

**25<sup>th</sup>  
ANNUAL  
REPORT**

2017 – 2018

**DAULAT SECURITIES LIMITED**

**DAULAT SECURITIES LIMITED**

CIN: L67120WB1992PLC056831

**Directors**

Mr. JitendraKochar	Managing Director
Mr. AjitKochar	Whole Time Director
Mr. Madhu Sudan Daga	Director
Mr. Jaideep Jiloka	Director
Dr. Pradip Rasiklal Kamdar	Director
Mrs. Vasudha Chhajer	Director

**Registered Office**

86 Canning Street, Kolkata – 700001

Phone : +91 33 4600 4175 , email : [daulat000@yahoo.com](mailto:daulat000@yahoo.com)

GST No. : 19AABCD1794Q1ZZ

**Administrative Office**PS Srijan Corporate Park ,Unit-V, 18<sup>th</sup> Floor

GP-2, Sector- V, Salt Lake , Kolkata – 700091

**Auditors**

M/s. T.C.Mahawar&amp; Co.

Chartered Accountants

RegistrationNumber: 322294E

Arihant Enclave Block – A2 Flat-203

493B/57A G T Road (S) Shibpur , Howrah-711102

M/s. P.D. Randar &amp; Co.

Chartered Accountants

RegistrationNumber: 319295E

13, Ganesh Chandra Avenue, 2<sup>nd</sup> Floor

Kolkata- 700013

**Bankers**

Corporation Bank Ltd., Canning Street Branch, Kolkata – 700001

HDFC Bank Ltd., Sarat Bose Road Branch, Kolkata – 700020

**Registrar & Transfer Agent**

Maheshwari Datamatics Pvt. Ltd.

23, R N Mukherjee Road, 5<sup>th</sup>Floor , Kolkata -700001Phone : 033-22435809/5029 e-mail : [mdpl@yahoo.com](mailto:mdpl@yahoo.com)**Contents**

	Page No.
Directors Report	3
Management Discussion and Analysis	11
Auditor's Certificate on Corporate Governance	11
CEO Certification	12
Corporate Governance Report	12
Independent Auditor's Report	16
Balance Sheet, P&L, Cash Flow Statement and Notes to Accounts	19

**TO  
THE SHAREHOLDERS**

The Board of Directors has pleasure in submitting the Annual Report together with Audited Financial Statements for the year ended 31<sup>st</sup> March 2018

**FINANCIAL RESULTS FOR THE YEAR IS AS UNDER:**

	Year ended 31.03.2018	Year ended 31.03.2017
Profit before Tax	41,90,496	45,71,706
Tax Expense:		
(1) Current Tax	9,15,000	8,00,000
(2) Deferred Tax	(23,923)	(20,799)
(3) Earlier Years	1,91,173	(15,919)
Profit for the period	31,08,246	38,08,424
Earning per Equity Share:		
(1) Basic	0.62	0.76
(2) Diluted	0.62	0.76

**Financial Performance**

The net profit for the year Rs 31,08,246/- has been decreased by 18.38%. Income tax for the current year Rs 9,15,000 has been increased by 14.37%.

**Indian Accounting Standards**

The Ministry of Corporate Affairs (MCA), published in the Official Gazette notified Indian Accounting Standards (Ind AS) which are applicable to the company w.e.f April 01,2017 with the transition date April 01,2016. Accordingly, the Financial Statements have been prepared in compliance with Ind AS and the Comparative information of the previous years has been provided as per the prescribed requirements.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis as required by the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is incorporated herein by reference and forms an integral part of this report.

**DIVIDEND**

The Board of Directors has decided to retain profits for future development. Hence the Directors do not recommend any dividend for the year under review.

**RESERVE**

The board has not proposed any amount to be carried to reserves.

**CHANGE IN NATURE OF BUSINESS**

There is no change in the nature of the business of the Company during the year as compared to previous year.

**.CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:**

A report of Corporate Governance is included as a part of this Annual Report. Certificate from the Statutory Auditors of the company M/s T C Mahawar & Co Chartered Accountant confirming the compliance with the conditions of Corporate Governance in accordance with Listing Regulations are given separately in this Annual report

**LISTING WITH STOCK EXCHANGES:**

The Company confirms that it has paid the Annual Listing Fees for the year 2018-19 to BSE and CSE where the Company's Shares are listed.

**DEMATERIALIZATION OF SHARES:**

85.46% of the company's paid up equity share Capital is in dematerialized form as on 31<sup>st</sup> March, 2018 and balance 14.54% is in physical form. The Company's Registrars are M/s Maheshwari Datamatics Private Ltd. having their office at 23, R N Mukherjee Road, 5<sup>th</sup> Floor Kolkata-700001.

Your Directors feel that it is their responsibility, for good governance and better service to the shareholders, to disseminate relevant information that relates to shareholders' interest. Accordingly, the members are intimated that SEBI vide its notification no. SEBI/LAD/-NRO/GN/2018/24 dated 08/06/2018 has mandated that no transfer of shares shall be given effect by any limited company with effect from 05/12/2018, if the shares are held in physical mode. However, physical shares will be allowed for transmission and transposition of name, as the case may be. The shareholders are, therefore, requested to take necessary steps to convert their shareholding in the company from the physical mode to electronic mode through dematerialisation.

**Number of Board Meetings**

The Board of Director duly met 7(Seven) times during the financial year from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018 The dates on which the meetings were held are as follows.

11<sup>th</sup> May 2017, 30<sup>th</sup> May 2017, 26<sup>th</sup> July 2017, 11<sup>th</sup> August 2017, 13<sup>th</sup> November 2017, 12<sup>th</sup> February 2018 and 25<sup>th</sup> March 2018

**DIRECTORS:****a) Changes in Directors and Key Management Personnel**

There is no change in list of Directors and Key Management Personnel

Mr. Ajit Kochar (DIN.- 00933365) and Mrs.Vasudha Chhajjer ( DIN.- 05102531) retire by rotation and being eligible, offers themselves for reappointment.

The present term of appointment of Mr. Jitendra Kochar as the Managing Director is valid upto 27th April, 2018. The Board has, subject to the approval of the Members in the forthcoming AGM, approved the re-appointment of Mr. Jitendra Kochar as Managing Director for another period of three years, w.e.f. 28<sup>th</sup> April, 2018.

**b) Declaration by Independent Directors and re-appointment, if any**

All Independent Directors of Daulat Securities Limited do hereby declare that they have met the criteria of as provided in sub-section 6 of Section 149 of the Companies Act 2013. they hold the office for a term of five years and are eligible for re-appointment for next five years on passing of special resolution by the company.

**c) Formal Annual Evaluation**

Pursuant to the provisions of Company's Act 2013, the board has carried out an annual performance evaluation of its own performance, the directors individually as well as evaluation of working of its Audit, Nomination and Remuneration and Compliance Committees. Performance evaluation has been carried out as per nomination and remuneration policy

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Yours directors confirm that:

- i) In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2018, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- ii) 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 as at the end of the financial year 31<sup>st</sup> March, 2018 and of the Profit of the Company for that period.
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities,
- iv) The Directors have prepared the annual accounts for the financial year ended 31<sup>st</sup> March 2018 on a going concern basis.
- v) The Board has laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- vi) The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate & operating effectively.

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

A. **CONSERVATION OF ENERGY** :The operations of your Company are not energy-intensive. However, adequate measures have been initiated for conservation of energy

B. **TECHNOLOGY ABSORPTION** :Not applicable in view of the nature of activities carried on by the Company.

C. **EXCHANGE EARNING AND OUTGO** :Foreign exchange earnings and outgo-NIL

**DEPOSIT**:The Company has not accepted any deposits from public.

**AUDIT OBSERVATIONS:**

Auditors' observations are suitably explained in notes to the Accounts and are self explanatory

**AUDITORS:****Statutory Auditors**

M/s T C MAHAWAR & CO. Chartered Accountants (Firm registration number 322294E) resigned as statutory auditor of the company from 31-07-2018. A letter has been received from the auditor expressing their unwillingness to continue as statutory auditor of the company. In their place, M/s P.D.Randar & Co., Chartered Accountants, (Firm registration number 319295E) have approached the board of directors expressing their consent to act as a statutory auditor of the company for doing the statutory audit under Companies Act, 2013 and other applicable laws. M/s. P.D.Randar & Co., Chartered Accountants, (Firm Registration No- 319295E) be and are hereby appointed as Statutory Auditors of the Company, to fill the casual vacancy caused by the resignation of M/s. T C Mahawar & Co, Chartered Accountants". The board seeks approval from shareholder regarding the appointment of M/s. P.D.Randar & Co., Chartered Accountants, (Firm Registration No- 319295E) and authorized board of directors to fix the remuneration.

**Secretarial Audit**

According to the provision of section 204 of the Companies Act.2013 read with Rule 9 of the Companies (appointment and Remuneration of Managerial Personnel ) Rules,2014, the Secretarial Audit Report submitted by Company Secretary in Practice in enclosed as a part of this report Annexure-A.

**SHARE CAPITAL:****a) Issue of equity Shares with Differential rights**

The Company has not issued any equity shares with differential rights as per details provided in rule 4 of Companies (Share Capital & Debentures), Rules 2014.

**b) Issue of Sweat Equity Shares**

The Company has not issued any Sweat equity shares as per details provided in rule 8(13) of Companies (Share Capital & Debentures), Rules 2014.

**c) Issue of Employees Stock Options**

The Company has not issued any Employee Stock Option as per details provided in rule 12(9) of Companies (Share Capital & Debentures), Rules 2014.

**d) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees**

The Company has not purchased its own shares either from employees or by trustees for the benefit of employees.

**EXTRACT OF ANNUAL RETURN:**

Extract of Annual return is formed part of this report is annexed as MGT-9 in Annexure-B

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The disclosure as per rule 9 of companies (Corporate Social Responsibility policy) Rules 2014 will not be applicable as this company does not fall within the ambit of this section.

**VIGIL MECHANISM:**

The board has adopted the Whistle blower policy. The policy has provided a mechanism for directors, employees and other person dealing with the company to report to the chairman of the Audit Committee, any instance of unethical behavior, actual or suspected fraud or violation of code of conduct of the company.

**PARTICULARS OF LOAN GURANTEES OR INVESTMENTS:**

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

**INTERNAL FINANCIAL CONTROL**

The Company has adequate internal financial control procedures commensurate with its size and nature of business. The company has already carried out an audit on internal financial control by the third party. The statutory auditor has also commented on the internal financial control on financial reporting in their report

**RELATED PARTY TRANSACTION:**

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There was no materially significant related party transaction with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business activity. Detail of related party transaction provided separately in notes to accounts.

The Board of Directors of the company has, on the recommendation of the Audit Committee, adopted a policy to regulate transaction between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules there under and the Listing Agreement. This Policy was considered and approved by the Board

**MANAGERIAL REMUNERATION:**

Jitendra Kochar Managing Director Remuneration paid – Rs.3,00,000/-(Last Year Rs.3,00,000/-)

**RISK MANAGEMENT POLICY:**

The Company has been addressing various risks impacting the company and the policy of the Company on risk management is provided in Management Discussion and Analysis

**ACKNOWLEDGEMENT**

The Board expresses its deep gratitude and thanks to the Clients, Bankers, Associated staff and SEBI, Stock Exchange Employees & Depository and Shareholders/ Investors for their valuable contribution towards the progress of the Company.

