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YEARS

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Committed to
VISION.**

Annual Report
2019-20

Emkay Commotrade Limited



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Rajesh Sharma	-	Director (DIN: 01239871)
Mr. Saket Agrawal	-	Director (DIN 06960186)
Mr. Devang Desai*	-	Director (DIN 08677261)
Mr. Krishna Kumar Karwa**	-	Director (DIN: 00181055)
Mr. Prakash Kacholia**	-	Whole Time Director (DIN: 00002626)
Mr. R. K. Krishnamurthi**	-	Director (DIN: 00464622)

*(Appointed w.e.f. 24.01.2020)

** (Resigned w.e.f. 25.01.2020)

COMPANY SECRETARY

Mr. Nishant Phadtare (upto 23.08.2019)

Mr. Siddharth R. Mehta (from 11.10.2019 to 31.01.2020)

STATUTORY AUDITORS

M/s. B. L. Sarda & Associates, Chartered Accountants

BANKERS

HDFC Bank Limited

ICICI Bank Limited

AXIS Bank Limited

Punjab National Bank Limited

Union Bank of India Limited

Bank of India

State Bank of India

REGISTERED OFFICE

The Ruby, 7th Floor,

Senapati Bapat Marg,

Dadar (West), Mumbai - 400 028

ADMINISTRATIVE OFFICE

Paragon Centre,

"C-06", Ground Floor,

P. B. Marg, Opp. Century Mills,

Worli, Mumbai - 400 013

CORPORATE IDENTIFICATION NUMBER:

U51110MH2006PLC158675

EMKAY COMMOTRADE LIMITED

NOTICE

Notice is hereby given that the Fifteenth Annual General Meeting of the Members of **Emkay Commotrade Limited** will be held on Thursday, August 27, 2020 at 2.00 p.m. at the Registered Office of the Company situated at The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Rajesh Sharma (DIN: 01239871), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business

3. Appointment of Mr. Devang Desai (DIN: 08677261) as a Director of the Company.

To consider and if thought fit, to pass with or without modification(s) the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Devang Desai (DIN: 08677261), who was appointed as an Additional Director of the Company with effect from 24th January, 2020 in terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as may be required to carry on the purpose of the above resolution.”

By order of the Board of Directors

For **Emkay Commotrade Limited**

Rajesh Sharma
Director

Registered Office:

The Ruby, 7th Floor, Senapati Bapat Marg,
Dadar (West), Mumbai - 400028

Place: Mumbai

Date: June 16, 2020

Notes for Members' Attention:

1. A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint Proxy/ Proxies to attend and vote instead of himself/herself. Proxy/Proxies need not be a member of the company. Person can act as proxy on behalf of members not exceeding fifty (50) and holding not more than ten percent (10%) of the total share capital of the company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. Proxies in order to be effective must be received by the company at its registered office not later than forty eight hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable.
2. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are requested to send a duly certified copy of their board resolution.
3. Members/Proxies/Representatives should bring the enclosed Attendance Slip, duly filled in, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.

By order of the Board of Directors

For **Emkay Commotrade Limited**

Rajesh Sharma
Director

Registered Office:

The Ruby, 7th Floor, Senapati Bapat Marg,
Dadar (West), Mumbai - 400028

Place: Mumbai

Date: June 16, 2020

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.**Item No. 3**

The Board of Directors of the Company appointed Mr. Devang Mahesh Desai (DIN: 08677261) as an Additional Director of the Company on 24th January, 2020.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013("the Act") and Articles of Association of the Company, Mr. Devang Mahesh Desai holds office as an Additional Director up to the date of this Annual General Meeting. The Board of Directors of the Company has recommended the appointment of Mr. Devang Mahesh Desai as a Director liable to retire by rotation in its meeting held on 16.06.2020.

The Company has received a notice pursuant to section 160 of the Companies Act, 2013 from a member signifying its intention to propose appointment of Mr. Devang Mahesh Desai as a Director of the Company.

The Board of Directors recommends resolution set out at Item No. 3 of the Notice for your approval.

Except Mr. Devang Mahesh Desai being an appointee, none of the other Directors or their relatives are in any way deemed to be concerned or interested, financially or otherwise in the resolution set out at item No. 3 of the Notice.

By order of the Board of Directors

For **Emkay Commotrade Limited**

Rajesh Sharma
Director

Registered Office:

The Ruby, 7th Floor,
Senapati Bapat Marg,
Dadar (West), Mumbai - 400028

Place: Mumbai

Date: June 16, 2020

DIRECTORS' REPORT

Your Directors present the Fifteenth Annual Report of your Company and the Audited Financial Statements for the year ended on March 31, 2020.

1. FINANCIAL RESULTS

An overview of the financial performance of the Company for financial year 2019-20 is as under:

	(Rs. In Lacs)	
Particulars	31.03.2020	31.03.2019
Total Revenue	52.99	600.41
Profit Before Tax	(29.47)	4.91
Less: Provision for Taxation	-	-
Less: Tax Expenses Earlier years adjustments	(0.27)	-
Profit After Tax	(29.20)	4.91
Other Comprehensive Income /(Loss) (net of tax)	(0.42)	(0.59)
Total Comprehensive Income	(29.62)	4.32

2. REVIEW OF OPERATIONS AND BUSINESS HIGHLIGHTS

During the year under review, your Company recorded a total income of Rs. 52.99 lacs as compared to Rs. 600.41 lacs in the previous financial year, lower by 91.17%.

The Profit after Tax for the year under review stands at Rs. (29.20) lacs as compared to Rs. 4.91 lacs in previous financial year.

The Company has discontinued its business operation in the previous financial year 2018-19. However, the Company continues to hold membership of Multi Commodity Exchange of India Limited and National Commodity & Derivatives Exchange Limited and have complied with the regulatory compliances, as applicable.

In view of the above, the Financial Statements of the Company have been prepared under the Realization Basis of accounting as the Company ceases to be a going concern.

COVID-19 outbreak was declared a pandemic by the World Health Organization on March 11, 2020. The Indian Government announced a 21-day complete lockdown on March 24, 2020, across the country, to contain the spread of the virus. The lockdown has since been extended with gradual relaxations. The company being registered as a Commodity broker with SEBI has been declared an essential services and accordingly

the company's activity were exempted from lockdown. During the period, the Company continued to comply with the regulatory compliances, as applicable.

3. RESERVES AND SURPLUS

The Company has not transferred any amount to General Reserve.

4. DIVIDEND

During the year under review, your Company has not generated revenues except Interest Income and hence your directors do not recommend any dividend for the financial year 2019-20.

5. EXTRACT OF ANNUAL RETURN

As provided under Section 92(3) of the Act, the extract of annual return is given in "Annexure A" in the prescribed form MGT-9, which forms part of this report

6. MATERIAL CHANGES BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF REPORT

There have been no material changes and commitments between the end of financial year 2019-20 and the date of this report adversely affecting the financial position of the Company.

7. DIRECTORS & KEY MANAGERIAL PERSONNEL

During the year under review, Mr. Krishna Kumar Karwa, Director, Mr. Prakash Kacholia, Whole-time Director and Mr. Ravikumar Krishnamurthi have tendered their resignation from the Company with effect from the end of closing hours of January 25, 2020, due to their professional commitments with Holding Company, M/s Emkay Global Financial Services Limited and other group Companies.

The Company had appointed Mr. Devang Mahesh Desai (DIN: 08677261) as an Additional Director with effect from January 24, 2020. Your Directors recommend the appointment of Mr. Devang Mahesh Desai as a Director and resolution to the effect forms part of the Notice of the forthcoming 15th Annual General Meeting.

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Mr. Rajesh Sharma (DIN: 01239871), Director of the Company is liable to retire by rotation and being eligible, offers himself for re-appointment.

Directors' Report (Contd.)

The above re-appointment forms part of the Notice of the forthcoming 15th Annual General Meeting and the respective resolution is recommended for your approval.

8. INDEPENDENT DIRECTORS

The provisions of Section 149(4) of the Companies Act, 2013 pertaining to appointment of Independent Director are not applicable to the Company. Accordingly, the Company has not appointed Independent Director on its Board.

9. CORPORATE GOVERNANCE

a. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2019-2020, 7 meetings of the Board of Directors were held i.e. on April 23, 2019, May 28, 2019, August 10, 2019, August 20, 2019, September 12, 2019, November 14, 2019, and January 24, 2020.

The details of the attendance of Directors at the meetings were as under:

Name of the Director	Category	Board Meetings held during Financial Year 2019-20	
		Held	Attended
Mr. Krishna Kumar Karwa**	Director	7	7
Mr. Prakash Kacholia**	Whole Time Director	7	7
Mr. Rajesh Sharma	Director	7	7
Mr. Ravikumar Krishnamurthi**	Director	7	6
Mr. Saket Agrawal	Director	7	7
Mr. Devang Desai*	Additional Director	1	1

**Resigned w.e.f. 25/01/2020

*Appointed as an Additional Director w.e.f. 24/01/2020

b. AUDIT COMMITTEE

The Audit Committee constituted by the Board comprises of the following members:

- | | |
|----------------------------|----------|
| 1. Mr. Rajesh Sharma | Chairman |
| 2. Mr. Krishna Kumar Karwa | Member |
| 3. Mr. R. K. Krishnamurthi | Member |

The Chairman of the Audit Committee, Mr. Rajesh Sharma is a Non-executive director having expertise in the field of accounting and related financial management. All the members of the Committee are financially literate. The Statutory Auditors, Internal Auditors of the Company are invited to attend the Audit Committee Meetings. The meeting of the Committee is held once in every quarter to review the financial results of the Company. During the Financial Year 2019-20, 4 meetings of the Audit Committee were held i.e. on May 28, 2019, August 10, 2019 and January 24, 2020.

The details of the attendance of each member at the meetings are as under:

Name of the Committee Member	No. of Meetings Attended
Mr. Rajesh Sharma	4
Mr. Krishna Kumar Karwa	4
Mr. R. K. Krishnamurthi	3

c. NOMINATION AND REMUNERATION COMMITTEE

Provisions of section 178 of the Companies Act, 2013 pertaining to constitution of Nomination and Remuneration Committee are not applicable to the Company. Accordingly, the Company has not constituted the Nomination and Remuneration Committee.

d. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Since the Company do not fulfil any of the criteria given under section 135 of the Companies Act, 2013, during the immediately preceding financial year, the Company is not required to constitute the Corporate Social Responsibility Committee.

10. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.
- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.

Directors' Report (Contd.)

- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The directors have prepared the annual accounts on a realization basis of accounting as the company ceases to be a going concern.
- e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The directors had laid down systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate & operating effectively.

11. PUBLIC DEPOSITS

During the year under review, your Company has not accepted and/or renewed any public deposits in terms of the provisions of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, details of Loans, Guarantees or Investments covered under Section 185 and 186 of the Companies Act, 2013, are given under notes to the Financial Statements.

The Company has advanced a total amount of Rs. 9.00 Cr. at 10% interest per annum, to its Holding Company, Emkay Global Financial Services Limited, under Section 185 of the Companies Act, 2013 and received back the total amount within the same financial year.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

The details of the related party transactions, as per requirement of Accounting Standards-18 are disclosed in notes to the financial statements of the Company for the financial year 2019-20. All the directors have disclosed their interest in Form MBP-1 pursuant to the provisions of Section 184 of the Companies Act, 2013 and as and when any changes in their

interest take place, such changes are placed before the Board at its meetings. None of the transactions with any of the related parties was in conflict with the interest of the Company. The particulars of contracts or arrangements with related parties referred to in Section 188(1), in prescribed Form AOC - 2 under Companies (Accounts) Rules, 2014 are appended as "Annexure B".

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) Conservation of Energy, Technology Absorption do not have much relevance to the activities of the Company since it does not own any manufacturing facility and hence the disclosure of information to be disclosed in terms of Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 in respect of Conservation of Energy, Technology Absorption are not given.
- b) There were no Foreign Exchange earnings during the year under review.
- c) The total Foreign Exchange Outgo during the year under review.

15. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURTS OR REGULATORS

During the year under review no significant and material orders were passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

16. CHANGE IN ACCOUNTING POLICY:

The company has adopted Indian Accounting Standard (IND AS) with effect from 1st April 2019 and the effective date of such transition is 1st April 2018.

17. STATUTORY AUDITORS

Pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company had appointed M/s. B. L. Sarda & Associates, Chartered Accountants, bearing Firm Registration Number 109266W with the Institute of Chartered Accountants of India (ICAI), as the Statutory Auditors of the Company to hold office for

Directors' Report (Contd.)

a period of five years from the conclusion of the 14th Annual General Meeting till the conclusion of the 19th Annual General Meeting to be held for the financial year 2023-24.

There are no qualifications or observations or remarks made by the Auditors in their report.

18. SECRETARIAL AUDIT

In terms of provisions of Section 204 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is not required to get its records audited from Company Secretary in Practice.

19. COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 and rules made thereunder are not applicable for the business activities carried out by the Company.

20. REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditor has not reported to the Audit Committee, under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

21. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Company has an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively for the Financial Year 2019-20.

22. SECRETARIAL STANDARDS

The Company complies with the applicable secretarial standards issued by the Institute of Company Secretaries of India.

23. HUMAN RESOURCE

a. PARTICULARS OF EMPLOYEES

The particulars of employees, in terms of requirement under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not annexed, as there are no employees whose remuneration falls within the prescribed limits of the Section 197.

b. INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the year under review no complaint was filed before the Internal Complaints Committee constituted under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

24. ACKNOWLEDGEMENT

Your Directors would like to take this opportunity to express sincere gratitude towards the bankers and other business associates for the continued cooperation and patronage provided by them. Your Directors gratefully acknowledge the ongoing co-operation and support provided by the Government Authorities, Regulatory Bodies and other entities dealing with the Company.

Your Directors place on record their deep appreciation for the exemplary contribution made by employees at all levels.

On behalf of the Board of Directors

Rajesh Sharma
Director
DIN: 01239871

Saket Agrawal
Director
DIN: 06960186

Place: Mumbai
Date: June 16, 2020

ANNEXURE "A"

EXTRACT OF THE ANNUAL RETURN

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON MARCH 31, 2020

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I REGISTRATION AND OTHER DETAILS

i	CIN	U51110MH2006PLC158675
ii	Registration Date	05/01/2006
iii	Name of the Company	Emkay Commotrade Limited
iv	Category/ Sub-Category of the Company	Public Limited Company
v	Address of the Registered Office and contact details	The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028 Tel. No. 022-66121212
vi	Whether Listed Company	No (Unlisted Company)
vii	Name , Address and Contact details of Registrar and Transfer Agent, if any	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of Main Products/Service	NIC Code of the Products/Service	% to total turnover of the Company
1	Commodity Broking	66120	2.59

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN No.	Holding/Subsidiary/ Associates	% of shares held	Applicable Section
1	Emkay Global Financial Services Ltd.	L67120MH1995PLC084899	Holding	100	2(46)

IV. SHAREHOLDING PATTERN

A. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category –wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year on 01.04.2019				No. of Shares held at the end of the year on 31.03.2020				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									No Change in % during the Year
1 Indian									
a) Individuals/HUF	-	-	-	-	-	-	-	-	
b) Central Govt	-	-	-	-	-	-	-	-	
c) State Govt	-	-	-	-	-	-	-	-	

Category of Shareholders	No. of Shares held at the beginning of the year on 01.04.2019				No. of Shares held at the end of the year on 31.03.2020				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
d) Bodies Corporate	-	5,999,400	5,999,400	99.99	-	5,999,400	5,999,400	99.99	No Change in % during the Year
e) Bank/FI									
f) Any Other:- Six Shareholders as a nominee of Emaky Global Financial Services Ltd.		600	600	0.010	-	600	600	0.010	
Sub Total A-1	-	6,000,000	6,000,000	100	-	6,000,000	6,000,000	100	
2 Foreign									
(a) NRI-Individuals	-	-	-	-	-	-	-	-	
(b) Others-Individuals	-	-	-	-	-	-	-	-	
(c) Bodies Corporate	-	-	-	-	-	-	-	-	
(d) Bank/FI	-	-	-	-	-	-	-	-	
(e) Any Others	-	-	-	-	-	-	-	-	
Sub Total (A) (2)	-	-	-	-	-	-	-	-	
Total Shareholding of Promoters A= A1+A2	-	6,000,000	6,000,000	100		6,000,000	6,000,000	100	
B. Public Shareholding									
1. Institution									
a) Mutual Fund	-	-	-	-	-	-	-	-	No Change in % during the Year
b) Bank/FI	-	-	-	-	-	-	-	-	
c) Central Govt	-	-	-	-	-	-	-	-	
d) State Govt	-	-	-	-	-	-	-	-	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	
f) Insurance Companies	-	-	-	-	-	-	-	-	
g) FIIs	-	-	-	-	-	-	-	-	
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
i) Others (specify)	-	-	-	-	-	-	-	-	
Sub Total-B-1	-	-	-	-	-	-	-	-	
2. Non Institutions	-	-	-	-	-	-	-	-	
a. Bodies Corporate	-	-	-	-	-	-	-	-	
i. Indian	-	-	-	-	-	-	-	-	
ii. Overseas	-	-	-	-	-	-	-	-	
b. Individuals	-	-	-	-	-	-	-	-	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	

Category of Shareholders	No. of Shares held at the beginning of the year on 01.04.2019				No. of Shares held at the end of the year on 31.03.2020				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	No Change in % during the Year
c. State Govt	-	-	-	-	-	-	-	-	
d. Venture Capital Funds	-	-	-	-	-	-	-	-	
e. Insurance Comp	-	-	-	-	-	-	-	-	
f. FIIs	-	-	-	-	-	-	-	-	
g. Foreign Vanture Capital Funds	-	-	-	-	-	-	-	-	
h. Others (specify)	-	-	-	-	-	-	-	-	
Total Public Shareholding B=B1+B2	-	-	-	-	-	-	-	-	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	No Change in % during the Year
Grand Total (A+B+C)	6,000,000	6,000,000	100		-	6,000,000	6,000,000	100	

(ii) Shareholding of Promoters:

Sr. No.	Shareholders Name	Shareholding at the Beginning of the Year on 01.04.2019			Shareholding at the end of the year on 31.03.2020			% change in shareholding during the year
		No. of Shares	%of the total shares of the Company	%of Shares Pledged / encumbered to total shares	No. of Shares	%of the total shares of the Company	%of Shares Pledged / Encumbered to total shares	
1	Emkay Global Financial Services Ltd.	5,999,400	99.99	-	5,999,400	99.99	-	No Change in % of Equity Share holding of the Promoters during the year
2	Krishna Kumar Karwa as a nominee of Emkay Global Financial Services Ltd	100	0.001667	-	100	0.001667	-	

Sr. No.	Shareholders Name	Shareholding at the Beginning of the Year on 01.04.2019			Shareholding at the end of the year on 31.03.2020			% change in shareholding during the year
		No. of Shares	% of the total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of the total shares of the Company	% of Shares Pledged / Encumbered to total shares	
3	Prakash Kacholia as a nominee of Emkay Global Financial Services Ltd	100	0.001667	-	100	0.001667	-	No Change in % of Equity Share holding of the Promoters during the year
4	Satyanarayan Karwa as a nominee of Emkay Global Financial Services Ltd	100	0.001667	-	100	0.001667	-	
5	Krishna Kacholia as a nominee of Emkay Global Financial Services Ltd	100	0.001667	-	100	0.001667	-	
6	Priti Karwa as a nominee of Emkay Global Financial Services Ltd	100	0.001667	-	100	0.001667	-	
7	Preeti Kacholia as a nominee of Emkay Global Financial Services Ltd.	100	0.001667	-	100	0.001667	-	

Note: There is no change in the equity shareholding of the Promoters during the year.

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

Sr. No.		Shareholding at the beginning of the year as on 01.04.2019		Cumulative Shareholding during the year as on 31.03.2020	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the Beginning of the year				
A	Emkay Global Financial Services Ltd.	5,999,400	99.99	5,999,400	99.99
B	Krishna Kumar Karwa as a nominee of Emkay Global Financial Services Ltd.	100	0.001667	100	0.001667
C	Prakash Kacholia as a nominee of Emkay Global Financial Services Ltd	100	0.001667	100	0.001667
D	Satyanarayan Karwa as a nominee of Emkay Global Financial Services Ltd	100	0.001667	100	0.001667
E	Krishna Kacholia as a nominee of Emkay Global Financial Services Ltd	100	0.001667	100	0.001667
F	Priti Karwa as a nominee of Emkay Global Financial Services Ltd	100	0.001667	100	0.001667
G	Preeti Kacholia as a nominee of Emkay Global Financial Services Ltd	100	0.001667	100	0.001667
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for Increase / Decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	-	-	-	-
3.	At the end of the year				
A	Emkay Global Financial Services Ltd.	5,999,400	99.99	5,999,400	99.99
B	Krishna Kumar Karwa as a nominee of Emkay Global Financial Services Ltd.	100	0.001667	100	0.001667
C	Prakash Kacholia as a nominee of Emkay Global Financial Services Ltd	100	0.001667	100	0.001667
D	Satyanarayan Karwa as a nominee of Emkay Global Financial Services Ltd	100	0.001667	100	0.001667
E	Krishna Kacholia as a nominee of Emkay Global Financial Services Ltd	100	0.001667	100	0.001667
F	Priti Karwa as a nominee of Emkay Global Financial Services Ltd	100	0.001667	100	0.001667
G	Preeti Kacholia as a nominee of Emkay Global Financial Services Ltd	100	0.001667	100	0.001667

Note: There is no change in the equity shareholding of the Promoters during the year.

(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors / Promoters and holders of GDRs and ADRs)

Sr. No.		Shareholding at the beginning of the year as on 01.04.2019		Cumulative Shareholding during the year as on 31.03.2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For each of the Top Ten Shareholders				
	N.A.	-	-	-	-

B. SHAREHOLDING PATTERN (Preference Share Capital Breakup as percentage of Total Preference)

9%-Redeemable Non-Cumulative Preference Shares

(i) Category –wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year as on 01.04.2019				No. of Shares held at the end of the year as on 31.03.2020				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(2) Indian									
a) Individuals/HUF	-	-	-	-	-	-	-	-	No Change in % of Preference Share holding during the year
b) Central Govt	-	-	-	-	-	-	-	-	
c) State Govt	-	-	-	-	-	-	-	-	
d) Bodies Corporate	-	2,500,000	2,500,000	100	-	2,500,000	2,500,000	100	
e) Bank/FI	-	-	-	-	-	-	-	-	
f) Any Other	-	-	-	-	-	-	-	-	
Sub Total A-1	-	2,500,000	2,500,000	100	-	2,500,000	2,500,000	100	
(2) Foreign									-
(a) NRI-Individuals	-	-	-	-	-	-	-	-	-
(b) Others-Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Bank/FI	-	-	-	-	-	-	-	-	-
(e) Any Others	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters A= A1+A2		2,500,000	2,500,000	100		2,500,000	2,500,000	100	-
B. Public Shareholding									
3. Institution									
a) Mutual Fund	-	-	-	-	-	-	-	-	-
b) Bank/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year as on 01.04.2019				No. of Shares held at the end of the year as on 31.03.2020				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
d) State Govt	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub Total-B-1	-	-	-	-	-	-	-	-	-
4. Non Institutions	-	-	-	-	-	-	-	-	-
a. Bodies Corporate	-	-	-	-	-	-	-	-	-
iii. Indian	-	-	-	-	-	-	-	-	-
iv. Overseas	-	-	-	-	-	-	-	-	-
b. Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c. State Govt	-	-	-	-	-	-	-	-	-
d. Venture Capital Funds	-	-	-	-	-	-	-	-	-
e. Insurance Companies	-	-	-	-	-	-	-	-	-
f. FIIS	-	-	-	-	-	-	-	-	-
g. Foreign Vanture Capital Funds	-	-	-	-	-	-	-	-	-
h. Others (specify)	-	-	-	-	-	-	-	-	-
Sub Total B-2	-	-	-	-	-	-	-	-	-
Total Public Shareholding B=B1+B2	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	2,500,000	2,500,000	100	-	2,500,000	2,500,000	100	-

(ii) Shareholding of Promoters: Preference Share Capital

Sr. No.	Shareholders Name	Shareholding at the Beginning of the Year as on 01.04.2019			Shareholding at the end of the year as on 31.03.2020			% change in share holding during the year
		No. of Shares	% of the total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of the total shares of the Company	% of Shares Pledged / Encumbered to total shares	
1	Emkay Global Financial Services Ltd.	2,500,000	100	N.A.	2,500,000	100	N.A.	No Change

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

Sr. No.		Shareholding at the beginning of the year as on 01.04.2019		Cumulative Shareholding during the year as on 31.03.2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the Beginning of the year				
A	Emkay Global Financial Services Ltd.	2,500,000	100	2,500,000	100
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc)	-	-	-	-
3	At the End of the year	2,500,000	100	2,500,000	100
A	Emkay Global Financial Services Ltd.	2,500,000	100	2,500,000	100

Note: There is no change in the preference shareholding of the Promoters during the year.

(iv) Shareholding pattern of top ten shareholders (other than Directors / Promoters and holders of GDRs and ADRs).

Sr. No.	For each of the Top Ten Shareholders	Shareholding at the beginning of the year as on 01.04.2019		Cumulative Shareholding during the year as on 31.03.2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
-	-	-	-	-	-

V. INDEBTEDNESS - NIL

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

(In Rs.)

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

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

(In Rs.)

Sr. No.	Particulars of Remuneration	Name of the MD/WTM/ Manager	Total
		Prakash Kacholia - WTD**	
1.	Gross salary	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961		
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- as % of profit		
	- others, specify...		
5.	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	-	-

**Resigned w.e.f. 25.01.2020

B. Remuneration to other directors:

(In Rs.)

