	264.00	275.30	11.30	2,286,193	
Sold during the year	1,337	264.00	32.87	(231.13)	(309,027)	
Total					1,977,166	560,204,750

Working for Other comprehensive income/(loss) for the FY 2019-20

Particulars	No. of shares	Opening NAV/Cost	Closing NAV/Cost	Diff	Change in OCI	Grand Total
	No.	Rs./Share	Rs./Share	Rs./Share	Rs.	Rs.
Odisha Cement Ltd.						
Investments carried from beginning of the year.	1,312,444	1,443	989.85	(452.83)	(594,307,454)	
Total					(594,307,454)	
Poddar Pigments Ltd						
Investments carried from beginning of the year.	193,850	275.30	174.05	(101.25)	(19,627,313)	
Sold during the year	8,468	275.30	32.87	(242.43)	(2,052,939)	
Total	185,382			Total	(21,680,252)	(615,987,706)

Note: The company has not transferred profit to reserve fund as per section 45(1C) of the RBI Act, since the company is an NBFC -not accepting public deposit and exempted from the said requirement.

*The company has received share of Odisha Cement Ltd in lieu of shares of Dalmia Bharat Ltd in the ratio of 2:1 in pursuant to the scheme of amalgamation and arrangement.

#The name of Odisha Cement Ltd. is changed to Dalmia Bharat Ltd. Effective from 15/04/2019.



3.7 Trade Payable

	As at 31.03.2019	As at 31.03.2018
Others		
Outstanding Expenses	20,000	20,000
	<u>20,000</u>	<u>20,000</u>

3.8 Short term Provisions

	As at 31.03.2019	As at 31.03.2018
Provision for taxation	4,378,489	2,238,965
	<u>4,378,489</u>	<u>2,238,965</u>

3.9 Short Term Borrowing

	As at 31.03.2019	As at 31.03.2018
Loan From Holding company	1,272,775,000	1,262,775,000
	<u>1,272,775,000</u>	<u>1,262,775,000</u>

3.10 Other Payables

	As at 31.03.2019	As at 31.03.2018
Interest Payable to Holding	199,432,168	85,379,266
TDS Payable	1,080,987	
	<u>200,513,155</u>	<u>85,379,266</u>

3.11 Revenue From Operations:

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Dividend Income on Non Current Investment	2,231,155	2,156,481
Excess Provision Written Back	-	1,979
Profit on Sale of Investment	2,184,653	2,550,456
	<u>4,415,808</u>	<u>4,708,916</u>

3.12 Other Income:

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest on Income Tax Refund	-	35,055
	<u>-</u>	<u>35,055</u>



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3.13 Other expenses:

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Auditors Remuneration		
Audit Fee	20,000	20,000
Filing Fee	40,206	16,031
Bank Charges	118	460
Demat Charges	60	2,530
Professional Fees	13,580	15,489
Securities Transaction Charges	4,269	766,194
Interest Expenses	102,852	120,616
	181,084	941,320

3.14 Interest on Loan

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest on Loan	126,725,444	126,432,844
	126,725,444	126,432,844

3.15 Earnings per share:

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Profit for the year (A)	(122,490,721)	(123,385,157)
Weighted average number of equity shares (B)	450,000	450,000
Earning per share (A/B)	(272.20)	(274.19)

3.16 The Holding Company of the Company is Dalmia Bharat Sugar and Industries Limited

3.17 Related Party Disclosures, as required by Ind AS-24 is as below:-

A. Relationships:**(i) Holding Company:**

Dalmia Bharat Sugar and Industries Limited

(ii) Fellow Subsidiaries *

Dalmia Sugar Ventures Limited and Dalmia Solar Power Limited

* Till 31/05/2018

B. The following transactions were carried out with the related parties in the ordinary course of business during the year:-

	2018-19 (Rs.)	2017-18 (Rs.)
(i) Outstanding amount due to Holding Company as at year end	1,272,775,000	1,262,775,000
(ii) Transaction during the year		
a) Loan taken during the year	10,000,000	543,000,000
b) Loan repaid during the year	-	60,000,000
(iii) Interest payable to Holding Company as at year end	199,432,167	85,379,266
(iv) Interest Charged by Holding Company during the F.Y	126,725,444	126,432,844



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3.18 The Company has only one segment and accordingly, the segment information as prescribed in the Indian Accounting Standard-17 is not applicable.

3.19 Previous year figures have been regrouped / rearranged wherever considered necessary.

Annexure to our Report of even date attached.

For **BATRA KAPUR AND ASSOCIATES**
Chartered Accountants
FRN 002533N

Ravinder Kapur
PARTNER
Membership No. 16061

New Delhi
Dated: 17th April, 2019

Bhabanghi Pradhan
Director
DIN: 02148704

Manisha Barisal
Director
DIN: 06852044


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Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Place: New Delhi
Date: 17th April, 2019

For Batra Kapur And Associates
Chartered Accountants
Firm Registration No. 002533N


(Ravinder Kapur)
Partner

Membership No: 16061