Registered Office  
86, Canning Street  
Kolkata – 700001  
Dated: 10/08/2018  
Place: Kolkata

For and on behalf of the Board  
  
JITENDRA KOCHAR  
Managing Director

**ANNEXURE-B  
FORM NO. MGT 9**

**Extract of ANNUAL RETURN as on Financial Year ended on 31.03.2018**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.**

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L67120WB1992PLC056831
2.	Registration Date	22-10-1992
3.	Name of the Company	DAULAT SECURITIES LIMITED
4.	Category/Sub-category of the Company	PUBLIC COMPANY/ COMPANY HAVING SHARE CAPITAL
5.	Address of the Registered office & contact details	86, CANNING STREET KOLKATA-700 001 Phone No. : 91 33 4600 4175
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MAHESHWARI DATAMATICS PVT. LTD. 23, R N Mukherjee Road 5 <sup>th</sup> Floor ,KOLKATA-700001 Phone : 033-22435809/5029 e-mail : <a href="mailto:mdpl@yahoo.com">mdpl@yahoo.com</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)**

Sl. No.	Name and Description of main products / services	NIC Code of the Product/Service	% to total turnover of the company
1	SHARE BROKING AND DEPOSITORY SERVICES	6612	100

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

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

Sl.No.	Name and Description of mainproducts/ services	NIC Codeof the Product/ service	% tototal turnover of the company
1	NIL	NIL	NIL

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

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/HUF	2341800	0	2341800	46.84	2341800	0	2341800	46.84	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	297000		297000	5.94	297000		297000	5.94	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Total shareholding of Promoter (A)</b>	<b>2638800</b>	<b>0</b>	<b>2638800</b>	<b>52.78</b>	<b>2638800</b>	<b>0</b>	<b>2638800</b>	<b>52.78</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Co.	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)									
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	823380	34600	857980	17.15	821180	34600	855780	17.12	-0.04
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital uptoRs. 1 lakh	409707	513819	923526	18.47	413132	505919	919051	18.38	-0.09
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	389221	186100	575321	11.50	398521	186100	584621	11.69	0.19

c) Others (specify)									
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	4373	0	4373	0.09	1748	0	1748	0.04	-0.05
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	1626681	734519	2361200	47.22	1634581	726619	2361200	47.22	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	1626681	734519	2361200	47.22	1634581	726619	2361200	47.22	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	4265481	734519	5000000	100	4273381	726619	5000000	100	0

**B) Shareholding of Promoter-**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	AJIT KOCHAR	399900	8.00	0	399900	8.00	0	0
2	AJIT KOCHAR HUF	19000	0.38	0	19000	0.38	0	0
3	ANAMIKA KOCHAR	34700	0.69	0	34700	0.69	0	0
4	ANIL KOCHAR	529200	10.58	0	529200	10.58	0	0
5	ANIL KOCHAR HUF	40000	0.80	0	40000	0.80	0	0
6	B DAULAT LTD	297000	5.94	0	297000	5.94	0	0
7	JITENDRA KOCHAR	384000	7.68	0	384000	7.68	0	0
8	KANCHAN DEVI KOCHAR	12400	0.25	0	12400	0.25	0	0
9	KUSUM KOCHAR	30200	0.60	0	30200	0.60	0	0
10	NALINI KOCHAR	102000	2.04	0	102000	2.04	0	0
11	NARENDRA KOCHAR	160800	3.22	0	160800	3.22	0	0
12	NARENDRA KOCHAR HUF	20000	0.40	0	20000	0.40	0	0
13	SOHAN LAL ANIL KR. HUF	38800	0.78	0	38800	0.78	0	0
14	SOHAN LAL KOCHAR	342100	6.84	0	342100	6.84	0	0
15	SUNITA KOCHAR	159500	3.19	0	159500	3.19	0	0
16	VASUDHA CHHAJER	14200	0.28	0	14200	0.28	0	0
17	ADITI KOCHAR	35000	0.70	0	35000	0.70	0	0
18	JITENDRA KOCHAR HUF	20000	0.40	0	20000	0.40	0	0

**C) Change in Promoters Shareholding**

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2638800	52.78	2638800	52.78
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	2638800	52.78	2638800	52.78

**D) Shareholding Pattern of top ten Shareholders:**

**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company

1.	ADITI INDUSTRIES LTD.	324417	6.488	324417	6.488
2.	ASHA PROMOTERS LTD.	203800	4.076	203800	4.076
3.	VANI CHAND GHELANI	118000	2.36	118000	2.36
4.	MADHU TRADE & INVESMENT CO PVT LTD.	61800	1.23	61800	1.23
5.	ANAND POTATO COLD STORAGE PVT LTD	46840	0.94	46840	0.94
6.	PURVI SHAH	41500	0.83	41500	0.83
7.	SARITA LUNIA	37900	0.76	37900	0.76
8.	K V TRADERS PVT. LTD.	36000	0.72	36000	0.72
9.	ABHIJEET AGARWAL	35000	0.70	35000	0.70
10	ABHISHEK AGARWAL	33605	0.67	33605	0.67

**E) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	JITENDRA KOCHAR	384000	7.68	384000	7.68
2.	AJIT KOCHAR	399900	8.00	399900	8.00
3.	VASUDHA CHHAJER	14200	0.28	14200	0.28
4.	MADHU SUDAN DAGA	100	0.002	100	0.002
5.	DR P R KAMDAR	2500	0.05	2500	0.05
6.	JAIDEEP JILOKA	100	0.002	100	0.002

**V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

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

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

SN	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amt.
		JITENDRA KOCHAR	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	300000	300000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specifv...		
5	Others, please specify		
	<b>Total (A)</b>	300000	300000
	Ceiling as per the Act		

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	-	-	-	-	NIL
	Fee for attending board committee meetings	-	-	-	-	NIL



	Commission					
	Others, please specify					
	Total (1)	NIL	NIL	NIL	NIL	NIL
2	Other Non-Executive Directors	NIL	NIL	NIL	NIL	NIL
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act					

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

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross Salary	NIL	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				
	Total	NIL	NIL	NIL	NIL

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

Form No. MR - 3

**SECRETARIAL AUDIT REPORT**

for the financial year ended 31<sup>st</sup> March, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

**M/s. Daulat Securities Limited**

Regd. Office:86, Canning Street, 3rd Floor, Kolkata - 700001

Corp Office: PS Srijan Corporate Park, Unit-V, 18<sup>th</sup> Floor, GP-2 Sector V, Salt lake, Kolkata-700091

West Bengal, India

- I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DAULAT SECURITIES LIMITED** (hereinafter called '**the Company**'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.
- Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018 complied with the statutory provisions listed hereunder and also that the Company

has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

3. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2018, to the extent applicable, according to the provisions of :
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (N/A)\*
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.(N/A)
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. (N/A)\*
    - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. (N/A)\*
    - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. (N/A)\*
    - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client:-  
the Company itself is not registered as the Registrar and Share Transfer Agent.
    - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. (N/A)\* and
    - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (N/A)\*

(N/A)\*no such transaction undertaken by the Company during the audit period which require compliances under the act.

  - (vi) Any other laws- as per the information provided by the Company, its officers and authorized representatives there is no such other Law applicable specifically to the Company.
4. I have also examined compliance with the applicable Clauses of the following :
  - (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
  - (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
5. To the best of my understanding, I am of the view that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following observations:
  1. As per Section 203 of Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Companies having paid up capital of Rs 5 crores or more has to mandatorily have a Company Secretary in whole time employment. Regulation 6 of SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015 also require Mandatory appointment of a qualified Company Secretary as a Compliance Officer. The Company has not appointed a Company Secretary in whole time employment yet. Further, under the said section, a listed public company has to have a Chief Financial Officer. However The Company has not appointed the same.
  2. The website of the Company is not found to be updated as per SEBI (LODR) norms. As per the information provided by the company, its officers and its authorized representatives updation of the site is under process.
6. **I further report that :**
  - i. Based on the information provided by the Company, its officers and its authorised representatives during the conduct of the audit, and also on the review of the quarterly compliance report by respective department heads taken on record by the Board of Directors of the Company, in my opinion, adequate system and processes and control mechanism exist in the Company to monitor and to ensure the compliance with applicable general laws such as labour laws and environmental laws to the extent they are applicable.
  - ii. The compliance by the Company of the applicable financial laws, like Direct and Indirect Tax laws, has not been reviewed in this audit since the same have been subject to review by Statutory Auditors and other designated professionals.
7. **I further report that :**
  - i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review.
  - ii. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
  - iii. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
8. **I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
9. **I further report that** during the audit period the Company has no such specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.
10. This report is to be read with our letter of even date which is annexed as "**Annexure - A**" and forms an integral part of this Report.

Place : Howrah  
Date : 30<sup>th</sup> May 2018

Name of Company Secretary in practice / Firm:  
**CS AlpanaAgrawal**  
**ACS No. 36445**  
**C P No.: 13504**

**“ANNEXURE – A” to the Secretarial Audit Report**

To,

The Members of DAULAT SECURITIES LIMITED

Regd. Office: 86, Canning Street, 3rd Floor, Kolkata - 700 001.

Corp Office: PS Srijan Corporate Park, Unit-V, 18<sup>th</sup> Floor, GP-2 Sector V, Salt lake, Kolkata-700091

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

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

Place : Howrah

Date : 30<sup>th</sup> May 2018

Name of Company Secretary in practice / Firm:

**CS Alpana Agrawal**

**ACS No. 36445**

**C P No. 13504**

**Management Discussion and Analysis Report**

**Industries Trends and Developments :** Be it stock broking, mutual fund distribution or depository services, all the activities that your company is engaged in have huge growth opportunities due to existing low penetration levels, but are facing tremendous competitive pressures and increasing regulatory compliances. With the increasing role of technology, there is a paradigm shift in the running of these businesses. Your company is gearing up well to face all such developments by ramping up its infrastructure and technological, financial and human resources.

**Opportunities and Threats :** Your company's philosophy of providing professional, value-added, comprehensive and integrated broking, depository services and mutual fund to a cross-segment of society across the Eastern Region is fast becoming a positive differentiating factor vis-a-vis erstwhile competition. These could be treated as great opportunities for the company. Business

**Review/ Segment wise Performance :** In spite of such competitive pressures, your company has done satisfactorily well to remain above break even levels in spite of huge slowdown in income due to its focus on costs and diversified activities within the board core business of the company it does not have any segments/divisions.

**Managements of Risks :** The T+2 Settlement System in the Indian Capital Market induces safety and your company also has strict margin norms and other risk management policies. A comprehensive risk evaluation methodology and processes for early identification and mitigation of all kinds of risks begin in place, except for unforeseen circumstances and marginal exposure to financial risk in the retail capital markets division, your company is quite a risk-free business entity.

**Internal Control Systems and their adequacy :** The scope of work for internal auditors addresses issues related to internal control systems, particularly those related to regulatory compliance. Pre-audit and post-audit checks and reviews ensure that audit observations are acted upon. The Audit Committee of the Board of Directors reviews the Internal Audit Reports and the adequacy of internal controls.

**Financial Performance :** A snapshot of financial performance is furnished in the Directors' Report. The economic slowdown and complete meltdown in capital markets has brought down the income of the company

**Future Outlook :** The company is looking at growth opportunities, while consolidation its current business in line with the challenging business environment. Outlook is that of cautious optimism.

**Human Resource Management:** Employees are vital to Daulat Securities Ltd. and we are committed to our mission of making Daulat Securities Ltd. a preferred place to work and a career growth oriented, professional environment where teamwork and meritocracy prevails.

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To

The Members of Daulat Securities Limited

We have reviewed the relevant records of the company for the year ended on 31<sup>st</sup> March, 2018, relating to compliance of conditions of Corporate Governance, as per Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliances of conditions of Corporate Governance is the responsibility of Management. Our review was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we have to state that to the best of our knowledge the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no Investor Grievances are pending for a period exceeding one month against the Company as per the records maintained by the Investor Grievance Committee.

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

For **T.C.Mahawar & Co.**  
Chartered Accountants

**T.C. Mahawar**

Proprietor

Membership No.: 056212

Place : Howrah  
Date: :30-05-2018

### **CEO Certification under Clause 49 (v) of the Listing Agreement**

The Board of Director  
Daulat Securities Ltd.

I, Jitendra Kochar , Managing Director of Daulat Securities Ltd. do hereby certify to the Board in terms of the requirement of Clause 49 (v) of the Listing Agreement, that I have reviewed the financial statement and cash flow statement of the company for the year ended 31<sup>ST</sup> March, 2018 :

1. To the best of my knowledge and belief I certify that :
  - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - (b) These statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulation.
  - (c) There are, to the best of my knowledge & belief, no transactions entered into by the company during the year which is fraudulent, illegal or violative of the company's code of conduct.
2. For the purpose of this reporting I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design, or operation of such internal controls.
3. I do further certify that there has been :
  - (a) No significant changes in internal control over financial reporting during the quarter
  - (b) No changes in accounting policies
  - (c) No instances of significant fraud of which I am aware.