Sr. No	Particulars of Remuneration	Name of Directors					Total Amount
		Krishna Kumar Karwa*	R. K. Krishnamurthi*	Rajesh Sharma	Saket Agrawal	Devang Desai**	
	1. Independent Directors	-	-	-	-	-	
	x Fee for attending board/ committee meetings						
	x Commission						
	x Others, please specify						
	Total (1)	-	-	-	-	-	
	2 Other Non-Executive Directors	-	-	-	-	-	
	x Fee for attending board/ committee meetings						
	x Commission						
	x Others, please specify						
	Total (2)	-	-	-	-	-	
	Total (B)=(1+2)	-	-	-	-	-	

**Resigned w.e.f. 25.01.2020

*Appointed w.e.f. 24.01.2020

C. Remuneration To Key Managerial Personnel Other Than MD/WTD/Manager

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Nishant Phadtare (01.04.2019 to 23.08.2019)	Mr. Siddharth Mehta (11.10.2019 to 31.01.2020)	
1.	Gross salary	307555	191457	499012
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of Profit - others, specify...	-	-	-
5.	Others, please specify	13123 (PF Employer)	-	13123
	Total	320678	191457	512135

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCE - NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty Punishment / Compounding fees imposed	Authority(RD/ NCLT/COURT)	Appeal made if any (give Details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTOR					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

On behalf of the Board of Directors

Rajesh Sharma
Director
DIN: 01239871

Saket Agrawal
Director
DIN: 06960186

Place: Mumbai
Date: June 16, 2020

ANNEXURE "B"

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

Sr No	Particulars	Details of Transaction
A	Name(s) of the related party and nature of relationship	Emkay Global Financial Services Limited – Holding Company
b	Nature of contracts /arrangements /transactions	
	Payment of Rent, Electricity Expenses, Water Charges, Telephone Expenses, Building Maintenance etc for the use of office premises of the holding company	
c	Duration of the contracts / arrangements /transactions	from 1st April, 2019 to 31st March, 2020
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Reimbursement of certain common expenses such as Rent, Electricity Expenses, Water Charges, Telephone Expenses, Building Maintenance etc to the Holding Company on the basis of cost incurred by the holding company and dividing the same by the total number of employees of the Company sitting in the premises to arrive at cost per employee.
e	Justification for entering into such contracts or arrangements or transactions	It is economical for the Company i.e. Emkay Commotrade Limited and its Holding Company to share the basic infrastructure facilities of the Holding company such as IT, Administration etc.
f	Date(s) of approval by the Board	30.01.2019
g	Amount paid as advances, if any	N.A
h	Date on which the resolution was passed in general meeting as required under first proviso to section 188 ##	N.A
	Note:	
	## 1. As per 5th proviso to section 188(1) of the Companies Act, 2013 passing of shareholders resolution under 1st proviso is not applicable for transactions entered into between holding company and its wholly owned subsidiary company whose accounts are consolidated with such holding company and placed before the shareholders at the Annual General Meeting for approval.	
	2. Necessary omnibus approval of the Audit Committee has been obtained prior to entering into all the related party transactions.	

Note:

1. As per 5th proviso to section 188(1) of the Companies Act, 2013 passing of shareholders resolution under 1st proviso is not applicable for transactions entered into between holding company and its wholly owned subsidiary company whose accounts are consolidated with such holding company and placed before the shareholders at the Annual General Meeting for approval.

2. Necessary omnibus approval of the Audit Committee has been obtained prior to entering into all the related party transactions.

There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.

2. Details of material contracts or arrangement or transactions at arm's length basis

- (a) Name(s) of the related party and nature of relationship –N.A
- (b) Nature of contracts/arrangements/transactions –N.A
- (c) Duration of the contracts / arrangements/transactions –N.A
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A
- (e) Date(s) of approval by the Board, if any: N.A
- (f) Amount paid as advances, if any: N.A

On behalf of the Board of Directors

Rajesh Sharma
Director
DIN: 01239871

Saket Agrawal
Director
DIN: 06960186

Place: Mumbai
Date: June 16, 2020

INDEPENDENT AUDITOR'S REPORT

To The Members of **EMKAY COMMOTRADE LIMITED**
 Report on the Audit of Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended (the Act) in the manner so required and give a true and fair view in conformity with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its losses and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 standalone financial statements under the provisions of the Act and the Rules made there under, 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 audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note 2.1 of the standalone financial statements that in view of discontinuation of the commodity broking business, the company ceases to be a going concern and therefore these accounts have been prepared under realization basis of accounting. Accordingly, the company has made necessary adjustments in the carrying value of the assets and liabilities to the extent of available

information. Our opinion is not modified in respect of this matter.

Information Other than the Standalone Financial Statements and Auditor's report thereon

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

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

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

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as

Independent Auditor's Report (Contd.)

applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors 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 Standalone Financial Statements

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

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

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

conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone 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 Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance sheet, the Statement of Profit & Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with

Independent Auditor's Report (Contd.)

- Rule 7 of the Companies (Account) Rules, 2014.
- (e) On the basis of the written representation received from the directors as on March 31, 2020 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2020 from being appointed as a Directors 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 matters to be included in the Auditor's report in accordance with the rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 40 to the financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8th November, 2016 to 30th December, 2016 which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For B. L. Sarda & Associates
 Chartered Accountants
 Firm Registration No.109266W

(CA. B. L. Sarda)
 Partner
 Membership No.014568
 UDIN : 20014568AAAAAK7968

Place : Mumbai
 Dated : June 16, 2020

Annexure "A"

To Independent Auditor's report of even date to the members of EMKAY COMMOTRADE LIMITED on the standalone financial statements as at and for the year ended March 31, 2020.

- (i) (a) In our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, fixed assets of the Company have been physically verified by the management during the year which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property during the year. Accordingly, paragraph 3(i)(c) of the order is not applicable to the Company.
- (ii) The Company does not hold any inventory during the year. Accordingly paragraph 3(ii) of the order is not applicable to the Company.
- (iii) (a) The Company has granted unsecured loan to a company covered in the register maintained under section 189 of the Act. The Company has not granted any secured or unsecured loan to firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- (b) In respect of the aforesaid loan, the terms and conditions under which the said loan was granted are not prejudicial to the Company's interest.
- (c) In respect of the aforesaid loan, the schedule of repayment of principal and payment of interest has been stipulated, and full repayment of principal amount and interest thereon has been received, as stipulated.
- (d) The said loan has been fully repaid with interest thereon as stipulated and hence comments required under paragraph 3(iii)(c) of the order regarding overdue amount of loan are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loan granted. There are no investments made, guarantees and securities provided during the year in respect of which provisions of Section 185 and 186 of the Act are applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the Rules framed there under to the extent notified. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the Company is not required to maintain cost records pursuant to the rules made by the Central Government under Section 148 (1) of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, goods and services tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were in arrears, as on March 31, 2020 for a period of more than six months from the date they became payable. As explained to us, the Company did not have any dues on account of employees' state insurance, sales-tax, service tax, duty of customs, duty of excise and value added tax.
- (b) As at March 31, 2020, according to the information and explanations given to us and the records of the Company examined by us, there are no dues of goods and services tax which have not been deposited on account of any dispute. The particulars of dues on account of income tax as at March 31, 2020 which have not been deposited by the Company on account of a dispute, are as follows:

Name of the Statute	Nature of dues	Amount of demand (₹ in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax and Interest	0.46	F.Y. 2011-2012	Assessing Officer for rectification and Grievance with E-Nivaran
Income Tax Act, 1961	Fringe Benefit Tax and interest	0.15	F.Y. 2008-2009	Assessing Officer for rectification

- (viii) The Company has not obtained any loan or borrowings from any financial institution, bank or government. Further, the Company does not have any debentures issued/outstanding any time during the year. Accordingly paragraph 3(viii) of the order is not applicable to the Company.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable to the Company.
- (x) Based on the audit procedures performed and according to the information and explanations given by the management, we report that no fraud by the company or on the Company by its officers or employees has been noticed or reported during the year ended March 31, 2020 nor have we been informed of such case by the management during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/ provided for managerial remuneration during the year. Accordingly paragraph 3(xi) of the order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us the Company is not a nidhi

company. Accordingly paragraph 3(xii) of the order is not applicable to the Company.

- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transaction have been disclosed in note 31 of the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly paragraph 3(xiv) of the order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as prescribed under section 192 of the Act. Accordingly paragraph 3(xv) of the order is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly paragraph 3(xvi) of the order is not applicable to the Company.

For B. L. Sarda & Associates
Chartered Accountants

Firm Registration No. 109266W

(CA B. L. Sarda)
Partner

Membership No. 014568

UDIN: 20014568AAAAAK7968

Place: Mumbai

Date : June 16, 2020

Annexure “B”

To Independent Auditor's report of even date to the members of **EMKAY COMMOTRADE LIMITED** on the standalone financial statements for the year ended March 31, 2020.

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

1. We have audited the internal financial controls over financial reporting of **EMKAY COMMOTRADE LIMITED** (“the Company”) as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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.

Auditors' Responsibility

3. 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 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.

4. 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.
5. 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

6. 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. 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

8. 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 March 31, 2020 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B. L. Sarda & Associates Chartered Accountants

Firm Registration No. 109266W

(CA B. L. Sarda) Partner

Membership No. 014568

UDIN: 20014568AAAAAK7968

Place: Mumbai

Date : June 16, 2020

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

Particulars	Notes	₹		
		As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
I ASSETS				
1 Financial assets				
Cash and cash equivalents	3	49,391,314	6,527,614	8,556,489
Bank Balance other than cash and cash equivalents	4	-	40,322,948	113,774,368
Trade Receivables	5	20,119	109,768	2,473,353
Other Financial assets	6	3,890,633	4,266,291	5,000,244
Total Financial assets		53,302,066	51,226,621	129,804,454
2 Non-financial Assets				
Current tax assets (net)	7	1,004,560	4,273,201	5,320,043
Property, Plant and Equipment	8	63,293	64,332	72,007
Other non financial assets	9	9,458	16,861	2,023,482
Total Non-financial Assets		1,077,311	4,354,394	7,415,532
Total assets		54,379,377	55,581,015	137,219,986
II LIABILITIES AND EQUITY				
LIABILITIES				
1 Financial Liabilities				
Payables				
(I) Trade Payables	10(a)			
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,947,007	1,794,000	16,478,449
(II) Other Payables	10(b)			
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		387,944	1,171,874	1,138,809
Borrowings (Other than Debt securities)	11	23,141,319	20,624,382	31,482,946
Deposits	12	-	-	1,740,790
Other financial liabilities	13	35,924	70,720	50,665,928
Total Financial Liabilities		25,512,194	23,660,976	101,506,922
2 Non-financial Liabilities				
Deferred tax liabilities (net)	14	-	-	-
Provisions	15	4,040	-	-
Other non-financial liabilities	16	127,004	222,100	5,518,210
Total Non-financial Liabilities		131,044	222,100	5,518,210
3 EQUITY				
Equity share capital	17	60,000,000	60,000,000	60,000,000
Other Equity	18	(31,263,861)	(28,302,061)	(29,805,146)
Total Equity		28,736,139	31,697,939	30,194,854
Total Liabilities and Equity		54,379,377	55,581,015	137,219,986
SIGNIFICANT ACCOUNTING POLICIES	2			

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

As per our Report of even date
For B.L.Sarda & Associates
 Chartered Accountants

By the order of the Board
EMKAY COMMOTRADE LIMITED

(CA B. L. Sarda)
 Partner
 Membership No. 014568

Rajesh Sharma
 Director

Saket Agrawal
 Director

Place: Mumbai
 Date : June 16, 2020

Place: Mumbai
 Date : June 16, 2020

For The Year Ended 31st March, 2020

Particulars		Notes	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
	Revenue from operations			
	(i) Interest income	19	-	3,215,744
	(ii) Fee and commission income	20	-	17,786,123
	(iii) Impairment gain on financial instruments	21	43,240	35,345,503
	(iv) Others	22	93,561	1,010,280
(I)	Total Revenue from operations		136,801	57,357,650
(II)	Other Income	23	5,162,556	2,683,143
(III)	Total Income (I + II)		5,299,357	60,040,793
	Expenses			
	(i) Finance Costs	24	2,516,937	5,369,208
	(ii) Fee and commission expense	25	-	6,951,316
	(iii) Employee benefits expenses	26	1,455,045	2,159,546
	(iv) Depreciation and amortisation expenses	27	681	5,500
	(v) Other expenses	28	4,273,682	45,063,896
(IV)	Total Expenses (IV)		8,246,345	59,549,466
(V)	Profit/(loss) before tax (V- VI)		(2,946,988)	491,327
(VI)	Tax Expense:			
	(1) Deferred tax		-	-
	(2) Earlier years adjustments		(27,202)	-
(VII)	Profit/(loss) for the year		(2,919,786)	491,327
(VIII)	Other Comprehensive Income/(loss)			
A	(i) Items that will not be classified to profit or loss			
	- Actuarial gain/(loss) on defined employee benefit plans		(42,013)	(58,928)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Subtotal (A)		(42,013)	(58,928)
B	(i) Items that will be classified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (B)		-	-
	Other Comprehensive Income/(loss) (A + B)		(42,013)	(58,928)
(IX)	Total Comprehensive Income/(loss) for the year		(2,961,799)	432,399
(X)	Earnings per equity share			
	Basic (Rs.)		(0.49)	0.08
	Diluted (Rs.)		(0.49)	0.08