Place: Kolkata  
Date: 30-05-2018

Jitendra Kochar  
Managing Director

### **CORPORATE GOVERNANCE REPORT**

#### **PHILOSOPHY**

Your Company believes that Corporate Governance is a powerful medium to sub serves the long-term interests of all the stakeholders, including the enhancement of overall business valuation for the owners. Corporate Governance strengthens investors' trust and ensures a long-term partnership that helps in fulfilling our quest for achieving significant growth and profits. Your Company is committed to benchmarking itself with the best in all areas including Corporate Governance and has benchmarked its practices with the prevailing guidelines with transparency, full disclosure and independent monitoring.

#### **BOARD OF DIRECTORS**

Composition, Category of Directors and their Other Directorship and Committee Memberships.

Directors	Category	Other Directorships	No of Board Meetings		Attended Last AGM	Shareholdings in the Company
			Held	Attended		
Mr. Madhusudan Daga	Independent and Non Executive Director	---	7	6	Yes	100
Mr.Jaideep Jiloka	Independent and Non Executive Director	---	7	6	Yes	100
Dr. P. R. Kamdar	Independent and Non Executive Director	---	7	5	No	2500
Mr.Jitendra Kochar	Managing Director	---	7	7	Yes	384000
Mr. Ajit Kochar	Whole time Director	---	7	7	Yes	399900
Mrs.Vasudha Chhajjer	Director	---	7	7	No	14200

As required under Regulation 26(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulation") the Chairmanship and Memberships in Audit Committee and Stakeholders' Relationship Committee are only considered. Other directorships do not include directorship held in private limited companies. The Company is in compliance with the composition of Board of Directors in terms of the Listing Regulations

Seven Meetings of the Board of Directors were held during the year ended 31<sup>st</sup> March, 2018

Dates of Board Meetings			
11 <sup>th</sup> May 2017	30 <sup>th</sup> May 2017	26 <sup>th</sup> July 2017	11 <sup>th</sup> August 2017
13 <sup>th</sup> November 2017	12 <sup>th</sup> February 2018	25 <sup>th</sup> March 2018	

**Non Executive Director Compensation and Disclosure :** Non Executive Directors were not paid any compensation.



**Remuneration to Director: Executive Director**

JitendraKochar Managing Director Remuneration paid – Rs 3,00,000/-

**STAKE HOLDERS RELATIONSHIP COMMITTEE**

The Stakeholder Relationship Committee of the board (earlier known as Shareholders/Investors Grievance Committee) overseas redressal of shareholders and investors grievances, and, inter alia approves transfer/transmission of shares, Issue of Duplicate share certificate and recommend measures to improve the level of investors' services.

Chairman:	Mr. Madhusudan Daga
Members:	Mrs. Vasudha Chhajer Mr. Jaideep Jiloka
Compliance Officer:	Mr. S.P.Lunia

The Stakeholders Relationship Committee met 5(Five) time during the year:

Name of Director	No. of Meetings	
	Held	Attended
Mr. Madhusudan Daga	5	5
Mr. Jaideep Jiloka	5	5
Mrs. Vasudha Chhajer	5	5
Mr. Surya Prakash Lunia	5	5

Nil complaints received during the year ended 31<sup>st</sup> March 2018 .There were no pending transfers as on 31<sup>st</sup> March 2018

**CEO/CFO Certificate**

In terms of clause 49 of the Listing Agreement, the certification by the Managing Director on the financial statements and internal controls relating to financial reporting has been obtained.

**GENERAL BODY MEETINGS**

i)Details of Annual General Meetings (AGMs):

AGMs	Date of AGMs	Location	Time
AGM (22 <sup>nd</sup> )	29 <sup>th</sup> September,2015	Kolkata	11.00 A.M.
AGM (23 <sup>rd</sup> )	27 <sup>th</sup> September,2016	Kolkata	11.00 A.M.
AGM (24 <sup>th</sup> )	21 <sup>st</sup> September,2017	Kolkata	11.00 A.M.

**Special Resolutions passed in previous three Annual General Meetings :-**

Shareholders' Meetings	Special Business requiring Special Resolution
22 <sup>nd</sup> AGM ,29 <sup>th</sup> September, 2015	a) Special Resolution for the Re- Appointment of Mr.JitendraKocharas Managing Director for a term of further 3 years. b) Special Resolution for the Amendment in the Article of Association of the Company.
23 <sup>rd</sup> AGM, 27 <sup>th</sup> September, 2016	NIL
24 <sup>th</sup> AGM, 21 <sup>st</sup> September, 2017	NIL

ii) There was no special Resolution put through Postal Ballot last year.

iii) Resume and other information of the Directors retiring by rotation and getting reappointed as required to be disclosed under of the Listing Agreement is as under: -

- Mrs. Vasudha Chhajer aged about 31 years is a Bsc, Msc by profession. having rich experience in the field of Tax, Accounts & Company Law matter
- Shri Ajit Kochar aged about 53 years is a Chartered Accountant having rich experience in the field of Finance & Stock Market.. He has been director of the company since 1993

**DISCLOSURES**

(1) Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There was no materially significant related party transaction with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business activity. Detail of related party transaction provided separately in notes to accounts.The Board of Directors of the Company has laid down a Code of Conduct for all its Board Members and Senior Management of the Company. A declaration of compliance with the Code of Conduct, signed by the Managing Director forms part of the Annual Report.

**MEANS OF COMMUNICATION****Financial Results and Annual Reports etc.:**

The Quarterly and Half-Yearly Unaudited Financial Results and the Annual Audited Financial Results as taken on record or approved by the Board of Directors of the Company are published during the year under review in Leading National newspapers, i.e. Business Standard, and Sukhabar and are also displayed on the Company's website [www.daulatsec.com](http://www.daulatsec.com). Notice relating to AGM alongwith the copy of Audited Financia Results and Extraordinary General Meeting etc. are sent to members at their registered address.

**General Shareholder Information**

- Financial reporting for the quarter ending
  - June 30, 2018 July, 2018
  - September 30, 2018 October , 2018
  - December 31, 2018 January, 2019
  - March 31, 2019 May, 2019
- Registered Office: 86, Canning Street, Kolkata – 700001

3. Listing of Equity Shares on Stock Exchanges  
 a) BSE Limited ,Phiroze Jeejeebhoy Towers , Dalal Street Mumbai -400023  
 b) Calcutta Stock Exchange Ltd , 7, Lyons Range, Kolkata – 700001

**4. STOCK MARKET DATA**

The Equity Shares of the Company are Listed on the Stock Exchange, Mumbai and The Calcutta Stock Exchange Ltd. Listing Fee for the Year 2018-19 has been paid for both the exchange.

**Market Price Data:**

**Monthly Stock Market Data of High and Low price of Equity shares of the Company during Financial year 2017-18**

Market Price Data (Monthly High and Low in 2017-18)						
Month	Bombay Stock Exchange			Calcutta Stock Exchange		
	High	Low	No of shares traded	High	Low	No of shares traded
Apr-17	7.50	6.67	1671	NIL	NIL	NIL
May-17	8.22	7.07	3904	NIL	NIL	NIL
Jun-17	7.42	5.76	1202	NIL	NIL	NIL
July-17	6.20	5.42	1100	NIL	NIL	NIL
Aug-17	5.38	4.66	2867	NIL	NIL	NIL
Sep-17	6.72	5.64	3204	NIL	NIL	NIL
Oct-17	6.50	5.80	7842	NIL	NIL	NIL
Nov-17	7.94	5.95	2799	NIL	NIL	NIL
Dec-17	8.39	7.50	20441	NIL	NIL	NIL
Jan-18	10.71	8.02	26754	NIL	NIL	NIL
Feb-18	8.75	8.75	345	NIL	NIL	NIL
Mar-18	8.32	8.32	75	NIL	NIL	NIL

**Registrar and Share Transfer Agents:** M/s. Maheshwari Datamatics Pvt .Ltd. ,23 R N Mukherjee Road , Kolkata - 700001.

**Share Transfer System**

Trading in equity shares of the Company is permitted only in dematerialized form. Share transfer in physical and demat form are Registered by Registrar & Share Transfer Agent and returned to the respective transferees within a period ranging from fifteen days to one month provided the documents lodged with the Registrar/ Company is clear in all respect.

**Distribution of Shareholding as On 31<sup>st</sup> March, 2018**

Shares held	No of Equity Shareholders	% of Shareholders	Total No Shares Held	% of Shareholding
1-500	1817	81.6262	337533	6.7507
501-1000	169	7.5921	131499	2.6300
1001-2000	75	3.3693	114679	2.2936
2001-3000	62	2.7853	157866	3.1573
3001-4000	11	0.4942	38075	0.7615
4001-5000	20	0.8985	98600	1.9720
5001-10000	20	0.8985	161480	3.2296
10000 and above	52	2.3360	3960268	79.2054
Total	2226	100.0000	5000000	100.0000

**Categories of Shareholding as on 31<sup>st</sup> March, 2018**

Sr. No.	Category of Holders	No. of Shares	% of Equity
1.	Promoters' Holding	2638800	52.7760
	<b>Sub-Total</b>	2638800	52.7760
2.	Mutual Funds / UTI		
3.	Banks / Financial Institutions / Insurance Companies (Central / State Govt. Institutions / Non Govt. Institutions)		
4.	Flls / GDR		
	<b>Sub-Total</b>		
5.	Others	--	--
	Private Corporate Bodies	855780	17.1156
	Indian Public	1503672	30.0734
	NRI's / OCBs / Foreign Company	--	
	Clearing Member	1748	0.0350
	<b>Sub Total</b>	2361200	47.2240
	<b>Total</b>	5000000	100.0000

**Dematerialization of Shares and liquidity:**

Over 85.4676 % of Equity Shares have been dematerialized up to 31<sup>st</sup> March 2018.

**Investor Correspondence**

Mr. S.P.Lunia , C/o Daulat Securities Ltd , 86, Canning Street , Kolkata-700001 Phone.: 91 33 4600 4175

**GENERAL SHAREHOLDER INFORMATION – Annual General Meeting**

Date and Time: 25<sup>th</sup> September, 2018 at 11.00 AM

Venue: PS Srijan Corporate Park ,Unit V, 18<sup>th</sup> Floor , GP 2 , Salt Lake, Kolkata-700091

Book Closure Dates: 19-9-2018 to 25-9-2018 (both days inclusive).

## CODE OF CONDUCT CERTIFICATE

I, Jitendra Kochar, Managing Director of Company, hereby declare that the Board of Directors laid down a code of conduct for its Board Members and Senior Management of the company and the Board Members and Senior Management have affirmed compliance with the said Code of Conduct.

Place: Kolkata  
Date: 30-05-2018

For Daulat Securities Ltd  
Jitendra Kochar  
Managing Director

### Independent Auditor's Report

#### To the members of DAULAT SECURITIES LIMITED REPORT ON THE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of **DAULAT SECURITIES LIMITED** ("the Company"), which comprise the Balance Sheet as at **31<sup>st</sup> March, 2018**, the Statement of Profit and Loss account (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements")

#### MANAGEMENT'S RESPONSIBILITY FOR THE Ind AS FINANCIAL STATEMENTS

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act 2013 ('the Act') with respect to the preparation of these Ind AS Financial statements to give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the Accounting principles, generally accepted in India, including the Indian Accounting Standards( Ind AS) prescribed under section 133 of the Act, read with relevant rules issued there under.

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

#### AUDITOR'S RESPONSIBILITY

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

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

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified u/s 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparations of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

#### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31,2018 and its total comprehensive income(comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. 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 purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss(including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid Ind AS Financial statements comply with the Indian Accounting Standards specified under section 133 of the Act;
- e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2018 and taken on record by the Board of directors, none of the Directors is disqualified as on 31<sup>st</sup> March,2018 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls referred to our separate report in "Annexure B".



- g) With respect to the other matters to be included in the Auditor's report in accordance with rule 11 of Companies (Audit & Auditors) Rules 2014, in our opinion and to the best of our information and explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
  - ii) The company did not have any long term contracts including derivative contracts for which there 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.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Government of India in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.

For **T.C.Mahawar & Co.**

Chartered Accountants

**T.C. Mahawar**

Proprietor

Membership No.: 056212

Place : Howrah  
Date: :30-05-2018

**Annexure "A" to the Independent Audit Report**

The Annexure referred to in our report to the members of the **Daulat Securities Limited** for the year ended 31<sup>st</sup> March 2018. We report that:

**i) In Respect of Fixed Assets:**

- (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has a regular programme of physical verification of its fixed assets; and no material discrepancies were noticed on such verification.
- (d) The title deeds of immovable properties are held in the name of the Company, except for a Leasehold Property located at Chennai which is yet to be registered in the name of the Company.

**ii) In respect of Inventory**

The physical verification of inventory has been conducted at reasonable intervals by the management; In our opinion no material discrepancies were noticed on physical verification by the management as compared to book records.

**iii) In respect of Loans secured & unsecured to parties maintained under Section 189 of the Act.**

The company has not granted any loans, secured or unsecured to parties covered in the register maintained under section 189 of the Act.

**iv) In respect of Loans, Investments and guarantees.**

According to the information and explanations given to us, the Company has complied with provisions of Sections 185 and 186 of Companies Act, 2013 in respect of loans, investments, guarantee and security.

**v) Deposits**

The Company has not accepted any deposits in accordance with Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.

**vi) Cost Audit**

As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

**vii) Statutory Dues**

a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax/VAT, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding undisputed statutory dues as on 31<sup>st</sup> day of March, 2018 for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us there is amount payable in respect of Income Tax, service tax which have not been deposited on account of any dispute are as follows:

Sl. No	Nature of Statute	Nature of dues	Amount (Rs.)	Period to which the amount relates (A.Y.)
1	I. T. Department	Outstanding Demand raised by CPC on 26/03/2016	Rs. 60,104/-	2004-05
2	I. T. Department	Outstanding demand raised by AO on 31/12/2009	Rs. 14,221/-	2006-07
3	I. T. Department	Outstanding demand raised by AO on 28/01/2011	Rs. 9,822/-	2009-10
4	I. T. Department	Outstanding demand raised by CPC on 02/06/2017	Rs. 1,235/-	2010-11
5	I. T. Department	Outstanding demand raised by CPC on 04/07/2013	Rs. 2,569/-	2011-12
5	I. T. Department	Outstanding demand raised by AO on 26/03/2015	Rs.919,180/-	2012-13
6	I. T. Department	TDS Default	Rs. 43,030/-	Prior Years

**viii) Loans from Bank or Financial Institutions**

The company has not taken any loans or borrowings from financial institutions, Banks and Government and has not issued any debentures. Hence reporting on defaults in repayment of loans under clause (viii) of CARO 2016 is not applicable to the company.

**ix) Public Issues**

Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of public issues during the year.

**x) Fraud**

In our opinion and according to the information and explanations given to us, no material fraud on or by the Company or on the company by its officer or employees has been noticed or reported during the year.

**xi) Managerial Remuneration**

Based upon the audit procedures performed and the information and explanations given by the management, the Managerial Remuneration has been paid in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

**xii) Nidhi Company**

In our opinion, the Company is not a Nidhi Company. Accordingly paragraph 3(xii) of the Order is not applicable.

**xiii) Related Party Transactions**

In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 188 and 177 of Companies Act, 2013. The details have been disclosed in the Ind AS Financial Statements as required by the applicable Accounting Standards and Companies Act, 2013.

**xiv) Preferential allotment/ Private placement**

Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment/ private placement of shares or debentures during the year under review.

**xv) Non Cash Transactions u/s 192 of the Companies Act, 2013**

According to the information and explanations given to us, the Company has not entered into any non cash transaction with directors or persons connected with him in accordance with Section 192 of Companies Act, 2013.

**xvi) Registration u/s 45-IA of the Reserve Bank of India Act, 1934**

In our opinion, the Company is not required to be registered u/s 45-IA of the Reserve Bank of India Act, 1934

For **T.C.Mahawar & Co.**  
Chartered Accountants  
**T.C. Mahawar**  
Proprietor  
Membership No.: 056212

Place : Howrah  
Date : 30-05-2018

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### **Annexure 'B' to the Independent Auditor's Report**

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

We have audited the internal financial controls over financial reporting of **Daulat Securities Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Indian Accounting Standards. 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 Ind AS financial statements in accordance with Indian Accounting standards, 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 Ind AS financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, 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, 2018, 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 **T.C.MAHAWAR & CO.**

Chartered Accountants

FRN: 322294E

**T.C.MAHAWAR**

Proprietor

MN: 056212

Place: Howrah  
Date: 30.05.2018

**BALANCE SHEET as at 31st March, 2018, 2017 and April 1, 2016**

(Rs. in Lacs)

Particulars	Note No.	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
<b>I. ASSETS</b>							
<b>(1) Non-current assets</b>							
(a) Property, Plant and Equipment	4	66.06		67.45		70.39	
(b) Financial assets							
(i) Investments	5	399.39		392.15		157.03	
(ii) Other financial assets	6	165.14		179.53		234.29	
(c) Deferred tax assets ( net)	7(i)	-		-		53.08	
(d) Other non-current assets	8	8.02	<b>638.61</b>	6.02	<b>645.15</b>	6.02	<b>520.80</b>
<b>(2) Current assets</b>							
(a) Inventories	9	568.45		506.07		453.44	
(b) Financial assets							
(i) Trade and other Recv.	10	10.40		8.98		9.05	
(ii) Cash and cash equivalents	11	6.92		9.80		27.31	
(iii) Loans	12	129.74		101.24		175.00	
(iv) Other financial assets	13	6.26	<b>721.77</b>	8.79	<b>634.88</b>	2.95	<b>667.75</b>
<b>Total Assets</b>			<b>1,360.38</b>		<b>1,280.03</b>		<b>1,188.55</b>
<b>II. EQUITY AND LIABILITIES</b>							
<b>(1) Equity</b>							
(a) Share Capital	14	500.00		500.00		500.00	
(b) Other Equity	15	760.17	<b>1,260.17</b>	709.67	<b>1,209.67</b>	510.59	<b>1,010.59</b>
<b>(2) Non-current liabilities</b>							
(a) Financial liabilities							
(i) Borrowings	16	4.11		6.38		8.64	
(ii) Other financial liabilities	17	0.65		0.65		0.65	
(b) Provisions	18	3.97		3.35		2.74	
(c) Deferred Tax liabilities ( net)	7(ii)	27.14	<b>35.87</b>	18.71	<b>29.08</b>	-	<b>12.04</b>
<b>(3) Current liabilities</b>							
(a) Financial liabilities							
(i) Trade payables	19						
(A) Micro & Small Ent.							
(B) Other than Micro & small Enterprises		14.07		7.20		156.74	
(iii) Other financial liabilities	20	26.61		22.33		7.03	
(a) Other current liabilities	21	14.51		6.20		0.79	
(b) Current tax liabilities (Net)	22	9.15	<b>64.34</b>	5.55	<b>41.28</b>	1.36	<b>165.93</b>
<b>Total Equity and Liabilities</b>			<b>1,360.38</b>		<b>1,280.03</b>		<b>1,188.55</b>
<b>Corporate Information</b>		1					-
<b>Significant accounting policies and estimates</b>		2 & 3					
<b>Other disclosures</b>		30					

The accompanying notes 1 to 30 are an integral part of the Individual financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors

For T.C. MAHAWAR & CO.  
Chartered Accountants  
Firm Registration No: 322294E  
**T C Mahawar**  
Proprietor  
Membership No- 056212  
Place of Signature : Kolkata  
Date :30.05.2018

Jitendra Kochar  
**Managing Director**  
DIN. 00556392  
Ajit Kochar  
Whole-time Director  
DIN. 00933365  
Vasudha Chhajjer  
Director  
DIN. 05102531

**STATEMENT OF PROFIT AND LOSS for the years ended 31st March 2018 and 2017**

**(Rs. in Lacs)**

Particulars	Note No	Year ended 31st March 2018	Year ended 31st March 2017
<b>I Revenue from operations</b>	<b>23</b>	35.94	33.25
II Other Income	<b>24</b>	62.72	51.99
<b>III Total Income(I+II)</b>		<b>98.66</b>	<b>85.23</b>
<b>IV Expenses:</b>			
Employee benefits expense	<b>25</b>	17.57	17.09
Depreciation and amortization expense	<b>26</b>	3.14	2.94
Other expenses	<b>27</b>	36.04	19.49
<b>Total Expenses (IV)</b>		<b>56.75</b>	<b>39.52</b>
<b>V Profit before exceptional items and tax (III - IV)</b>		<b>41.91</b>	<b>45.72</b>
VI Exceptional Items	-	-	-
<b>VII Profit before tax (V - VI)</b>		<b>41.91</b>	<b>45.72</b>
<b>VIII Tax expense :</b>	<b>28</b>		
(1) Current tax		11.06	7.84
(2) Deferred tax		(0.24)	(0.21)
<b>Total tax expense</b>		<b>10.82</b>	<b>7.63</b>
<b>IX Profit for the year (VII - VIII)</b>		<b>31.09</b>	<b>38.08</b>
<b>X Other Comprehensive Income / Loss</b>	<b>29</b>		
(A) (i) Items that will not be reclassified to profit or loss		-	-
(a) Fair value changes of Investments in equity shares		28.07	232.99
(ii) Income tax relating to items that will not be recycled to profit or loss		8.67	71.99
<b>Total other Comprehensive Income / Loss</b>		<b>19.40</b>	<b>161.00</b>
<b>XI Total Comprehensive Income for the year (IX + X)</b>		<b>50.48</b>	<b>199.08</b>
<i>(Comprising of profit and other comprehensive income for the year)</i>			
<b>XII Earnings per equity share ( Nominal value per share Rs 10 /-)</b>			
Basic and diluted ( Refer Note no 30 (4) )		<b>0.62</b>	<b>0.76</b>
<b>Number of shares used in computing earnings per share</b>			
Basic and diluted ( Refer Note no 30 (4) ) shares in no.		<b>5000000.00</b>	<b>5000000.00</b>
<b>Corporate Information</b>	<b>1</b>		
<b>Significant accounting policies and estimates</b>	<b>2 &amp; 3</b>		
<b>Other disclosures</b>	<b>30</b>		
<b>The accompanying notes 1 to 30 are an integral part of the Individual financial statements.</b>			

As per our report of even date attached

For T.C. MAHAWAR & CO.  
Chartered Accountants  
Firm Registration No: 322294E  
**T C Mahawar**  
Proprietor  
Membership No- 056212  
Place of Signature : Kolkata  
Date :30.05.2018

For and on behalf of the Board of Directors

Jitendra Kochar  
**Managing Director**  
DIN. 00556392  
Ajit Kochar  
Whole-time Director  
DIN. 00933365  
Vasudha Chhajjer  
Director  
DIN. 05102531

**Statement of changes in Equity for the year ended 31st March 2018**

**(a). Equity Share Capital:**

	Balance at the beginning of the Year	Changes in equity share capital during the year	Balance as at the end of the year
For the Year ended 31 <sup>st</sup> March, 2017	500	-	500
For the Year ended 31 <sup>st</sup> March, 2018	500	-	500

OTHER EQUITY

Particulars	Reserves and Surplus		Other Comprehensive Income	Total other equity
	General Reserve	Retained Earnings		
Balance as at 1st April, 2017	40.10	669.57	-	709.67
Changes in equity during the year ended 31 <sup>st</sup> March, 2018				
Profit for the Year		31.09		31.09
Other comprehensive income/loss for the year			19.40	19.40
Transfer from/to other comprehensive income/retained earnings		19.40	(19.40)	-
<b>Balance as at 31<sup>st</sup> March , 2018</b>	<b>40.10</b>	<b>720.06</b>	<b>-</b>	<b>760.17</b>
Balance as at 1 <sup>st</sup> April, 2016	40.10	470.49	-	510.39
Changes in equity during the year ended 31 <sup>st</sup> March, 2018	-	-	-	-
Profit for the Year	-	38.08	-	38.08
Other comprehensive income/loss for the year	-		161.00	161.00
Transfer from/to other comprehensive income/retained earnings	-	161.00	(161.00)	-
<b>Balance as at 31<sup>st</sup> March, 2017</b>	<b>40.10</b>	<b>669.57</b>	<b>-</b>	<b>709.67</b>

The accompanying notes 1 to 30 are an integral part of the standalone financial statements

**As per our report of even date attached**

For T.C. MAHAWAR & CO.