As per our Report of even date
For B.L.Sarda & Associates
Chartered Accountants

By the order of the Board
EMKAY COMMOTRADE LIMITED

(CA B. L. Sarda)
Partner
Membership No. 014568

Rajesh Sharma
Director

Saket Agrawal
Director

Place: Mumbai
Date : June 16, 2020

Place: Mumbai
Date : June 16, 2020

STATEMENT OF CHANGES IN EQUITY

As At 31st March, 2020

1. Equity Share Capital

Particulars	Equity Share Capital (₹)	
	No. of Shares	Amount
As at 1st April, 2018	6,000,000	60,000,000
Changes during the year	-	-
As at 31st March, 2019	6,000,000	60,000,000
Changes during the year	-	-
As at 31st March, 2020	6,000,000	60,000,000

2. Other Equity

Particulars	Reserves and Surplus		Financial Guarantee from parent	Equity component of compound financial instruments	Other Comprehensive Income	Total (₹)
	Retained Earnings	Other Reserves - General Reserve				
					Items that will not be Reclassified to Profit or Loss - Actuarial gains/ (losses) on Defined Benefit Plans	
Balance as at 1st April 2018	(43,628,350)	4,214,586	648,767	8,981,151	(21,300)	(29,805,146)
Profit/(loss) after tax	491,327					491,327
Other Comprehensive Income/ (loss) for the year					(58,928)	(58,928)
Total Comprehensive Income for the year						432,399
Charge for the year			1,070,685			1,070,685
Transfer to Retained Earnings	1,719,452		(1,719,452)			-
Balance as at 31st March 2019	(41,417,571)	4,214,586	-	8,981,151	(80,228)	(28,302,062)
Profit / (Loss) after tax	(2,919,786)					(2,919,786)
Other Comprehensive Income/ (Loss) for the year					(42,013)	(42,013)
Total Comprehensive Income/ (Loss) for the year						(2,961,799)
Balance as at 31st March 2020	(44,337,357)	4,214,586	-	8,981,151	(122,241)	(31,263,861)

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date
For B.L.Sarda & Associates
Chartered Accountants

By the order of the Board
EMKAY COMMOTRADE LIMITED

(CA B. L. Sarda)
Partner
Membership No. 014568

Rajesh Sharma
Director

Saket Agrawal
Director

Place: Mumbai
Date : June 16, 2020

Place: Mumbai
Date : June 16, 2020

CASH FLOW STATEMENT

For The Year Ended 31st March, 2020

(₹)

		Year ended 31st March 2020		Year ended 31st March 2019	
A. CASH FLOW FROM OPERATING ACTIVITIES					
	Net Profit/(Loss) before tax, Extraordinary items		(2,946,988)		491,327
	Adjustment for :				
	Finance Costs	2,516,937		5,369,208	
	Depreciation and Amortization Expenses	681		5,500	
	Interest Received	(4,987,174)		(2,669,923)	
	Loss on Disposal/Discard of Property, Plant and Equipment	231		1,328	
	Impairment gain on financial instruments	(43,240)	(2,512,565)	(35,345,503)	(32,639,390)
	Operating profit before working capital changes		(5,459,553)		(32,148,063)
	Adjustment for :				
	Trade and other receivables	473,937		40,390,734	
	Deposits with Banks and Other items not considered as cash equivalents (Refer Note 3 below)	40,322,948		73,451,420	
	Inventory				
	Trade and other payables	(756,776)	40,040,109	(72,283,492)	41,558,662
	Cash Generated from operations		34,580,556		9,410,599
	Direct taxes (Paid)/Refund		3,295,843		1,046,842
	Cash flow before extraordinary items		37,876,399		10,457,441
	Extraordinary items		-		-
	Net Cash from / (used in) Operating Activities		37,876,399		10,457,441
B. CASH FLOW FROM INVESTING ACTIVITIES					
	Sale of Property, Plant and Equipment	127		847	
	Interest Received	4,987,174		2,669,923	
	Dividend	-	4,987,301	-	2,670,770
	Net Cash from/(used in) Investing Activities		4,987,301		2,670,770
C. CASH FLOW FROM FINANCING ACTIVITIES					
	(Repayment) of Borrowings	-		(12,062,264)	
	Finance Costs	-	-	(3,094,822)	(15,157,086)
	Net Cash from/(used in) Financing Activities		-		(15,157,086)
Net Increase/(Decrease) in Cash and Cash equivalents			42,863,700		(2,028,875)
Cash and Cash equivalents at the beginning of the year			6,527,614		8,556,489
Cash and Cash equivalents at the close of the year			49,391,314		6,527,614

Cash Flow Statement (Contd.)

(₹)

	Year ended 31st March 2020	Year ended 31st March 2019
Notes :		
1. Cash and Cash equivalents comprise of :		
Balances with Banks		
- Current Accounts	46,368,805	6,525,366
- Deposit Accounts	3,019,510	-
Cash on Hand	2,999	2,248
	- 49,391,314	- 6,527,614

2. Cash flow statement has been prepared under the Indirect Method as set out in the Indian Accounting Standard - 7 (Ind AS-7) "Statement of Cash Flow."

3. Cash and cash equivalent excludes deposits with banks towards margin/security for Bank Guarantees and Bank borrowings.

4. Previous year's figures are re-grouped/recasted/re-arranged wherever considered necessary.

As per our Report of even date
For B.L.Sarda & Associates
Chartered Accountants

(CA B. L. Sarda)
Partner
Membership No. 014568

Place: Mumbai
Date : June 16, 2020

By the order of the Board
EMKAY COMMOTRADE LIMITED

Rajesh Sharma
Director

Saket Agrawal
Director

Place: Mumbai
Date : June 16, 2020

NOTES TO STANDALONE FINANCIAL STATEMENTS

For The Year Ended 31st March, 2020

1. Corporate Information

Emkay Commotrade Limited ('the Company') is a company domiciled in India and was incorporated under the Companies Act, 1956 vide Certificate of Incorporation (CIN) U51110MH2006PLC158675, dated 5th January, 2006. The Company is the wholly owned subsidiary company of the Emkay Global Financial Services Limited (the Parent). The company's registered office is situated at the Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028. The Company was engaged in the business of Commodity Exchanges Broking which was discontinued from 13th February 2019. However, it continues to hold certificate of registration issued by Securities and Exchange Board of India (SEBI) for broking. Presently, the Company is not engaged in any business except deployment of surplus funds.

2. Significant Accounting Policies

2.1 Basis of Preparation

(i) Statement of Compliance

The Company has substantial accumulated losses and it has not been able to generate enough revenues and scale up its operations. Hence, the Board of Directors of the Company at its meeting held on 5th February, 2019 had decided to discontinue the business of commodity broking and accordingly the Company has discontinued the said business w.e.f. 13th February, 2019. In view of above, the financial statements for the year ended 31st March, 2019 were prepared under the realization basis of accounting as the Company ceases to be a going concern by making necessary adjustments in the carrying value of the assets and liabilities to the extent of available information. Further, the Company's financial statements up to and for the year ended 31st March, 2019 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and Generally Accepted Accounting Principles in India ('Indian GAAP').

With effect from April 1, 2019, the Company is required to prepare its financial statements in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Act and other relevant

provisions of the Act.

Accordingly, these financial statements for the year ended March 31, 2020 including comparative information are the first financial statements prepared in all material aspects in accordance with Ind AS. In preparing these financial statements under Ind AS, the Company's opening balance sheet was prepared as at April 1, 2018, the date of transition to Ind AS. These financial statements comprise the Balance Sheets as at March 31, 2020 and March 31, 2019, the Opening Balance Sheet as at April 1, 2018 (transition date), the Statements of Profit and Loss, the Statements of Cash Flows and the Statements of Changes in Equity for the year ended March 31, 2020 and for the year ended March 31, 2019, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as 'Financial Statements').

The transition to Ind AS has been carried out in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards". Accordingly, the impact of transition has been recorded in the opening reserves as at 1 April 2018. Refer Note No.39 for an explanation of how the transition from previous Indian GAAP to Ind AS has affected the Company's financial position as at 31st March, 2019 and 1st April, 2018 and financial performance and cash flows for the year ended 31st March, 2019.

These financial statements have been prepared in accordance with Division III of Schedule III to the Act under the realization basis of accounting as the Company ceases to be a going concern by making necessary adjustments in the carrying value of the assets and liabilities to the extent of available information and by using the significant accounting policies and measurement bases summarized as below. These accounting policies have been applied consistently over all the periods presented in these financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

(ii) Functional and Presentation Currency

These financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency.

Notes to Standalone Financial Statements (Contd.)**(iii) Preparation of financial statements**

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the format prescribed under Division III of Schedule III to the Act on 11 October 2013, the Company presents the Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the order of liquidity. A maturity analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in note no. 36.

(iv) Use of Estimates and Judgments

The preparation of the financial statements requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future period.

Areas involving critical estimates and Judgements are:

- Estimation of useful lives and residual values of property, plant and equipment.
- Estimation of defined benefit obligations
- Estimation of tax expenses
- Provisions and contingent liabilities
- Measurement of fair values
- Allowance for impairment of financial and non-financial instruments

(v) Fair Value Measurement

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:

- i) in the principal market for the asset or liability, or
- ii) 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 statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Notes to Standalone Financial Statements (Contd.)**2.2 Property, Plant and Equipment**

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1st April, 2018 measured as per previous Indian GAAP and use that carrying value as deemed cost of the property, plant and equipment.

Depreciation

Depreciation is calculated using the written down value (WDV) method to write down the cost of PPE to their residual values over their estimated useful lives which are in line with the estimated useful life as specified in Schedule II of the Act.

The estimated useful lives are as follows:

Particulars	Useful life estimated by Company
Furniture and Fixtures	10 years
Office Equipments	5 years
Computers	3 years

Derecognition

An item of PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on recognition of the asset (calculated as the

difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

2.3 Financial Instruments**(i) Initial Recognition and Measurement**

The Company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

(ii) Subsequent Measurement**(a) Financial Assets Carried at Amortized Cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial Assets at Fair Value Through Other Comprehensive Income(FVOCI)

Investment in equity instruments are generally accounted for as at fair value through the statement of profit and loss account unless an irrevocable election has been made by management to account for at fair value through other comprehensive income. Such classification is determined on an instrument-by-instrument basis.

Amounts presented in other comprehensive income for equity instruments are not subsequently transferred to statement of profit and loss. Dividends on such investments are recognised in statement of profit and loss.

(c) Financial Assets at Fair Value Through Profit or Loss(FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Notes to Standalone Financial Statements (Contd.)**d) Financial Liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derecognition of Financial Instruments

The Company derecognizes a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires.

(iv) Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the client does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

2.4 Impairment**a) Financial Assets**

The Company recognizes loss allowances using the expected credit losses (ECL) model for the financial assets which are not fair valued through statement of profit and loss. For trade receivables with no significant financing component, the Company provides for ECL by way of Provision for doubtful debts based on the probability of defaults that are possible over the life of the asset. For all other financial assets, expected credit losses 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 expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is done so as an impairment gain or loss in statement of profit and loss.

b) Non-Financial Assets**Property, Plant and Equipment**

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

2.5 Compound Financial Instruments

Compound Financial Instruments are separated into liability and equity components based on the terms of the instrument.

At the time of issuance of the compound financial instruments, the liability component is measured at amortised cost using effective interest rate (EIR) and classified as 'Liability component of compound financial instrument'. It is measured at amortized cost till the financial statements of the Company were prepared on "going concern" basis and thereafter at fair value through profit and loss (FVTPL) using Company's incremental borrowing rate for similar term. The same is extinguished on conversion or redemption.

The remainder of the proceeds is recognised and included in equity and classified as 'Equity component of compound financial instrument' and is not remeasured in subsequent years.

Notes to Standalone Financial Statements (Contd.)

The unwinding interest expense on the liability component is charged to the statement of profit and loss as interest on compound financial instruments under finance costs.

2.6 Financial Guarantee

The parent company has given corporate guarantee to a bank on behalf of the company without charging any commission. The same has been fair valued and measured at amortized cost. On transition date the unwinding interest cost on financial guarantee is recognised under other equity as Financial Guarantee from Parent Company and in subsequent year, the unwinding interest expense on financial guarantee is charged to the statement of profit and loss under finance costs.