Chartered Accountants

Firm Registration No: 322294E

**T C Mahawar**

Proprietor

Membership No- 056212

Place of Signature : Kolkata

Date :30.05.2018

**For and on behalf of the Board of Directors**

Jitendra Kochar

**Managing Director**

DIN. 00556392

Ajit Kochar

Whole-time Director

DIN. 00933365

Vasudha Chhajer

Director

DIN. 05102531

**CASH FLOW STATEMENT for the year ended 31st March 2018**

(Rs. in Lacs)

Particulars	Year ended 31st March 2018		Year ended 31st March 2017	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before exceptional items and tax		<b>41.91</b>		<b>45.72</b>
<i>Adjustments to reconcile profit before exceptional items and tax to net cash flow provided by operating activities</i>				
Depreciation and amortisation expense	3.14		2.94	
Interest income	(38.09)		(46.61)	
Income from Dividend	(5.35)		(4.57)	
Income from sale of Non-current Investments	(18.68)		(0.12)	
Provision for Employee Benefits expense(Gratuity)	0.63		0.61	
		(58.35)		(47.76)
<b>Operating profit/loss before working capital changes</b>		<b>(16.44)</b>		<b>(2.04)</b>
<i>Adjustments to reconcile operating profit to cash flow provided by changes in working capital</i>				
Increase/Decrease in Trade Payables	6.86		(149.54)	
Decrease/(increase) in trade and other receivables	(1.42)		0.07	
Increase/Decrease in Inventories	(62.38)		(52.63)	
Increase in Non-current & other financial liabilities	23.80		(4.24)	
Increase /Decrease in other financial Assets	2.53		(5.85)	
Decrease/ Increase in other current liabilities	8.31		5.42	
Decrease / Increase in other current assets		(22.30)		(206.77)
<b>Cash generated from operations</b>		<b>(38.74)</b>		<b>(208.81)</b>
Tax Expense		(7.46)		(1.20)
<b>Net cash generated from operating activities</b>	<b>A</b>	<b>(46.20)</b>		<b>(210.01)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Additions to property, plant & equipment	(1.75)		-	
Sale of Investments	299.08		510.52	
Interest received inter corporate deposits/fixed deposits	38.09		44.16	
Purchase of Investments	(259.58)		(512.53)	
Income from Dividend	5.35		4.57	
<b>Net cash used in investing activities</b>	<b>B</b>	<b>81.20</b>		<b>46.72</b>

<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Repayment of Long Term Borrowings	(2.27)		(2.27)	
Proceeds from Loans and Advances	(16.10)		128.51	
<b>Net cash (used in) financing activities</b>		<b>(18.36)</b>		<b>126.25</b>
<b>Net decrease/ Increase in cash and cash equivalents (A+B+C)</b>		<b>16.64</b>		<b>(37.04)</b>
<b>Opening cash and cash equivalents</b>		<b>15.61</b>		<b>52.65</b>
<b>Closing cash and cash equivalents for the purpose of Cash Flow Statement (Refer Note No. 10)</b>		<b>32.25</b>		<b>15.61</b>

**Notes:**

- 1) The above Cash Flow Statement has been prepared under the ‘‘ Indirect Method ‘‘ as set out in the Indian Accounting Standard (Ind AS)-7 on Statement of Cash Flows
- 2) Cash and cash equivalents do not include any amount which is not available to the Company for its use
- 3) Cash and cash equivalents as at the Balance Sheet date consists of:

Particulars	(Rs in Lacs)	
	As at 31st March 2018	As at 31st March 2017
<b>Balances with banks</b>		
On current accounts	5.10	7.21
Cash on hand	1.82	2.59
Closing cash and cash equivalents (Refer Note No 10)	6.92	9.80
<b>Add : Fixed deposits with banks ( with more than 12 months maturity)</b>	<b>25.34</b>	<b>25.34</b>
	32.26	35.14
<b>Less : Bank overdraft</b>	<b>0.01</b>	<b>19.53</b>
<b>Closing cash and cash equivalents for the purpose of cash flow statement</b>	<b>32.25</b>	<b>15.61</b>

The accompanying notes 1 to 30 are an integral part of the standalone financial statements

As per our report of even date attached

For T.C. MAHAWAR & CO.

Chartered Accountants

Firm Registration No: 322294E

**T C Mahawar**

Proprietor

Membership No- 056212

Place of Signature : Kolkata

Date :30.05.2018

For and on behalf of the Board of Directors

Jitendra Kochar

**Managing Director**

DIN. 00556392

Ajit Kochar

Whole-time Director

DIN. 00933365

Vasudha Chhajer

Director

DIN. 05102531

**Notes forming part of the Individual Financial Statements**
**Note No : 1 Corporate Information**
**Corporate information**

DAULAT SECURITIES LIMITED ( ‘‘the Company’’ ) is a public limited company incorporated and domiciled in India. The registered office of the Company is situated at 86, Canning Street, Kolkata- 700 001, West Bengal, India.

The Company’s shares are listed on the BSE Ltd., ( Bombay Stock Exchange ).

**SPECIFY THE NATURE OF THE BUSINESS**

The Company deals in share, stock broking and is Depository Participant.

**Note No. : 2 Significant accounting policies**
**2.1 Statement of Compliance with Ind AS**

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as ‘‘Ind AS’’ ) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1st April, 2017 with restatement of previous year figures presented in this financial statements. Accordingly, the financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 (‘‘Act’’ ) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company has adopted all the applicable Ind AS and the adoption was carried out in accordance with Ind AS-101 First time adoption of Indian Accounting Standards. The transition was carried out from Generally Accepted Accounting Principles in India which comprised of applicable Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India (ICAI), relevant applicable provisions of the Companies Act 1956, and the Companies Act, 2013 to the extent applicable and the applicable guidelines issued by the Securities and Exchange Board of India (SEBI) (‘‘Previous GAAP’’).

These financial statements for the year ended 31st March, 2018 are the first financial statements of the Company prepared in accordance with Ind AS. The date of transition to Ind AS is 1st April, 2016. Reconciliations and descriptions of the effect of the transition have been summarized in Note No. 30. All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

**2.2 Basis of preparation**

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

i) Certain financial assets and financial liabilities (including derivative instruments) - measured at fair value .Historical cost is generally based on the fair value of the consideration in exchange for goods and services. All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. The financial statements including notes thereon are presented in Indian Rupees (“Rupees” or “Rs.” ), which is the Company’s functional and presentation currency. All amounts disclosed in the financial statements including notes thereon have been rounded off to the nearest lacs as per the requirement of Schedule III to the Act, unless stated otherwise.

**2.3 Revenue recognition**

Revenue is recognised to the extent it is probable that economic benefits would flow to the Company and the revenue can be reliably measured, regardless of when the revenue proceeds is received from customers. Revenue is measured at the fair value of the consideration received/receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

The specific recognition criteria for revenue recognition are as follows:

**a) Sale of goods**

Sale of goods is recognised at the time of transfer of substantial risk and rewards of ownership to the buyer for a consideration.

**b) Interest income**

Interest income is included in “Other Income” in the Statement of Profit and Loss.

**c) Dividend Income**

Dividend income is recognised when the Company’s right to receive the dividend is established i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

d ) All other income are accounted for on accrual basis.

**2.4 Expenses**

All expenses are accounted for on accrual basis.

**2.5 Property, Plant and Equipment (PPE)**

**a) Transition to Ind AS**

**The Company has elected to continue with carrying value of all Property, plant and equipment under the previous GAAP as deemed cost as at the transition date i.e. 1st April, 2016**

Under the previous GAAP, Property, plant and equipment were stated at their original cost (net of accumulated depreciation and impairment) adjusted by revaluation of certain assets.

**b) All Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.**

The cost of an asset includes the purchase cost of materials, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Subsequent costs are included in the asset’s carrying amount only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The carrying amount of the replaced part is de recognised. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. During the year , in terms of Ind AS 36 Impairment of Assets ,the company has determined impairment loss ( if any) in respect of its Assets where ever considered necessary.

**c) Depreciation methods, estimated useful lives and residual value**

Freehold land is not depreciated. Lease-hold land are amortised over the lease term. Depreciation on other items of PPE is provided on a straight-line basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset as specified in Schedule II to the Companies Act, 2013, except for Power transmission lines and Mobile phones which are depreciated over a period of five years and three years respectively.

The estimated useful lives are determined based on assessment made by technical experts, in order to reflect the actual usage of the assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

**The estimated useful lives considered are as follows:**

Category	Useful life
Buildings (other than factory building)	60 years
Factory Building	30 years
Plant & Machinery	25 years
Electrical Installation & Equipment (for double shift)	20 years
Generator Set (for Double Shift)	20 years
Laboratory Equipment	10 years
Weighing Machines, Tools & Implements, Pollution Equipments & Fire fighting equipments	25 years
Computer & Accessories	3 years
Office Equipments including Air Conditioners	5 years
Furniture & Fixtures	10 years
Motor Cars	8 years
Motor Cycles & Scooters	10 years

There exists no restrictions or any encumbrances on title by way of any security/ pledge of any property or plant & Equipment against any liability of the company. Each item of PPE individually costing Rs 5,000/- or less is depreciated over a period of one year from the date the said assets is available for use.

The residual value of an item of PPE is not more than 5% of the original cost of the respective asset.

The estimated useful lives, residual values and depreciation method are reviewed at-least at the end of each financial year and are adjusted , wherever appropriate.

## 2.6 Inventories

a) Inventories are valued at lower of cost and net realisable value after providing for obsolescence, if any. The cost of inventories is computed on FIFO (First in First Out) basis and the estimated costs necessary to make the sale.

## 2.7 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset even if that right is not explicitly specified in an arrangement. For arrangements entered into prior to the transition date, i.e. 1st April, 2016, the Company has determined whether the arrangements contain lease on the basis of facts and circumstances existing on the date of transition.

### a) When the Company is a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which substantially all the risks and rewards of ownership are transferred to the Company are classified as finance leases. Payment made under operating leases are recognized as expense in the Statement of Profit and Loss on a straight line basis over the lease term, unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

### b) When the Company is a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the escalation of lease rentals is in line with the expected general inflation so as to compensate the lessor for expected inflationary cost, the increases in the rentals is not straight lined.

## 2.8 Provisions, contingent liabilities and contingent assets

a) A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognised for future operating losses. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the passage of time is recognized as finance costs. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to provision is presented in the Statement of Profit and Loss, net of any reimbursement.

b) A contingent liability is not recognised in the financial statements, however, is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. If it becomes probable that an outflow of future economic benefits will be required for an item dealt with as a contingent liability, a provision is recognized in the financial statements of the period (except in the extremely rare circumstances where no reliable estimate can be made).

c) A contingent asset is not recognised in the financial statements, however, is disclosed, where an inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognized as an asset.

d) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

## 2.9 Employee benefits

### a) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

### b) Defined contribution plans

The number of employees on Payroll is less than 10 and as such company has not taken registration under PF and ESIC Act

### c) Defined benefit plans

The Company doesn't operate a defined benefit gratuity plan, which requires contributions to be made to the recognised fund. Company doesn't carry out the Actuarial valuation of the Defined benefit plan (Gratuity) hence doesn't recognise in the Balance sheet in respect of Gratuity in terms of present value of the Defined benefit obligation as the Balance Sheet date less fair value of plan assets.

## 2.10 Financial instruments

Financial assets and financial liabilities are recognised in the Balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

### a) Financial assets

#### i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. The financial assets include equity, trade and other receivables, loans and advances, cash and bank balances and derivative financial instruments.

#### ii) Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- 1) At amortised cost,
- 2) At fair value through other comprehensive income (FVTOCI), and
- 3) At fair value through profit or loss (FVTPL).

### Debt instruments at amortised cost

A 'Debt Instrument' is measured at the amortised cost if both the following conditions are met:

- 1) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and
- 2) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using



the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

#### **Equity investments**

All equity investments in the scope of Ind AS 109 are measured at fair value. Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in profit or loss. The Company may make an irrevocable election to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

#### **iii) De-recognition**

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

#### **b) Financial liabilities**

##### **(i) Initial recognition and measurement**

All financial liabilities are recognised initially at fair value. The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, derivative financial instruments etc.

##### **(ii) Subsequent measurement**

For the purpose of subsequent measurement, Financial liabilities are classified in two categories:

- 1) Financial liabilities at amortised cost, and
- 2) Derivative instruments at fair value through profit or loss (FVTPL)

#### **c) Derivative financial instruments**

##### **Initial recognition and subsequent measurement**

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

#### **d) Offsetting of financial instruments**

Financial assets and financial liabilities including derivative instruments are offset and the net amount is reported in the Balance Sheet, if there is currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

#### **e) Fair value measurement**

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 "Fair Value Measurement". For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

Three widely used valuation techniques specified in the said Ind AS are the market approach, the cost approach and the income approach which have been dealt with separately in the said Ind AS.

Each of the valuation techniques stated as above proceeds on different fundamental assumptions, which have greater or lesser relevance, and at times there is no relevance of a particular methodology to a given situation. Thus, the methods to be adopted for a particular purpose must be judiciously chosen. The application of any particular method of valuation depends on the company being evaluated, the nature of industry in which it operates, the company's intrinsic strengths and the purpose for which the valuation is made.

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.

#### **The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:**

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities. **Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. **Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

#### **f) Share capital**

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

### **2.11 Impairment of Assets**

#### **a) Non-financial assets**

Property, plant and equipment and intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. If at the balance sheet date there is an

indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the Impairment loss had not been recognized.

#### **b) Financial assets**

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. ECL impairment loss allowance is measured at an amount equal to lifetime ECL. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income or expense in the Statement of Profit and Loss. This amount is reflected under the head "Other expenses" in the profit or loss. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the Balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

#### **2.12 Taxes**

Income tax expense comprises current tax and deferred tax and is recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in Equity or in OCI.

##### **a) Current Income Tax**

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted or substantively enacted by the balance sheet date and applicable for the period. Current tax items in correlation to the underlying transaction relating to OCI and Equity are recognized in OCI and in Equity respectively. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

##### **b) Deferred income tax**

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction. Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses 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. The carrying amount of deferred tax assets is reviewed at each balance sheet 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 assets to be utilised. Unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year then the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off deferred tax assets against deferred tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **2.13 Earnings per Share**

a) Basic earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.

b) Diluted earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

#### **2.14 Segment Reporting**

Company is into a single line of business and doesn't have any Reportable Segment, hence Reporting requirements as per Ind AS 108 is not applicable

#### **2.15 Cash and cash equivalents**

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value. For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Company's cash management

#### **2.16 Cash Flow Statement**

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

#### **2.17 Recent Accounting Pronouncements**

During March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7 - Statement of cash flows. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7 - Statement of cash flows respectively. The amendments are applicable to the Company from 1st April, 2017

##### **Amendment to Ind AS 7 - Statement of cash flows**

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement

**Note No. : 3 Use of critical estimates, judgements and assumptions**

The preparation of the financial statements requires the use of accounting estimates, which, by definition would seldom equal the actual results. Management also needs to exercise judgement and make certain assumptions in applying the Company's accounting policies and preparation of financial statements. The use of such estimates, judgements and assumptions affect the reported amounts of revenue, expenses, assets and liabilities including the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods. Estimates and judgements are continuously evaluated. They are based on historical experience and other factors including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. In the process of applying the Company's accounting policies, management has made the following judgements, which have most significant effect on the amounts recognised in the financial statements

**i) Estimated useful life of Property, plant and equipment**

PPE represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual value of the asset are determined by the management when the asset is acquired and reviewed periodically including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their lives, such as change in technology.

**ii) Recognition of deferred tax assets for carried forward tax losses and unused tax credit**

Deferred tax assets are recognised for unused losses (carry forward of prior years' losses) and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**iii) Estimated fair value of unlisted securities**

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets is determined using valuation techniques including Net Asset Value method, discounted cash flow (DCF) model. The Group uses its judgement to select a variety of method / methods and make assumptions that are mainly based on market conditions existing at the end of each financial year. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could effect the reported fair value of financial instruments.

**Note No. : 4 – Property , Plant and Equipment :** Please see page No. 29

**Note No. : 5 - Investments ( Non - Current Assets)**

Particulars	Face Value	Number of Shares	As at 31st March 2018 (Rs in lacs)	Number of Shares	As at 31st March 2017 (Rs in lacs)	Number of Shares	As at 1st April 2016 (Rs in lacs)
<b>(i) Equity instruments</b>							
<b>(1) Designated at fair value through other comprehensive income</b>							
<b>Fully paid up ( Quoted )</b>							
3I Infotech	10	-	-	-	-	35900	1.51
Aditya Birla Novo Ltd	10	-	-	25	0.38	25	0.21
Alok Industries Ltd	10	-	-	50000	1.48	50000	2.27
Ansal Housing	10	-	-	4,000	0.98	4000	0.80
Benchmark Gold Bees	100	456	12.46	456	11.86	471	0.00
Colgate Pamolice	1	4,000	42.28	4,000	40.24	-	-
Charminar Beverages Ltd.	10	1,000	0.01	1,000	0.01	1000	0.00
Corporation Bank	2	-	-	-	-	4000	1.57
Dalmia Bharat Sugar & Ind	10	700	0.46	1,000	1.78	-	-
Dalmia Cemeny Bharat	10	700	20.12	700	13.87	-	-
Dena bank	10	1,000	0.19	1,000	0.38	1000	0.29
Dish Tv Ltd	1	2,500	1.65	2,500	2.68	2500	2.15
Electrosteel Castings Ltd	1	2,501	0.63	7,001	2.40	1800	0.34
Electrosteel Steels Ltd	10	-	-	30000	1.43	30000	1.00
GTL Infra	10	-	-	15,700	0.91	15700	0.34
GTL Ltd	10	-	-	2,200	0.38	4000	0.47
Gujarat Sidhi Cement Ltd	10	27,100	7.32	37,600	10.53	39600	9.72

HDIL	10	-	-	1,200	0.99	1200	0.86
High Street Filatex Ltd.	10	500	0.10	500	0.05	500	0.11
Himachal Futuristic	1	15,000	3.90	16,400	2.14	16400	2.69
HPCL	10	100	0.36	300	1.57	-	-
HUDCO Tax Free Bond	1000	3,000	34.08	3,000	34.65	3000	34.32
I.G Petrochemicals Ltd	10	2,500	16.03	4,000	15.12	-	-
IFCI Ltd	10	-	-	-	-	30500	7.44
Indo Solar	10	-	-	2,000	0.14	2000	0.17
ITC Ltd	1	2,700	6.99	2,700	7.59	-	-
Jindal Saw	10	-	-	-	-	2000	0.77
Jindal Stainless Ltd	10	200	0.17	500	0.36	-	-
Jyoti Structure Ltd	10	-	-	-	-	4000	0.44
Kerala Ayurvedic Ltd.	10	700	0.07	700	0.39	700	0.38
King fisher Airlines Ltd	10	9,561	0.10	9,561	0.10	9561	0.00
Lifeline Medicare Ltd.	10	300	0.01	300	0.01	300	0.01
Mangalam Cement Ltd	10	-	-	2,553	8.48	-	-
Maral Overseas Ltd	10	-	-	6,171	2.72	-	-
Midland Plastics Ltd.	10	3,400	0.03	3,400	0.03	3400	0.01
MMTC	10	-	-	-	-	4540	1.71
Moil	10	217	0.42	217	0.67	217	0.47
NHAI Tax Free Bond	1000	1,795	20.64	1,795	20.64	1795	20.57
Oil India Ltd	1	1,067	2.30	1,067	3.54	-	-
Patspin India Ltd	10	-	-	2,000	0.33	2000	0.16
Phonex Lamp	10	-	-	-	-	2400	2.36
Rain Investment Ltd	10	5,500	21.45	8,300	9.63	-	-
Ramkrishan Forgings	10	1,000	7.50	1,600	7.68	-	-
Reliance Power Ltd	10	-	-	-	-	9950	4.84
Restile Ceramic Ltd.	10	1,660	0.02	1,660	0.02	1660	0.07
RPG Lifescience	10	500	2.14	600	2.72	-	-
SBI Bond 04NV25	10000	171	18.98	171	20.01	171	19.52
SBI Bond 9.95%	10000	370	41.07	370	43.33	-	-
SCI Ltd	10	2,000	1.28	2,000	1.55	-	-
SEAMAC Ltd	10	900	1.35	1,550	1.41	-	-
VEDL	1	900	2.70	900	1.71	-	-
Shree Precoated Steel	10	39,953	0.40	39,953	0.80	-	-
Sintex Industries	1	6,700	1.21	6,700	7.10	-	-
Sintex Plastics Limited	1	5,700	3.42	-	-	-	-
Spentax Industries	10	5,000	0.22	5,000	0.15	-	-
State Bank of India	1	500	1.27	500	1.47	-	-
Tata Chemicals Ltd	10	2,000	13.54	2,000	12.02	-	-
The CSEA Ltd	10	-	-	250	25.00	-	-
TRF Ltd.	10	594	1.22	594	1.41	-	-
UTI Gold	10	865	23.56	865	22.45	-	-
Zuari Agro Chemicals Ltd	10	500	2.49	535	2.20	-	-
Zuari Global Ltd	10	435	0.74	535	0.68	-	-
<b>TOTAL (A)</b>			<b>314.84</b>		<b>350.13</b>		<b>117.57</b>
<b>(2) Designated at Cost As Fair value Fully paid up ( Unquoted )</b>							
Teamskills Pvt Ltd		15,100	1.51	15,100	1.51		
The CSEA Ltd		250	25.00				
<b>TOTAL (B)</b>			<b>26.51</b>		<b>1.51</b>		<b>-</b>
<b>(ii) Investment in Mutual Fund ( Unquoted)</b>			58.04		40.51		39.46
<b>TOTAL (C)</b>			<b>58.04</b>		<b>40.51</b>		<b>39.46</b>
<b>TOTAL (D) ( A+B+C)</b>			<b>399.39</b>		<b>392.15</b>		<b>157.03</b>
Aggregate amount of Quoted Investments			314.84		350.13		117.57
Aggregate investment carried at cost as fair value			84.55		42.02		39.46
Aggregate investment designated at fair value through other comprehensive income			314.84		350.13		117.57

Particulars	Land	Leasehold Properties	Office Premises & Building	Fax Machines & EPBX	Office Equipment	Air Conditioners	Cellular Phones & Pagers	Generator	Furniture & Fittings	Motor Cars	Computer & Peripherals	Electrically Fittings	Total
<b>Gross block</b>													
Gross carrying amount as at 1 April 2017	1245990	358540	6475235	83269	114389	470092	86316	45260	370636	2520070	2734615	148400	14652812
Additions during the year	0	0	0	0	0	133320	0	0	0	0	41500	0	174820
Disposals /Deductions during the year	0	0	0	0	0	0	0	0	0	0	0	0	0
Gross carrying amount as at 31 March 2018	1245990	358540	6475235	83269	114389	603412	86316	45260	370636	2520070	2776115	148400	14827632
<b>Depreciation /amortisation/impairment</b>													
Accumulated depreciation/ amortisation as at 1 April 2017	0	232272	2285823	68375	88248	450723	84466	44585	365855	1406574	2734615	146051	7907587
Depreciation/ amortisation for the year	0	3236	85500	1604	3168	27304	620	675	4781	172232	12926	2349	314395
Disposals /Deductions during the year	0	0	0	0	0	0	0	0	0	0	0	0	0
Accumulated depreciation/ amortisation as at 31st March 2018	0	235508	2371323	69979	91416	478027	85086	45260	370636	1578806	2747541	148400	8221982
Net carrying amount as at 31 March 2018	1245990	123032	4103912	13290	22973	125385	1230	0	0	941264	28574	0	6605650
Net carrying amount as at 1st April 2017	1245990	126268	4189412	14894	26141	19369	1850	675	4781	1113496	0	2349	6745225
<b>Gross block</b>													
Gross carrying amount as at 1st April 2016	1245990	358540	6475235	83269	114389	470092	86316	45260	370636	2520070	2734615	148400	14652812
Additions during the year	0	0	0	0	0	0	0	0	0	0	0	0	0
Disposals /Deductions during the year	0	0	0	0	0	0	0	0	0	0	0	0	0
Gross carrying amount as at 31 March 2017	1245990	358540	6475235	83269	114389	470092	86316	45260	370636	2520070	2734615	148400	14652812
<b>Depreciation /amortisation/impairment</b>													
Accumulated depreciation/ amortisation as at 1 April 2016	0	229036	2200323	66771	85080	431353	83846	43905	361074	1234343	2734615	143703	7614049
Depreciation/ amortisation for the year	0	3236	85500	1604	3168	19370	620	680	4781	172231	0	2348	203538
Disposals /Deductions during the year	0	0	0	0	0	0	0	0	0	0	0	0	0
Accumulated depreciation/ amortisation as at 31st March 2017	0	232272	2285823	68375	88248	450723	84466	44585	365855	1406574	2734615	146051	7907587
Net carrying amount as at 31 March 2017	1245990	126268	4189412	14894	26141	19369	1850	675	4781	1113496	0	2349	6745225
Net carrying amount as at 1st April 2016	1245990	129504	4274912	16498	29309	38739	2470	1355	9562	1285727	0	4697	7038763