The Company derecognise the accumulated amount of finance cost under financial guarantee from parent company shown under 'Other Equity' by transferring to retained earnings on closure.

2.7 Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, balances with bank in current accounts (other than earmarked) and fixed deposits with bank (free from encumbrances).

2.8 Revenue Recognition

Revenue is recognized to the extent it is possible that economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue is measured at fair value of the consideration received or receivable.

(i) Brokerage fee income

Revenue from contract with customer is recognised point in time when the relevant performance obligation is satisfied/completed (when the trade is executed i.e., trade date). Brokerage income is recognized as per contracted rates on the execution of transactions on behalf of the clients on the trade date.

(ii) Subscription fees

One-time non-refundable subscription fees with a validity of maximum of one year for joining various special brokerage schemes are treated as income when the client agrees to join that particular scheme and renders payment for the same. Brokerage reversible under the said schemes are reversed by making provisions at

the end of each quarter. However, actual credit for brokerage reversible to the client is given at the end of the validity period of the scheme opted.

(iii) Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate.

2.9 Employee Benefits

(i) Short Term Benefits

All employee benefits including short term non vesting compensated absences and statutory bonus/ performance bonus/incentives payable wholly within twelve months of rendering the service are classified as short term employee benefits and are charged to the statement of profit and loss of the year.

(ii) Long Term Benefits

A. Post-employment Benefits

a) Defined Contribution Schemes

Retirement/ Employee benefits in the form of Provident Fund is considered as defined contribution plan and contributions to the fund administered by the Government are charged to the statement of profit and loss of the year when the contribution to the said fund is due.

b) Defined Benefit Schemes

Retirement benefits in the form of gratuity is considered as defined benefit obligation. The scheme is formed by the Company and fund is managed by insurers to which the Company makes periodic contributions. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Notes to Standalone Financial Statements (Contd.)

Re-measurement, comprising of actuarial gains and losses 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 Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

B. Other Long Term Benefits

As per present policy of the Company, there are no other long term benefits to which its employees are entitled.

2.10 Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.11 Operating Leases

For leases with a term of twelve months or less (short-term leases) and leases of low value assets, the Company elects to exercise recognition exemption as prescribed under Ind AS 116 –Leases for the same and recognises the lease payments as an operating expense on accrual basis in accordance with the respective Lease and License agreements.

2.12 Other Income and Expenses**(i) Finance Costs**

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed: (i) as the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability, (ii) by considering all the contractual terms of the financial instrument in estimating the cash flows,

and (iii) including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in the Statements of Profit and Loss with the corresponding adjustment to the carrying amount of the assets.

(ii) All other income and expenses are recognized in the period they occur.**2.13 Taxes****(i) Current Tax**

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date for the relevant year.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

(ii) Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

Notes to Standalone Financial Statements (Contd.)

except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

(iii) Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961 issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(iv) Goods and Services Tax Paid on Acquisition of Assets or on Incurring Expenses

Expenses and assets are recognised net of the goods and services tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from

the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

- When receivables and payables are stated with the amount of tax included

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

2.14 Earnings Per Share (EPS)

The Company reports basic and diluted EPS in accordance with Ind AS 33 on Earnings per share. Net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) is divided by the weighted average number of equity shares outstanding during the year for calculating basic EPS and by the weighted average number of shares outstanding during the year adjusted for the effects of all dilutive potential equity shares for calculating diluted EPS.

2.15 Foreign Currency Transactions

Initial recognition:

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

2.16 Events After Reporting Date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

Notes to Standalone Financial Statements (Contd.)**2.17 Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation

whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

Notes to Standalone Financial Statements (Contd.)

As At 31st March, 2020

3. Cash and cash equivalents

(₹)			
Particulars	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Cash on hand	2,999	2,248	2,388
Cheque on hand	-	-	122,000
Balances with Banks			
- in current accounts	46,368,805	6,525,366	8,432,101
- in deposit accounts	3,019,510	-	-
Total	49,391,314	6,527,614	8,556,489

4. Bank Balance other than cash and cash equivalents

(₹)			
Particulars	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
- In Deposit Accounts towards margin/security for Bank Guarantees and borrowings from Bank	-	40,322,948	113,774,368
Total	-	40,322,948	113,774,368

5. Trade Receivables

(₹)			
Particulars	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Trade Receivables considered good - Secured	-	-	-
Total (A)	-	-	-
Trade Receivables - Unsecured			
- Considered good	20,119	153,008	3,014,907
- Considered doubtful	352,811	352,811	35,200,000
Total (B)	372,930	505,819	38,214,907
Total (A+B)	372,930	505,819	38,214,907
Less: Provision for doubtful debts	352,811	396,051	35,741,554
Total	20,119	109,768	2,473,353

6. Other financial assets

(₹)			
Particulars	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Deposit with Exchanges	3,535,000	3,580,000	3,250,000
Deposits with Professional Clearing Members	200,000	400,000	844,000
Deposits Others	25,000	25,000	711,398
Advances recoverable	130,633	261,291	194,846
Total	3,890,633	4,266,291	5,000,244

7. Current tax assets (net)

(₹)			
Particulars	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Advance income tax (net of provision for tax)	1,004,560	4,273,201	5,320,043
Total	1,004,560	4,273,201	5,320,043

Notes to Standalone Financial Statements (Contd.)
As At 31st March, 2020

8. Property, plant and equipment

	(₹)			
Particulars	Furniture & Fixtures	Office Equipments	Computers	Total
Gross carrying amount				
Deemed cost as at 1st April 2018	805	451	70,751	72,007
Additions	-	-	-	-
Disposals	-	-	2,175	2,175
At 31 March 2019	805	451	68,576	69,832
Additions	-	-	-	-
Disposals	-	-	358	358
At 31 March 2020	805	451	68,218	69,474
Accumulated depreciation				
Charge for the year	264	-	5,236	5,500
Disposals	-	-	-	-
At 31 March 2019	264	-	5,236	5,500
Charge for the year	7	-	674	681
Disposals	-	-	-	-
At 31 March 2020	271	-	5,910	6,181
Net carrying amount				
At 31 March 2019	541	451	63,341	64,332
At 31 March 2020	534	451	62,308	63,293

9. Other non financial assets

	(₹)		
Particulars	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Prepaid expenses	9,458	7,336	1,336,252
Advances to suppliers and others	-	9,525	-
GST Input Credit Available / Receivable	-	-	687,230
Total	9,458	16,861	2,023,482

10. (a) Trade Payables

	(₹)		
Particulars	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,947,007	1,794,000	16,478,449
Total	1,947,007	1,794,000	16,478,449

Notes to Standalone Financial Statements (Contd.)

As At 31st March, 2020

10. (b) Other Payables

(₹)

Particulars	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	387,944	1,171,874	1,138,809
Total	387,944	1,171,874	1,138,809

Notes:

1. The details of amount outstanding to Micro, Small and Medium Enterprises defined under "Micro, Small and Medium Enterprises Development Act. 2006" (as identified based on information available with the company and relied upon by the Auditors) is as under -

Principal amount due and remaining unpaid	-	-	-
Interest due on above and the unpaid interest	-	-	-
Interest paid	-	-	-
Payment made beyond the appointed day during the year	-	-	-
Interest due and payable for the period of delay	-	-	-
Interest accrued and remaining unpaid	-	-	-
Amount of further interest remaining due and payable in succeeding years	-	-	-

11. Borrowings (other than debt securities)

(₹)

Particulars	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
(A) In India			
At amortised cost			
Liability Component of compound financial instruments	-	-	19,420,682
Overdraft Facility from Bank	-	-	12,062,264
At Fair Valuation cost			
Liability Component of compound financial instruments	23,141,319	20,624,382	-
	23,141,319	20,624,382	31,482,946
(B) Outside India	-	-	-
(C) Out of above			
Secured (Against Term Deposits with Bank)	-	-	12,062,264
Unsecured	23,141,319	20,624,382	19,420,682
	23,141,319	20,624,382	31,482,946

Notes to Standalone Financial Statements (Contd.)
As At 31st March, 2020

12. Deposits

(₹)			
Particulars	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
At amortised cost			
From Others	-	-	1,740,790
Total	-	-	1,740,790

13. Other financial liabilities

(₹)			
Particulars	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Deposit towards Margin and other from Clients	-	-	50,598,217
Other liabilities	35,924	70,720	67,711
Total	35,924	70,720	50,665,928

14. Deferred Tax Liability (Net)

(₹)			
Particulars	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Deferred Tax Liability			
Difference between book and tax depreciation	5,500	3,800	-
	5,500	3,800	-
Deferred Tax (Assets)			
Provisions / Disallowances/Losses	5,500	3,800	-
	5,500	3,800	-
Deferred Tax Liability (Net)	-	-	-

15. Provisions

(₹)			
Particulars	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Compensated absences	4,040	-	-
Total	4,040	-	-

16. Other non financial liabilities

(₹)			
Particulars	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Statutory dues payable	127,004	222,100	510,524
Advance received from customers	-	-	4,992,439
Other liabilities	-	-	15,247
Total	127,004	222,100	5,518,210

Notes to Standalone Financial Statements (Contd.)
As At 31st March, 2020

17. Equity

(₹)

Particulars	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
EQUITY SHARE CAPITAL			
Authorised:			
6,000,000 (As at 31st March, 2019: 6,000,000 and As at 1st April, 2018: 6,000,000) Equity Shares of ₹10/- each	60,000,000	60,000,000	60,000,000
2,500,000 (As at 31st March, 2019: 2,500,000 and As at 1st April, 2018: 2,500,000) 9% Redeemable Non-Cumulative Preference Shares of ₹10/- each	25,000,000	25,000,000	25,000,000
	85,000,000	85,000,000	85,000,000
Issued, subscribed and fully paid up			
Equity shares			
6,000,000 (As at 31st March, 2019: 6,000,000 and As at 1st April, 2018: 6,000,000) Equity Shares of ₹10/- each	60,000,000	60,000,000	60,000,000
2,500,000 (As at 31st March, 2019: 2,500,000 and As at 1st April, 2018: 2,500,000) 9% Redeemable Non-Cumulative Preference Shares of ₹10/- each*	-	-	-
Total Equity	60,000,000	60,000,000	60,000,000

*9% Redeemable Non-Cumulative Preference Shares are non-convertible and hence being compound financial instrument, equity component shown as other equity and liability component as borrowings in accordance with Ind AS 109 on Financial Instruments (Refer note no 2.5).

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

i) Equity Shares

(₹)

Particulars	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
At the beginning of the reporting period	6,000,000	60,000,000	6,000,000	60,000,000	6,000,000	60,000,000
Add: Shares issued during the reporting period	-	-	-	-	-	-
Outstanding at the end of the reporting period	6,000,000	60,000,000	6,000,000	60,000,000	6,000,000	60,000,000

ii) 9% Redeemable Non-Cumulative Preference Shares

(₹)

Particulars	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
At the beginning of the reporting period	2,500,000	25,000,000	2,500,000	25,000,000	2,500,000	25,000,000
Add: Shares issued during the reporting period	-	-	-	-	-	-
Outstanding at the end of the reporting period	2,500,000	25,000,000	2,500,000	25,000,000	2,500,000	25,000,000

Notes to Standalone Financial Statements (Contd.)

As At 31st March, 2020

b. Terms/rights attached to

i) Equity Shares:

The company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pay dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except interim dividend. In the event of liquidation of the company, the holders of Equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Preference Shares:

The company has only one class of preference shares i.e. Redeemable Non-Cumulative Preference Shares of ₹10 per share.

- Such shares shall confer on the holders thereof, the non cumulative right to a fixed preferential dividend from the date of allotment at 9% per annum, on the capital for the time being paid up or credited as paid up thereon.
- Such shares shall have the priority with respect to payment of dividend or repayment of capital vis-à-vis equity shares; and that these preference shares shall be entitled to the participation in surplus fund as well as the participation in surplus assets and profits on winding-up which may remain after the entire capital has been repaid.
- The preference shares are redeemable at par on expiry of five years from the date of issue i.e. 1,000,000 shares on 28/06/2020 and 1,500,000 shares on 23/06/2021.

c. Shares held by holding company

The entire 6,000,000 (31st March, 2019 : 6,000,000 and 1st April, 2018: 6,000,000) equity shares and 2,500,000 (31st March, 2019 : 2,500,000 and 1st April, 2018: 2,500,000) 9% Redeemable Non-Cumulative Preference shares of ₹10/- each fully paid are held by Emkay Global Financial Services Limited, the holding company.

d. Details of shareholders holding more than 5% shares in the company:

Name of the Shareholders	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	No of shares	% of holding	No of shares	% of holding	No of shares	% of holding
i) Equity Shares						
Emkay Global Financial Services Limited (Holding Company)	6,000,000	100	6,000,000	100	6,000,000	100
and its nominees						
ii) 9% Redeemable Non-Cumulative Preference Shares						
Emkay Global Financial Services Limited (Holding Company)	2,500,000	100	2,500,000	100	2,500,000	100

18. Other Equity

Particulars	(₹)		
	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
A) Reserves and Surplus			
i) Retained earnings			
Balance at the beginning of the Reporting Period	(41,417,571)	(43,628,350)	(39,487,060)
Add: Profit/(Loss) for the year	(2,919,786)	491,327	-
Add: Ind AS adjustments	-	-	(4,141,290)
Add: Transfer from Financial Guarantee from Parent	-	1,719,452	-
Balance at the end of the Reporting Period	(44,337,357)	(41,417,571)	(43,628,350)

Notes to Standalone Financial Statements (Contd.)
As At 31st March, 2020

(₹)

Particulars	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
ii) General Reserve			
Balance at the beginning of the Reporting Period	4,214,586	4,214,586	4,214,586
Add: Transferred during the year	-	-	-
Balance at the end of the Reporting Period	4,214,586	4,214,586	4,214,586
iii) Financial Guarantee from Parent			
Balance at the beginning of the Reporting Period	-	648,767	-
Add: Ind AS adjustments	-	-	648,767
Add: Addition during the year	-	1,070,685	-
Less: Transfer to Retained Earnings	-	1,719,452	-
Balance at the end of the Reporting Period	-	-	648,767
iv) Equity component of Redeemable Non Convertible Preference Share Capital			
Balance at the beginning of the Reporting Period	8,981,151	8,981,151	-
Add: Ind AS adjustments	-	-	8,981,151
Balance at the end of the Reporting Period	8,981,151	8,981,151	8,981,151
v) Other Comprehensive Income			
Balance at the beginning of the Reporting Period	(80,228)	(21,300)	-
Add: Ind AS adjustments	-	-	(21,300)
Add: Movement in Other Comprehensive Income (Net) during the year	(42,013)	(58,928)	-
Balance at the end of the Reporting Period	(122,241)	(80,228)	(21,300)
Total	(31,263,861)	(28,302,061)	(29,805,146)

Nature and purpose of reserve

i) Retained earnings

Retained earnings are the profits/(losses) that the Company has earned/(incurred) till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

ii) General reserve

Under the erstwhile Companies Act, 1956, general reserve was created through transfer from net profit complying with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

iii) Financial Guarantee from Parent

It represent corporate guarantee given to the bank by the parent company on behalf of company

iv) Equity component of Redeemable Non Convertible Preference Share Capital

It represent Equity component on Separation of compound financial instrument that is redeemable non convertible preference share.

v) Other comprehensive income

Other comprehensive income consist of remeasurement gains/losses on employees defined benefit plans.

Notes to Standalone Financial Statements (Contd.)
For The Year Ended 31st March, 2020

19. Interest Income

(₹)		
Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Interest on deposits* with Banks	-	3,184,675
Other interest income	-	31,069
Total	-	3,215,744

* Acquired / held for purposes of Commodity Exchanges.

20. Fees and commission income

(₹)		
Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Brokerage and fees income		
Brokerage	-	17,786,123
Total	-	17,786,123

21. Impairment gain on financial instruments

(₹)		
Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
At amortised cost		
- Provision for doubtful debts written back	43,240	35,345,503
Total	43,240	35,345,503

22. Others

(₹)		
Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Sundry Credit Balance Written Back	-	855,148
Bad Debts Recovered	58,620	-
Other operating income	34,941	155,132
Total	93,561	1,010,280

23. Other Income

(₹)		
Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Liability No Longer Payable	175,382	13,220
Interest on deposits* with bank	1,190,243	2,486,996
Interest on Income Tax Refund	1,408,166	182,927
Interest on Deposits Others	2,388,765	-
Total	5,162,556	2,683,143

* Acquired / held for purposes other than Commodity Exchanges.

Notes to Standalone Financial Statements (Contd.)
For The Year Ended 31st March, 2020

24. Finance Costs

	(₹)	
Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
On Instruments measured at amortised cost		
Interest on compound financial instruments	2,516,937	1,203,701
Interest on deposits	-	1,040,261
Interest on borrowings	-	442,332
Other borrowing costs	-	2,682,914
Total	2,516,937	5,369,208

25. Fee and commission Expenses

	(₹)	
Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Brokerage Fees	-	6,951,316
Total	-	6,951,316

26. Employee Benefit Expenses

	(₹)	
Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Salaries and Wages	1,414,563	2,076,561
Contributions to Provident and Other Funds	19,498	58,296
Gratuity	13,978	18,742
Staff Welfare Expenses	7,006	5,947
Total	1,455,045	2,159,546

27. Depreciation and amortisation expenses

	(₹)	
Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Depreciation of Tangible Assets	681	5,500
	681	5,500

28. Other expenses:

	(₹)	
Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Communication, Postage and Courier Charges	7,222	869,618
Fees and Stamps	130,149	176,649
Contribution/Payments to Exchanges	112,497	870,376
Membership and Subscription	354,212	1,871,527
Depository Charges	3,564	6,595
Loss due to Execution of Error Trades	-	25,756
Electricity Charges	42,975	74,401

Notes to Standalone Financial Statements (Contd.)
For The Year Ended 31st March, 2020

	(₹)	
Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Insurance	9,935	123,399
Repairs and Maintenance - Others	-	111,873
Printing and Stationery	19,807	35,658
Travelling and Conveyance Expenses	3,652	43,574
Advance/Deposit Written off	-	30,000
Bad Debt Written off	43,779	35,296,183
Software Expenses	59,000	875,599
Legal and Professional fees	2,880,585	3,735,897
Auditor's fees (refer note below) #	366,390	405,940
Rent	106,244	276,222
Goods & Services Tax (GST)	2,043	39,980
Foreign Exchange Rate Fluctuations Loss (Net)	-	17,800
Loss on Disposal/Discard of Property, Plant and Equipment	231	1,328
Others	131,397	175,521
Total	4,273,682	45,063,896

	(₹)	
#		
Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
a) for audit fees	227,150	227,150
b) for tax audit fees	-	76,700
c) for taxation matters	103,840	54,790
d) for Limited Review and Certificates	35,400	47,300
Total	366,390	405,940

*inclusive of Goods and Service Tax.

29. Earnings per Share:

		(₹)	
Sr. No.	Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
a)	Net Profit /(Loss) after tax available for Equity Shareholders (₹)	(2,919,786)	491,327
b)	Weighted average number of Equity Shares of ₹.10/- each outstanding during the period (No. of Shares)		
	- For Basic Earnings	6,000,000	6,000,000
	- For Diluted Earnings	6,000,000	6,000,000
c)	Basic Earnings per Equity Share (₹)	(0.49)	0.08
d)	Diluted Earnings per Equity Share (₹)	(0.49)	0.08

Notes to Standalone Financial Statements (Contd.)
For The Year Ended 31st March, 2020

30. The Disclosures as per Ind AS 19 - Employee Benefits are as follows

a. Defined Contribution Plan

Expenses recognized in Statement of Profit and Loss towards the Defined Contribution Plans are as under:

(₹)

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Contribution to Provident Fund	19,498	58,296
Total	19,498	58,296

b. Defined Benefit Plan

The company has a defined benefit gratuity plan governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to gratuity on departure at 15 days last drawn salary for each completed year of service or part thereof in excess of six months.

The plan is funded with insurance company in the form of a qualifying insurance policy. The following tables summarize the components of net benefit expense recognized in the statement of profit and loss, other comprehensive income and amount recognized in balance sheet which has been determined by an Actuary appointed for the purpose and relied upon by the Auditors:

(₹)

Sr. No	Particulars	As at 31st March, 2020	As at 31st March, 2019
I	Changes in present value of obligations		
	Present value of obligation as at the beginning	482,310	359,357
	Current service cost	21,032	31,670
	Interest expense or cost	33,350	25,855
	Re-measurement (or Actuarial) (Gain)/Loss arising from:-		
	-change in financial assumptions	222	3,042
	-change in demographic assumptions	68,778	31,401
	-experience variance (i.e. Actual experience vs assumptions)	4,002	30,985
	Benefits Paid	-	-
	Acquisition Adjustment	(56,942)	-
	Present value of obligation as at the end	552,752	482,310
II	Changes in fair value of plan assets		
	Fair value of plan asset as at the beginning	584,325	539,042
	Employer contributions	-	-
	Investment income	40,404	38,783
	Return on plan assets, excluding amount recognized in net interest expense	30,989	6,500
	Benefits paid	-	-

Notes to Standalone Financial Statements (Contd.)
For The Year Ended 31st March, 2020

		(₹)	
Sr. No	Particulars	As at 31st March, 2020	As at 31st March, 2019
	Acquisition adjustment	(56,942)	-
	Fair value of plan asset as at the end	598,776	584,325
III	Reconciliation of net liability/asset		
	Net defined benefit liability/(asset) as at the beginning	(102,015)	(179,685)
	Expenses charged to statement of profit and loss	13,978	18,742
	Amount recognized in other comprehensive income	42,013	58,928
	Employer contribution	-	-
	Net defined benefit liability/(asset) as at the end	(46,024)	(102,015)
IV	Expenses charged to the statement of profit & loss		
	Current Service Cost	21,032	31,670
	Net Interest Cost / (Income) on the net defined benefit liability/(Asset)	(7,054)	(12,928)
	Expenses recognized in the statement of profit & loss	13,978	18,742
V	Movement in asset ceiling		
	Effect of asset ceiling at the beginning	-	-
	Interest on opening balance of asset ceiling	-	-
	Re measurements due to change in surplus/deficit	-	-
	Value of asset ceiling as at the end	-	-
VI	Re measurement (gains)/losses in other comprehensive income		
	Actuarial (gains)/losses		
	-Change in financial assumptions	68,778	31,401
	-Change in demographic assumptions	222	3,042
	-Experience adjustments	4,002	30,989
	Return on plan assets, excluding amount recognized in net interest expense	(30,989)	(6,500)
	Components of defined benefit costs recognized in other comprehensive income	42,013	58,928
VII	Amount recognized in Balance Sheet		
	Present value of obligation	552,752	482,310
	Fair value of plan assets	598,776	584,325
	Surplus/(Deficit)	46,024	102,015
	Effects of asset ceiling, if any	-	-
	Net Asset / (Liability)	46,024	102,015

Notes to Standalone Financial Statements (Contd.)
For The Year Ended 31st March, 2020

(₹)

Sr. No	Particulars	As at 31st March, 2020	As at 31st March, 2019
VIII	Key actuarial assumptions		
	Discount Rate (p.a.)	5.55%	6.90%
	Salary growth rate (p.a.)	10.00%	9.00%
	Attrition/Withdrawal rates, based on age(p.a.)		
	-Upto 45 years	25.00%	25.00%
	-Above 45 years	15.00%	15.00%
	Mortality rate	100% of IALM 2012-14	100% of IALM 2006-08
IX	Categories of plan asset		
	Fund managed by insurer	98.80%	98.70%
	Bank balance	1.20%	1.30%
X	Sensitivity analysis for significant assumptions is as shown below		
	Discount Rate (- 1%) : % Change compared to base due to sensitivity	6.20%	5.70%
	Discount Rate (+ 1%) : % Change compared to base due to sensitivity	-5.60%	-5.20%
	Salary Growth (- 1%) : % Change compared to base due to sensitivity	-5.50%	-5.20%
	Salary Growth (+ 1%) : % Change compared to base due to sensitivity	5.90%	5.60%
	Attrition Rate (- 50% of attrition rates): (% change compared to base due to sensitivity)	9.40%	6.20%
	Attrition Rate (+ 50% of attrition rates): (% change compared to base due to sensitivity)	-5.90%	-3.70%
	Mortality Rate (- 10%) : % Change compared to base due to sensitivity	0.00%	0.00%
	Mortality Rate (+ 10%) : % Change compared to base due to sensitivity	0.00%	0.00%
XI	Expected Contribution during the next annual reporting period		
	The Company's best estimate of Contribution during the next year	Nil	Nil
XII	Maturity Profile of Defined Benefit Obligation		
	Weighted average duration (based on discounted cash flows)	5 years	5 years
	Expected cash flows over the next (valued on undiscounted basis):		
	1 year	73,004	75,968
	2 to 5 years	247,100	249,636
	6 to 10 years	226,854	202,974
	more than 10 years	244,500	214,023

Notes to Standalone Financial Statements (Contd.)
For The Year Ended 31st March, 2020

31. Related Party Disclosures

A. List of Directors

Sr. No.	Name of Related Party	Nature of Relationship
(i)	Directors/ Key Management Personnel a) Rajesh Sharma b) Saket Agrawal (w.e.f. 14.08.2018) c) Devang Desai (w.e.f. 24.01.2020) d) Krishna Kumar Karwa (up to 24.01.2020) e) Prakash Kacholia (up to 24.01.2020) f) R K Krishnamurthi (up to 24.01.2020)	Director / Key Management Personnel
(ii)	Individuals having control or significant influence a) Krishna Kumar Karwa b) Prakash Kacholia	Individual having significant influence
(iii)	Holding Company Emkay Global Financial Services Ltd.	Holding Company
(iv)	Fellow Subsidiary Company Emkay Fincap Ltd.	Fellow Subsidiary Company
(v)	Key Management Personnel a) Nishant Phadtare (up to 22.08.2019) b) Siddharth Mehta (w.e.f. 11.10.2019 to 30.01.2020)	Company Secretary Company Secretary
(vi)	Emkay Commotrade Ltd. Employees Group Gratuity Assurance Fund	Others