**Note No. : 6 Other financial assets**

Non-current (Unsecured, considered good)		(Rs. in Lacs)		
Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	
<b>Carried at cost (note (a))</b>				
Membership & deposits with stock exchange	80.02	80.77	80.77	
Other deposits	54.79	69.54	127.04	
Advances	4.98	3.88	1.13	
<b>Fixed deposits with banks</b>				
Bank deposits with more than 12 months maturity	25.34	25.34	25.34	
	<b>165.14</b>	<b>179.53</b>	<b>234.29</b>	

**Note (a)**

Deposits & Advances are payable on demand hence carried at cost without discounting.

**Note No. : 7 Deferred tax Asset/ liabilities (net)**

As at 31st March 2018		(Rs in Lacs)			
Particulars	Opening Balance	Recognised in Profit or loss	Reclassified from equity to profit or loss	Recognised in Other Comprehensive Income	Closing Balance
<b>Tax effect of items constituting deferred tax liabilities</b>					
Depreciation	12.97	(0.24)			12.73
Investment					
	<b>12.97</b>				<b>12.73</b>
<b>Tax effect of items constituting deferred tax assets</b>					
Carried forward tax losses / unabsorbed depreciation	(5.74)			8.67	2.94
	<b>(5.74)</b>			<b>8.67</b>	<b>2.94</b>
<b>Net deferred tax (Assets)/ liabilities /(Income)/ expense</b>	<b>18.71</b>	<b>(0.24)</b>		<b>(8.67)</b>	<b>27.14</b>
<b>As at 31st March 2017</b>					
<b>Tax effect of items constituting deferred tax liabilities</b>					
Depreciation	13.18	(0.21)			12.97
Investment					
	<b>13.18</b>	<b>(0.21)</b>			<b>12.97</b>
<b>Tax effect of items constituting deferred tax assets</b>					
Investment	66.26			(71.99)	(5.74)
	<b>66.26</b>			<b>(71.99)</b>	<b>(5.74)</b>
<b>Net deferred tax (Assets)/ liabilities /(Income)/ expense</b>	<b>(53.08)</b>	<b>(0.21)</b>		<b>71.99</b>	<b>18.71</b>

**Note: 7(i) & (ii)**

In assessing the realisability of the deferred tax assets, management considers whether some portion or all of the deferred tax assets will not be realized. The ultimate realisation of the deferred tax assets, carried forward losses and unused tax credits is dependent upon the generation of future taxable income during the periods in which the temporary difference become deductible. Management considers the scheduled reversals of deferred tax liabilities, projected future taxable income and the planning strategies in making this assessment. Based on the historical taxable income and projection of future taxable income over the periods in which the deferred tax assets are deductible, management believes that the Company will realise the benefits of those recognised deductible differences, carried forward losses and portion of unused tax credits

**Note No. : 8 Other Non - Current Assets**

Non-current (Unsecured, considered good)		(Rs in Lacs)		
Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	
Income tax deducted at source	8.02	6.02	6.02	
	8.02	6.02	6.02	

**Note No. : 9 Inventories (Valued at lower of cost and net realisable value, unless stated otherwise)**

		(Rs in Lacs)		
Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	
Stock in Trade ( In respect of goods acquired for trading)	568.45	506.07	453.44	
	<b>568.45</b>	<b>506.07</b>	<b>453.44</b>	

**Note No. : 10 Trade and other receivables (carried at cost )**

Current (Unsecured, considered good)		(Rs in Lacs)		
--------------------------------------	--	--------------	--	--

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Trade Receivables ( see note)	10.40	8.98	9.05
	<b>10.40</b>	<b>8.98</b>	<b>9.05</b>

Note :

Allowances for doubtful debt is not considered necessary hence no allowances are made Since trade receivables are outstanding for a period less than six months from the due date for payment and is payable on demand hence it is carried at cost instead of amortized cost.

Note No. : 11 Cash and cash equivalents

(Rs in Lacs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>Balances with banks</b>			
On current accounts	5.10	7.21	26.21
Cash on hand	1.82	2.59	1.09
	<b>6.92</b>	<b>9.80</b>	<b>27.31</b>

Note No. : 12 Loans (carried at Cost)

Current (Unsecured, considered good)				(Rs in Lacs)
Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	
<b>Other loans</b>				
Inter-corporate deposits	129.74	101.24	175.00	
	<b>129.74</b>	<b>101.24</b>	<b>175.00</b>	

Note : Inter-corporate deposits are receivable on demand. The purpose of utilisation of loan by the loanee company is for general corporate purpose

Note No. : 13 Other financial assets

Current (Unsecured, considered good)				(Rs in Lacs)
Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	
Interest accrued on Bank Fixed Deposits	0.67	0.58	0.56	
Interest Receivable on Bond	5.59	5.59	-	
Brokerage	-	0.07	2.23	
Dividend	-	0.45	0.16	
Share application money		2.10	-	
	<b>6.26</b>	<b>8.79</b>	<b>2.95</b>	

Note : Above financial assets are considered good and payable on demand hence carried at cost.

Note No. : 14 Share Capital

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No of Shares	Rs in Lacs	No of Shares	Rs in Lacs	No of Shares	Rs in Lacs
<b>(a) Authorised</b>						
Equity shares of par value 10 /- each	60,00,000	600.00	60,00,000	600.00	60,00,000	600.00
<b>(b) Issued, subscribed and fully paid up</b>						
Equity shares of par value 10 /- each	50,00,000	500.00	50,00,000	500.00	50,00,000	500.00
		<b>500.00</b>		<b>500.00</b>		<b>500.00</b>

(c) Reconciliation of number and amount of equity shares outstanding

Particulars	As at 31st March 2018		As at 31st March 2017	
	No of Shares	Rs in Lacs	No of Shares	Rs in Lacs
At the beginning of the year	50,00,000	500.00	50,00,000	500.00
At the end of the year	50,00,000	500.00	50,00,000	500.00

(d) The Company has only one class of equity shares. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share

(e) 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 dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

(f) The company is neither a holding company nor a subsidiary company

(g) Shareholders holding more than 5 % of the equity shares in the Company

Name of the Shareholder	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No of Shares held	% of holding	No of Shares held	% of holding	No of Shares held	% of holding
Ajit Kochar	399900	7.99	399900	7.99	399900	7.99
Anil Kochar	529200	10.58	529200	10.58	529200	10.58

Aditi Industries Ltd.	324417	6.48	324417	6.48	324417	6.48
B. Daulat Ltd	297000	5.94	297000	5.94	297000	5.94
Jitendra Kochar	384000	7.68	384000	7.68	384000	7.68
Sohan Lal Kochar	342100	6.84	342100	6.84	342100	6.84

(h) There are no shares reserved for issue under options and contracts/commitments for the sale of shares/ disinvestments for the period of 5 years immediately preceding the date as at which the Balance Sheet is prepared.

Name of the Shareholder	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
	No of Shares	No of Shares	No of Shares
(a) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL
(b) Aggregate number and class of shares allotted as fully paid by way of bonus shares	NIL	NIL	NIL
(c) Aggregate number and class of shares bought back	NIL	NIL	NIL

(j) There were no securities issued having a term for conversion into equity / preference shares.

(k) There are no calls unpaid in respect of Equity Shares issued by the Company

(l) There are no forfeited shares by the Company

**Note No. : 15 Other Equity**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>(a) General Reserve</b>			
Balance as per last account	40.10	40.10	40.10
<b>(b) Retained Earnings</b>			
Balance as per last account	669.57	470.49	470.49
Add : Net Profit/(Loss) for the Year	31.09	38.08	
Add : Transfer from Other Comprehensive Income	19.40	161.00	669.57
<b>(c) Other Comprehensive Income</b>			
Balance as per last account			
Add : Other Comprehensive Income for the Year	19.40	161.00	
Less : Transfer to retained earnings	19.40	161.00	-
	<b>760.17</b>	<b>709.67</b>	<b>510.59</b>

**Note No. : 16 Borrowings**

<b>(i) Non - Current</b>			
(Rs in Lacs)			
Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>Carried at Cost</b>			
Secured Loan from HDFC Bank	4.11	6.38	8.64
	<b>4.11</b>	<b>6.38</b>	<b>8.64</b>

**Note No. : 17 Other financial liabilities**

<b>(i) Non - Current</b>			
(Rs in Lacs)			
Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>Carried at Cost</b>			
Rent deposit	0.65	0.65	0.65
	<b>0.65</b>	<b>0.65</b>	<b>0.65</b>

**Note No. : 18 Provisions**

<b>Non-Current</b>			
(Rs in Lacs)			
Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Provision for employee benefits - Gratuity	3.35	2.74	2.05
Add : Provided for the year	0.63	0.61	0.69
	<b>3.97</b>	<b>3.35</b>	<b>2.74</b>

Note : Since company has not carried out any actuarial valuation by external actuaries using the projected unit credit method and therefore remeasurements, comprising of actuarial gain or loss has not been carried out and to that extent effects of any gain or losses are not carried out through Other Comprehensive Income (OCI) in the period in which they occur.