B. Transactions with related parties:

(₹)

Sr No	Particulars	Holding Company		Fellow Subsidiary Company		Key Management Personnel		Others	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
I	Expenditure								
a	Depository Charges								
	Emkay Global Financial Services Ltd.	2,974	5,095	-	-	-	-	-	-
b	Rent Paid								
	Emkay Global Financial Services Ltd.	-	171,852	-	-	-	-	-	-
	Salaries and Other Benefits								
	Nishant Phadtare	-	-	-	-	320,678	705,000	-	-
	Siddharth Mehta	-	-	-	-	191,457	-	-	-
c	Interest on compound financial instruments								
	Emkay Global Financial Services Ltd.	2,516,937	1,203,701	-	-	-	-	-	-
d	Finance cost on Bank Guarantee								
	Emkay Global Financial Services Ltd.	-	1,070,685	-	-	-	-	-	-

Notes to Standalone Financial Statements (Contd.)
For The Year Ended 31st March, 2020

(₹)

Sr No	Particulars	Holding Company		Fellow Subsidiary Company		Key Management Personnel		Others	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
e	Gratuity								
	Emkay Commotrade Ltd Emp Gr Gratuity Ass Fund	-	-	-	-	-	-	13,978	18,742
II	Income								
a	Interest Received								
	Emkay Global Financial Services Ltd.	2,385,246	-	-	-	-	-	-	-
III	Others								
a	Expenses Reimbursed								
	Emkay Global Financial Services Ltd.	157,245	478,431	-	-	-	-	-	-
b	Payment made on behalf of clients to								
	Emkay Global Financial Services Ltd.	1,416	31,158	-	-	-	-	-	-
c	Expenses Recovered								
	Emkay Global Financial Services Ltd.	37,170	-	-	-	-	-	-	-
	Emkay Fincap Limited	-	-	1,800	-	-	-	-	-
d	Loan Given								
	Emkay Global Financial Services Ltd.	90,000,000	-	-	-	-	-	-	-
e	Loan Received Back								
	Emkay Global Financial Services Ltd.	90,000,000	-	-	-	-	-	-	-
IV	Outstandings								
a	Other Payables								
	Emkay Global Financial Services Ltd.	-	110,053	-	-	-	-	-	-
b	Equity Share Capital								
	Emkay Global Financial Services Ltd.	60,000,000	60,000,000	-	-	-	-	-	-
c	Other Equity-Equity component of compound financial instruments								
	Emkay Global Financial Services Ltd.	8,981,151	8,981,151	-	-	-	-	-	-
d	Borrowings(Other than Debt securities)- Liability component of compound financial instruments								
	Emkay Global Financial Services Ltd.	23,141,319	20,624,382	-	-	-	-	-	-
e	Other Financial Assets								
	Emkay Commotrade Ltd Emp Gr Gratuity Ass Fund	-	-	-	-	-	-	46,024	102,015

C) Related Parties are identified by the management and relied upon by the Auditors.

D) No balances in respect of related parties have been written off.

E) Name of the related party and nature of the related party relationship where control exists have been disclosed irrespective of whether or not there have been transactions and in case of other related parties, the said disclosure has been made wherever transactions have taken place.

Notes to Standalone Financial Statements (Contd.)

For The Year Ended 31st March, 2020

32. Segment Information

(a) Business Segment

- (i) The Company has discontinued its operations w.e.f. 13th February, 2019.
- (ii) Till 13th February, 2019 the company operated only in one segment namely "Advisory & Transactional Services" comprising of Commodity Broking and hence business segment disclosure as per Ind As -108 segment reporting is not applicable.

(b) Geographical Segment

The company operated in India and hence there is no reportable geographical segment

33. Operating Lease

The company is occupying part of a premise owned by its parent company for which rent of ₹ Nil (P.Y. ₹ 1,71,582/-) has been paid to them and is also occupying part of another premise taken on operating lease by its parent company to whom rent aggregating to ₹1,06,244/-(P.Y. ₹ 88,476/-) has been reimbursed to them.

34. Financial Instruments:

- I. The carrying value and financial instruments by categories as of 31st March, 2020 is as follows:

(₹)

Particulars	Measured at			Total Carrying Value
	Amortised Cost	Fair value through P&L	Fair value through OCI	
Financial assets				
Cash and cash equivalents	49,391,314	-	-	49,391,314
Trade Receivables	20,119	-	-	20,119
Other Financial assets	3,890,633	-	-	3,890,633
Total	53,302,066	-	-	53,302,066
Financial liabilities				
(I) Trade Payables	19,47,007	-	-	19,47,007
(II) Other Payables	3,87,944	-	-	3,87,944
Borrowings (other than debt security)	-	23,141,319	-	23,141,319
Other Financial liabilities	35,924	-	-	35,924
Total	2,370,875	23,141,319	-	25,512,194

- II. The carrying value and financial instruments by categories as of 31st March, 2019 is as follows:

(₹)

Particulars	Measured at			Total Carrying Value
	Amortised Cost	Fair value through P&L	Fair value through OCI	
Financial assets				
Cash and cash equivalents	6,527,614	-	-	6,527,614
Bank Balance other than above	40,322,948	-	-	40,322,948
Trade Receivables	109,768	-	-	109,768
Other Financial assets	4,266,291	-	-	4,266,291
Total	51,226,621	-	-	51,226,621

Notes to Standalone Financial Statements (Contd.)
For The Year Ended 31st March, 2020

(₹)

Particulars	Measured at			Total Carrying Value
	Amortised Cost	Fair value through P&L	Fair value through OCI	
Financial liabilities				
(I) Trade Payables	17,94,000	-	-	17,94,000
(II) Other Payables	11,71,874	-	-	11,71,874
Borrowings (other than debt security)	-	20,624,382	-	20,624,382
Other Financial liabilities	70,720	-	-	70,720
Total	3,036,594	20,624,382	-	23,660,976

III. The carrying value and financial instruments by categories as of 1st April, 2018 is as follows:

(₹)

Particulars	Measured at			Total Carrying Value
	Amortised Cost	Fair value through P&L	Fair value through OCI	
Financial assets				
Cash and cash equivalents	8,556,489	-	-	8,556,489
Bank Balance other than above	113,774,368	-	-	113,774,368
Trade Receivables	2,473,353	-	-	2,473,353
Other Financial assets	5,000,244	-	-	5,000,244
Total	129,804,454	-	-	129,804,454
Financial liabilities				
(I) Trade Payables	16,478,449	-	-	16,478,449
(II) Other Payables	11,38,809	-	-	11,38,809
Borrowings (other than debt security)	31,482,946	-	-	31,482,946
Deposits	1,740,790	-	-	1,740,790
Other Financial liabilities	50,665,928	-	-	50,665,928
Total	101,506,922	-	-	101,506,922

Fair Value Hierarchy:

Financial Liabilities Measured at Fair Value-

(₹)

Particulars	Note No	Level 3	
		As at 31st March, 2020	As at 31st March, 2019
Borrowings (other than debt securities)			
- Liability Component of compound financial instruments	11	23,141,319	20,624,382

IV. Valuation techniques used to determine fair value

- Fair valued at marginal cost-based lending rate (MCLR) of SBI for similar term of liability with mark-up of 2%

Notes to Standalone Financial Statements (Contd.)

For The Year Ended 31st March, 2020

V. Financial instruments not measured at fair value

Financial assets not measured at fair value include cash and cash equivalents, bank balance other than cash and cash equivalents trade receivables and other financial assets. These are financial assets whose carrying amounts approximate fair value, due to their short term nature.

Additionally, financial liabilities such as trade and other payables, borrowings (other than debt instruments) (as at April 1, 2018), deposits and other financial liabilities are not measured at FVTPL, whose carrying amounts approximate fair value, because of their short-term nature.

35. Disclosure as per Ind AS 107 of nature and extent of risks from financial instruments and its management:

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

- a) Credit risk
- b) Liquidity risk
- c) Market risk

a) Credit risk

It is risk that the Company will incur a loss because its customers or counterparties to financial instruments fail to meet its contractual obligation.

The Company's financial assets comprises of cash and bank balances, trade receivables, and other financial assets comprising of deposits with exchanges, clearing members, etc and advances.

In case of bank balances and deposits with bank, the Company is banking with top rated banks. Credit risk for deposit with exchanges and clearing members are very low. In case of trade receivable, deposit with others and advances, the amount involved is not material.

Movement in Provision for doubtful debts:

(₹)		
Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Opening Balance	396,051	35,741,554
Add: Provided During The Year		
Less : Amounts written back-due to recovery	-	84,484
Less : Amounts written back-due to written off	43,240	35,261,019
Closing Balance	352,811	396,051

b) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by invests its surplus funds in bank deposits.

Refer note no. 36 for analysis of maturities of financial assets and financial liabilities.

c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's exposure to market risk is primarily on account of interest rates risk. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns.

Notes to Standalone Financial Statements (Contd.)

For The Year Ended 31st March, 2020

The Company is exposed to Interest rate risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates.

The Company's interest rate risk arises from interest bearing deposits with bank and loan given to its parent company. Such instrument exposes the Company to fair value interest rate risk. Management believes that the interest rate risk attached to these financial assets is not significant due to the nature of these financial assets.

36. Maturity Analysis

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled.

(₹)

Particulars	As at 31st March, 2020		
	Total	Within 12 months	After 12 Months
Assets			
Financial Assets			
Cash and cash equivalents	49,391,314	49,391,314	-
Trade Receivables	20,119	20,119	-
Other Financial assets	3,890,633	130,633	3,760,000
	53,302,066	49,542,066	3,760,000
Non-Financial Assets			
Current tax assets (net)	1,004,560	-	1,004,560
Property, Plant and Equipment	63,293	-	63,293
Other non-financial assets	9,458	9,458	-
	1,077,311	9,458	1,067,853
Total Assets	54,379,377	49,551,524	4,827,853
Liabilities			
Financial Liabilities			
Trade Payables	19,47,007	19,47,007	-
Other Payable	3,87,944	3,87,944	-
Borrowings (Other than Debt security)	23,141,319	23,141,319	-
Other Financial Liabilities	35,924	35,924	-
	25,512,194	25,512,194	
Non-financial Liabilities			
Provisions	4,040	4,040	-
Other non-financial liabilities	127,004	127,004	-
	131,044	131,044	-
Total Liabilities	25,643,238	25,643,238	-
Net	28,736,139	23,908,286	48,27,853

Notes to Standalone Financial Statements (Contd.)
For The Year Ended 31st March, 2020

(₹)

Particulars	As at 31st March, 2019		
	Total	Within 12 months	After 12 Months
Assets			
Financial Assets			
Cash and cash equivalents	6,527,614	6,527,614	-
Bank Balance other than cash and cash equivalents	40,322,948	40,322,948	-
Trade Receivables	109,768	109,768	-
Other Financial assets	4,266,291	261,291	4,005,000
	51,226,621	47,221,621	4,005,000
Non-Financial Assets			
Current tax assets (net)	4,273,201	-	4,273,201
Property, Plant and Equipment	64,332	-	64,332
Other non-financial assets	16,861	16,861	-
	4,354,394	16,861	4,337,533
Total Assets	55,581,015	47,238,482	8,342,533
Liabilities			
Financial Liabilities			
Trade Payables	17,94,000	17,94,000	-
Other Payable	11,71,874	11,71,874	-
Borrowings (Other than Debt security)	20,624,382	-	20,624,382
Other Financial Liabilities	70,720	70,720	-
	23,660,976	30,36,594	20,624,382
Non-financial Liabilities			
Other non-financial liabilities	222,100	222,100	-
	222,100	222,100	-
Total Liabilities	23,883,076	32,58,694	20,624,382
Net	31,697,939	43,979,788	(12,281,849)

(₹)

Particulars	As at 1st April, 2018		
	Total	Within 12 months	After 12 Months
Assets			
Financial Assets			
Cash and cash equivalents	8,556,489	8,556,489	-
Bank Balance other than cash and cash equivalents	113,774,368	-	113,774,368
Trade Receivables	2,473,353	2,473,353	-
Other Financial assets	5,000,244	194,846	4,805,398
	129,804,454	11,224,688	118,579,766
Non-Financial Assets			
Current tax assets (net)	5,320,043	-	5,320,043

Notes to Standalone Financial Statements (Contd.)
For The Year Ended 31st March, 2020

(₹)

Particulars	As at 1st April, 2018		
	Total	Within 12 months	After 12 Months
Property, Plant and Equipment	72,007	-	72,007
Other non-financial assets	2,023,482	2,023,482	-
	7,415,532	2,023,482	5,392,050
Total Assets	137,219,986	13,248,170	123,971,816
Liabilities			
Financial Liabilities			
Trade Payable	16,478,449	16,478,449	-
Other Payable	11,38,809	11,38,809	-
Borrowings (Other than Debt security)	31,482,946	12,062,264	19,420,682
Deposits	1,740,790	-	1,740,790
Other Financial Liabilities	50,665,928	50,665,928	-
	101,506,922	80,345,450	21,161,472
Non-financial Liabilities			
Other non-financial liabilities	5,518,210	5,518,210	-
	5,518,210	5,518,210	-
Total Liabilities	107,025,132	85,863,660	21,161,472
Net	30,194,854	(72,615,490)	102,810,344

37. Disclosure as per Ind-AS 1 on Capital Management

The Company is not a going concern and hence does not require any capital management except to meet its administrative and other expenses. The funding requirements are met through equity and earnings from surplus funds parked with the Parent Company as and when needed by them or in liquid fund or banks deposits.

In addition to above the Company is required to maintain a minimum networth as prescribed from time to time by the Securities and Exchange Board of India under SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992. The management ensures that this is complied at all times.

38. Tax Reconciliation Disclosure:

a. Income tax expense consists of the followings:

(₹)

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Current Income Tax	(27,202)	-
Tax expense for the year	(27,202)	-

b. Amounts recognised in other comprehensive income

(₹)

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Items that will not be reclassified to profit or loss		
Actuarial gain/(loss) on defined benefit plans	(42,013)	(58,928)
	(42,013)	(58,928)

Notes to Standalone Financial Statements (Contd.)
For The Year Ended 31st March, 2020

- c) **The reconciliation of estimated current income tax expenses at statutory income tax rate to current income tax expense reported in Statement of Profit and Loss is as follows:**

(₹)

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Profit Before Tax	(2,946,988)	491,327
Indian Statutory Income Tax Rate (%)	26.00%	26.00%
Expected Income Tax Expenses	(766,217)	127,746
Tax Effects of:		
Expenses Allowable	(18,334)	(24,337)
Expenses Not Allowable/Deductible	1,305	9,673
Provision for doubtful debts written back	-	(9,189,831)
Ind As Adjustments	654,405	591,340
Current Year Loss Carry Forwarded	128,841	8,485,409
Tax Relating to Earlier Years provided/(written back)	(27,202)	-
Total Income Tax Expenses	(27,202)	-

- d) **Movement of deferred tax assets and liabilities:**

(₹)

Particulars	Provisions/ Disallowances/ Losses	Depreciation and Amortisation	Total
As at 1st April, 2018			
Credited/(Charged) to Profit and Loss	3,800	(3,800)	-
As at 31st March, 2019			
Credited/(Charged) to Profit and Loss	5,500	(5,500)	-
As at 31st March, 2020	-	-	-

- e) **Amounts for Which Deferred Tax Asset is Not Recognised**

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

(₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Interest component of compound financial instrument	1,851,842	1,197,439	884,476
Financial guarantee expenses recognised	-	-	168,679
Impairment gain on financial instruments	91,731	102,973	9,292,804
Provision for Compensated Absences	1,053	-	-
Unused Tax Losses/Depreciation	27,080,619	26,947,528	18,440,567
Total Deferred Tax Asset	29,025,245	28,247,940	28,786,526

Notes to Standalone Financial Statements (Contd.) For The Year Ended 31st March, 2020

39. Disclosure pursuant to Ind AS 101 “First Time Adoption of Indian Accounting Standards

A. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires a first time adopter to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

a) Reconciliation of equity as per Indian GAAP and Ind AS financial statements

(₹)

Particulars	Note	As at	
		31st March, 2019	1st April, 2018
Equity as per Indian GAAP		5,23,22,321	49,727,526
GAAP adjustments:			
Impairment gain on financial instruments	(i)	-	(111,990)
Liability component of compound financial instruments	(ii)	(1,60,18,849)	(16,018,849)
Interest on liability component of compound financial instrument	(ii)	(46,05,533)	(3,401,833)
Equity as per Ind AS		3,16,97,939	30,194,854

b) Reconciliation of total comprehensive income as per Ind AS with net profit reported under Indian GAAP:

(₹)

Particulars	Note	For the Year ended 31st March, 2019
Net profit as per the Indian GAAP		25,94,795
GAAP adjustments:		
Reversal of write back of provision for doubtful debts (Net of provision made)	(i)	(3,52,33,513)
Impairment gain on financial instruments – Trade Receivables	(i)	3,53,45,503
Interest on compound financial instruments	(ii)	(12,03,701)
Financial guarantee expenses recognised.	(iii)	(10,70,685)
Actuarial loss on defined employee benefit plans	(iv)	58,928
Net profit after tax (before OCI) as per Ind AS		4,91,327
Other Comprehensive Income	(v)	(58,928)
Total Comprehensive Income as per Ind AS		4,32,399

c) Reconciliation of Statement of Cash flows

There were no material differences between the statements of cash flows presented under Ind AS and the previous GAAP.

B. Notes to first time adoption

(i) Impairment of financial assets

Under Ind AS provisions for losses are required to be computed as per the impairment principles laid out in Ind AS 109 ‘Financial Instruments’ which prescribes the expected credit loss model (ECL model) for the same. Accordingly, the difference between provisions as computed under previous GAAP and computed under Ind AS, is adjusted in retained earnings as at the date of transition and subsequently in the statement of profit and loss for the year ended 31 March 2019.

Notes to Standalone Financial Statements (Contd.) For The Year Ended 31st March, 2020

This has resulted in a reduction in the retained earnings by ₹.1,11,990/- in April 2018. Further, reversal of write back of provision of doubtful debts as per IGAAP of ₹3,52,33,513/- and impairment gain on trade receivables as per Ind AS of ₹3,53,45,503/- resulted in net increase in net profit by ₹1,11,990/- for the year ended 31st March, 2019.

(ii) Compound financial instruments

Under previous GAAP the redeemable non-cumulative preference shares issued by the Company to the Parent Company is treated as Equity. Whereas under Ind AS, the same is treated as compound financial instrument. Accordingly, under Ind AS, the liability component is classified as Liability and the remaining portion is classified as Equity. Accordingly, on 1st April 2018 ₹16,018,849/- is classified as liability and this has resulted in reduction in equity by ₹160,18,849/-. Consequently the accumulated interest on Liability component till 1st April 2018 and 31st March 2019, resulted in reduction in retained earnings by ₹34,01,833/- and ₹46,05,533/- respectively and decrease in net profit by ₹12,03,701/- for the year ended 31st March, 2019.

(iii) Financial guarantee Expenses

The Parent Company has given Corporate Guarantee to a bank on behalf of the Company. Unlike Under previous GAAP, the same is recognized at fair value on transition date under Ind AS and accordingly expense is recognized on straight line basis under finance costs. This has resulted in decrease in net profit by ₹10,70,685/- for the year ended 31st March 2019. Further the accumulated amount of finance cost under financial guarantee by the Parent of ₹17,19.452/- appearing under Other Equity has been transferred to retained earnings on corporate guarantee getting extinguished on its pre-closure having no effect on total equity.

(iv) Re-measurement of post-employment benefit obligations

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in the other comprehensive income instead of statement of profit or loss under the previous GAAP.

As a result of this change, the profit for the year ended March 31,2019 is increased by ₹58,928/-. There is no impact on the total equity as at 31 March, 2019.

(v) Other Comprehensive Income (OCI)

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes measurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

This has resulted in total comprehensive loss of ₹58,928/- for the year ended 31st March, 2019.

C) Exemptions Applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

- (i) The Company has adopted the carrying value determined in accordance with previous GAAP for all of its property, plant and equipment as deemed cost of such assets at the transition date.
- (ii) The Company has opted not to re-evaluate financial assets or financial liabilities which were derecognised in accordance with the previous GAAP as a results of transactions that occurred before the transition date.
- (iii) An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Notes to Standalone Financial Statements (Contd.) For The Year Ended 31st March, 2020

40. a. Contingent Liabilities

(₹)

Sr. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
1	Claims against the Company not acknowledged as debt	3,75,000	3,75,000
2	Income Tax and Fringe Benefits Tax matters in dispute	61,330	61,330

- b. SEBI has issued a Show Cause Notice dated 17th September, 2019 under regulation 28(1) of the SEBI (Intermediaries) Regulations, 2008 (SEBI Intermediaries Regulations) in the matter of paired contacts transacted at National Spot Exchange Limited (NSEL) in which the Company has acted as broker as to why appropriate action should not be taken against the company as per regulation 28(2) of the SEBI Intermediaries Regulations by not treating it as a fit and proper person and cancelling certificate of registration granted to it. The Company has submitted a detailed reply in the matter denying all allegations and requested to grant an opportunity for personal hearing which is awaited and matter is pending for disposal. The Management do not expect any impact of the same on the Company since it has already discontinued its business operation in view of reasons stated in Note No.2.1(i).

41. Other liabilities under Other financial liabilities includes ₹35,924/- (P.Y. ₹70,720/-) being aggregate amount of deposits in Company's bank accounts made directly by Clients whose details are awaited.

42. Additional information required pursuant to Part II of Division III to Schedule III to the Companies Act, 2013.

a) Foreign Currency Transactions:

(₹)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Expenditure in foreign currency		
-Membership and Subscription	-	7,74,100

- b) Other additional information required pursuant to Part II of Division III to Schedule III of the Companies Act, 2013 are not applicable to the Company.

43. Disclosure regarding loans given, investments made and guarantee given pursuant to section 186(4) of the Companies Act, 2013:

Loans Given - NIL
Investments made - NIL
Guarantee given - NIL

44. The provisions of section 135 of the Companies Act, 2013 pertaining to expenditure on Corporate Social Responsibility are not applicable to the Company.

45. Figures of the previous year have been regrouped, recasted and rearranged wherever necessary to make them comparable with the figures of the current year.

46. Figures in brackets represents for previous year.

47. Figures have been rounded off to the nearest rupees.

**Notes to Standalone Financial Statements (Contd.)
For The Year Ended 31st March, 2020**

48. Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

49. Approval of Financial Statements

These financial statements were approved for the issue by the Board of Directors at their meeting held on June 16, 2020.

AS PER OUR REPORT OF EVEN DATE

For B.L. SARDA & ASSOCIATES
CHARTERED ACCOUNTANTS

(CA B. L. Sarda)
Partner
Membership No.014568

Place: Mumbai
Date: June 16, 2020

**For and on behalf of the Board of
Emkay Commotrade Limited**

Rajesh Sharma
Director

Saket Agrawal
Director

Place: Mumbai
Date: June 16, 2020



EMKAY COMMOTRADE LIMITED

Registered Office: The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028

CIN- U51110MH2006PLC158675

ATTENDANCE SLIP

I hereby record my presence at the 15th Annual General Meeting of the Company held on Thursday, August 27, 2020 at 2.00 p.m. at the Registered Office of the Company situated at The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028.

Folio No. DP ID No..... Client ID No.....

Name of Member

Name of Proxyholder.....

No. of Share(s) Held:.....

Signature of Member/Proxy

Notes:

- (1) Members/Proxy holders are requested to produce the attendance slip duly signed for admission to the Meeting hall.
- (2) Members are requested to bring their copy of Annual Report for reference at the Meeting

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Your success is our success

EMKAY COMMOTRADE LIMITED

CIN No. U51110MH2006PLC158675

Registered office: The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028

Website: www.emkayglobal.com T: 022-66299299

Email: compliance@emkayglobal.com

PROXY FORM

[Pursuant to section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014].

Name of the Member (s): _____

Registered Address: _____

E-mail ID: _____

Folio No./ Client ID: _____

DP ID: _____

I/We, being the member (s) of Emkay Commotrade Limited holding _____ equity shares of the above named company, hereby appoint.

Name:

Address:

E-mail ID:

Signature: _____ or failing him

Name:

Address:

E-mail ID:

Signature: _____ or failing him

Name:

Address:

E-mail ID:

Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 15th Annual General Meeting of the Company, to be held on Thursday, August 27, 2020 at 2.00 p.m. at the Registered Office of the Company situated at The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions
	Ordinary Business
1	To receive, consider and adopt the Financial Statements of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and Auditors thereon.
2	To appoint a director in place of Mr. Rajesh Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
	Special Business
3	To appoint Mr. Devang Desai (DIN: 08677261) as a Director of the Company.

Signed this _____ day of _____ 2020

Signature of the Shareholder: _____

Signature of the Proxy Holder(s): _____

Affix
Revenue
Stamp of
Re.1/-

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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Emkay[®]

Your success is our success

Emkay Commotrade Limited

CIN: U51110MH2006PLC158675

Registered Office: The Ruby, 7th Floor,

Senapati Bapat Marg,

Dadar West, Mumbai - 400028.

Tel: +91 22 66121212