**Note No. : 19 Trade Payables**

<b>(i) Current</b>			
(Rs in Lacs)			
Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016



<b>Trade Payables</b>			
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note no 31)	14.07	7.20	156.74
	<b>14.07</b>	<b>7.20</b>	<b>156.74</b>
<b>Note No. : 20 Other financial liabilities (Rs in Lacs)</b>			
<b>Particulars</b>	<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>	<b>As at 1st April 2016</b>
Margin received from clients ( Repayable on demand)	26.60	2.80	7.03
Book overdraft	0.01	19.53	-
	<b>26.61</b>	<b>22.33</b>	<b>7.03</b>
<b>Note No. : 21 Other current liabilities (Rs in Lacs)</b>			
<b>Particulars</b>	<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>	<b>As at 1st April 2016</b>
Sundry Creditors for Expenses	14.51	6.20	0.79
	<b>14.51</b>	<b>6.20</b>	<b>0.79</b>
<b>Note No. : 22 Current tax liabilities (net) (Rs in Lacs)</b>			
<b>Particulars</b>	<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>	<b>As at 1st April 2016</b>
Provision for taxation ( Net)	9.15	5.55	1.36
	<b>9.15</b>	<b>5.55</b>	<b>1.36</b>
<b>Note No. : 23 Revenue from operations (Rs in Lacs)</b>			
<b>Particulars</b>	<b>Y.E. 31st March, 2018</b>	<b>Y.E. 31st March, 2017</b>	
(a) Income from operation	35.94	33.25	
Revenue from operations	35.94	33.25	
<b>Note No. : 24 Other income (Rs in Lacs)</b>			
<b>Particulars</b>	<b>Y.E. 31st March, 2018</b>	<b>Y.E. 31st March, 2017</b>	
<b>Interest income on financial assets carried at cost</b>			
Interest	38.09	46.61	
<b>Interest income on other financial assets</b>			
Income from Dividend	5.35	4.57	
<b>Other non-operating income ( net of expenses directly attributable to such income )</b>			
Income from sale of Investments	18.68	0.12	
Rent received	0.60	0.69	0.81
	<b>62.72</b>	<b>51.99</b>	
<b>Note No. : 25 Employee benefits expense (Rs in Lacs)</b>			
<b>Particulars</b>	<b>Y.E. 31st March, 2018</b>	<b>Y.E. 31st March, 2017</b>	
Salaries and wages, including bonus	16.03	15.59	
Staff welfare Expenses	0.92	0.90	
Gratuity	0.63	0.61	17.09
	<b>17.57</b>	<b>17.09</b>	
<b>Note No. : 26 Depreciation and amortisation expense (Rs in Lacs)</b>			
<b>Particulars</b>	<b>Y.E. 31st March, 2018</b>	<b>Y.E. 31st March, 2017</b>	
Depreciation and amortisation of property, plant and equipment ( Refer Note no 4 )	3.14	2.94	
	<b>3.14</b>	<b>2.94</b>	
<b>Note No. : 27 Other expenses (Rs in Lacs)</b>			
<b>Particulars</b>	<b>Year ended 31st March, 2018</b>	<b>Year ended 31st March, 2017</b>	
<b>Payments to auditor</b>			
As auditor for statutory audit	0.35	0.28	
Internal Audit Fees	0.20	0.24	
Certification Fees	-	0.07	0.59
Advertisement	0.30	0.48	
Bank charges	0.16	0.11	
Computer Consumables	1.53	0.35	
Electricity Charges	2.21	0.99	
Filing Fees	0.16	0.13	
Insurance	0.50	0.65	
Listing Fees	2.88	2.49	
Membership & Subscription	1.30	0.10	
Motor Car Fuel & Maintenance	1.57	1.28	
Postage & Courier	1.00	0.48	

Printing & Stationery	1.34	0.83
Professional Fees	-	0.36
Rent & Taxes	15.48	6.02
Registrar & Share Transfer Agent Fees	0.69	0.49
Software Charges	0.58	0.13
Telephone Charges	0.66	0.81
General Expenses	3.22	1.85
Books & Periodicals	0.21	0.18
Entertainment Expenses	0.66	0.35
Travelling & Conveyance	1.04	0.85
	35.49	18.90
	36.04	19.49

**Note No. : 28 Tax Expense**
**(Rs in Lacs)**

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Current tax	11.06	7.84
Deferred tax [Refer Note No. 7 ]	(0.24)	(0.21)
	10.82	7.63

**Note No. : 29 Other comprehensive income**
**(Rs in Lacs)**

Particulars	Year ended 31st March, 2018		Year ended 31st March, 2017	
<b>Items that will not be reclassified to profit or loss</b>				
Fair value changes of Investments in equity shares	28.07		232.99	
<b>Less: Income tax relating to items that will not be reclassified to profit or loss</b>	8.67	19.40	71.99	161.00
<b>Total other Comprehensive Income</b>		19.40		161.00

**Note No. : 30 Other disclosures**
**1. Contingent liabilities and commitments (to the extent not provided for)**
**Contingent liabilities :**
**(Rs in Lacs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>NIL</b>			
<b>b) Commitments :</b>			
<b>Particulars</b>	<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>	<b>As at 1st April 2016</b>
<b>NIL</b>			

2) As per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 with respect to trade payables , the Company has not entered into any such transactions and doesn't have any outstanding towards it

3) Disclosures as required by Indian Accounting Standard (Ind AS) 37:- Provisions, Contingent liabilities and Contingent assets

**(i) Nature of provision**

**Provision for contingencies : Provision for contingencies represent provision towards various claims made/anticipated in respect of duties and taxes and other litigation claims against the Company based on the Management's assessment.**

**(ii) Movement in provision:-**

Particulars	Duties & Taxes	Other Litigation Claims	Total
<b>Balance as at 1st April, 2017</b>		NIL	
Provided during the year		NIL	
Used during the year			
Reversed during the year			
<b>Balance as at 31st March, 2018</b>		NIL	
Non-current		NIL	
Current			
<b>Balance as at 1st April, 2016</b>		NIL	
Provided during the year		NIL	
Used during the year			
Reversed during the year			
<b>Balance as at 31st March, 2017</b>		NIL	
Non-current		NIL	
Current			

**(4) Earnings per share - The numerators and denominators used to calculate Basic / Diluted earnings per share**

Particulars	2017-2018	2016-2017
<b>(a) Amount used as the numerator</b>		
Profit after Tax - (Rs in Lacs) (A)	31.08	38.08
<b>(b) Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings Per Share (B)</b>	5000000	5000000
<b>Add: Weighted average number of dilutive potential equity shares</b>	-	-
<b>(c) Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings Per Share (C)</b>	5000000	5000000

(d) Nominal value of equity shares	(Rs)	10.00	10.00
Basic earnings per share	(A)/(B)	0.62	0.76
Diluted earnings per share	(A)/(C)	0.62	0.76

5) Related party disclosures and enterprises and persons in which directors are related/interested

Particulars	Purchase of Securities			Sale of securities		
	31.03.2018	31.03.2017	01.04.2016	31.03.2018	31.03.2017	01.04.2016
ADITI INDUSTRIES LTD.	80.01	42.26		26.81	45.34	
ADITI KOCHAR	36.85	29.88	1.25	15.95	15.16	1.64
AJIT KOCHAR HUF	3.13	31.59		18.46	28.14	13.30
ANAMIKA KOCHAR	7.30	36.71	12.41	20.30	33.07	1.76
ANIL KOCHAR	5.69		10.86	1.97		3.09
ANIL KOCHAR HUF	-	28.46		0.04	13.67	
ARYAN KOCHAR	60.06	81.26	25.61	58.87	60.08	42.21
B.DAULAT LTD.	91.11	338.92	35.70	44.99	275.24	31.37
GAURAV DAGA	-			3.42		
JITENDRA KOCHAR HUF	12.96	7.27	1.91	13.38	7.28	2.05
K.V.TRADERS PVT.LTD.	72.58	70.13		84.63	86.59	
KANCHAN DEVI KOCHAR	4.67	78.05		0.95	27.86	
KUSUM KOCHAR	30.36	7.59	0.16	10.02	6.63	11.59
NALINI KOCHAR	25.85	25.47		30.66		
NARENDRA KOCHAR	16.59	9.19	9.16	11.56	21.90	16.57
NARENDRA KOCHAR HUF	-	-	-	-	0.35	-
NIPUN KOCHAR	2.41	-	-	0.60	2.58	16.03
RUKHSAR KOCHAR	24.04	-	8.64	24.78	-	16.14
SOHAN LAL KOCHAR	35.22	82.72	29.85	50.31	24.34	-
SUNITA KOCHAR	49.58	17.23	11.16	51.82	13.94	8.06
VAIBHAV KOCHAR	28.45	37.56	45.10	28.77	39.38	48.82
VASUDHA CHHAJER	15.07	46.77	10.51	3.32	16.92	1.96
VATSALA KOCHAR	5.30	70.91	2.79	23.66	35.28	15.04
VIDITA KOCHAR	28.97			17.03	1.62	7.22
YASHOVARDHAN KOCHAR	24.16	22.17	18.32	23.85	23.31	32.59
YASHOVARDHAN KOCHAR HUF	45.46			35.78		
JAIDEEP JILOKA	130.25	132.96	373.84	165.85	116.43	339.33
JITENDRA KOCHAR	20.99	17.68	3.35	33.28	14.08	3.28
AJIT KOCHAR	17.73	89.62	10.95	49.02	85.58	37.07
Remuneration to Directors and Other Key Managerial Persons			For the year ended		For the Year ended	
Name of the Director/Other Key Managerial Person			31.03.2018		31.03.2017	
Jitendra Kochar-Managing Director			3,00,000		3,00,000	

6) Quantitative details in respect of shares, debentures and other securities dealt in during the year ended 31-3-2018

CLOSING STOCK DETAILS FOR F.Y. 2017-18

PARTICULARS	QTY	AMOUNT
OPENING STOCK	1956788	50606947.31
PURCHASE	19672189	1210655302.95
SALES	19707012	1211527497.96
CLOSING STOCK	1921965	56844701.00

7) Financial instruments - Accounting, Classification and Fair value measurements

A) Financial instrument by category

As at 31st March, 2018							(Rs in Lacs)	
Particulars	Refer Note No	Total Fair Value	Cost	Deemed Cost	Carrying Value			Total
					Amortized cost	FVTOCI	FVT PL	
<b>1) Financial assets</b>								
(i) Investments	5	58.04	-	-	-256.80	314.84	-	58.04
(ii) Trade and other receivables	10	0.00	-	-	0.00	-	-	0.00
(iii) Cash and cash equivalents	11	0.00	-	-	0.00	-	-	0.00
(iv) Loans	12	0.00	-	-	0.00	-	-	0.00
(v) Other financial assets (Non-current)	6	165.14	-	-	165.14	-	-	165.14
(vi) Other financial assets (Current)	13	0.00	-	-	0.00	-	-	0.00
<b>TOTAL</b>		<b>223.18</b>			<b>-91.66</b>	<b>314.84</b>	<b>-</b>	<b>223.18</b>

2) Financial Liabilities								
(i) Borrowings (Non-current)	16	0.00	-	-	4.11	-	-	4.11
(ii) Other financial liabilities (non-current)	17	0.00	-	-	0.65	-	-	0.65
(iii) Borrowings (Current)			-	-		-	-	0.00
(iv) Trade payables	19	14.07	-	-	14.07	-	-	14.07
(v) Other financial liabilities	20	0.01	-	-	0.01	-	-	0.01
<b>TOTAL</b>		<b>14.08</b>	-	-	<b>18.84</b>	-	-	<b>18.84</b>

As at 31st March, 2017

(Rs in Lacs)

Particulars	Refer Note No	Total Fair Value	Cost	Deemed Cost	Carrying Value			Total
					Amortized cost	FVTOCI	FVT PL	
<b>1) Financial assets</b>								
(i) Investments	5	392.15	-	-	42.02	350.13	-	392.15
(ii) Trade and other receivables	10	8.98	-	-	8.98	-	-	8.98
(iii) Cash and cash equivalents	11	9.80	-	-	9.80	-	-	9.80
(iv) Loans	12	101.24	-	-	101.24	-	-	101.24
(v) Other financial assets (Non-current)	6	179.53	-	-	179.53	-	-	179.53
(vi) Other financial assets (Current)	13	8.79	-	-	8.79	-	-	8.79
<b>TOTAL</b>		<b>700.49</b>	-	-	<b>350.36</b>	<b>350.13</b>	-	<b>700.49</b>

2) Financial Liabilities								
(i) Borrowings (Non-current)	16	6.38	-	-	6.38	-	-	6.38
(ii) Other financial liabilities (non-current)	17	0.65	-	-	0.65	-	-	0.65
(iii) Borrowings (Current)			-	-		-	-	
(iv) Trade payables	19	7.20	-	-	7.20	-	-	7.20
(v) Other financial liabilities	20	19.53	-	-	19.53	-	-	19.53
<b>TOTAL</b>		<b>33.76</b>	-	-	<b>33.76</b>	-	-	<b>33.76</b>

As at 1st April, 2016

(Rs in Lacs)

Particulars	Refer Note No	Total Fair Value	Cost	Deemed Cost	Carrying Value			Total
					Amortized cost	FVTOCI	FVT PL	
<b>1) Financial assets</b>								
(i) Investments	5	157.03	-	-	39.46	117.57	-	157.03
(ii) Trade and other receivables	10	9.05	-	-	9.05	-	-	9.05
(iii) Cash and cash equivalents	11	27.31	-	-	27.31	-	-	27.31
(iv) Loans	12	175.00	-	-	175.00	-	-	175.00
(v) Other financial assets (Non-current)	6	234.29	-	-	234.29	-	-	234.29
(vi) Other financial assets (Current)	13	2.95	-	-	2.95	-	-	2.95
<b>TOTAL</b>		<b>605.63</b>			<b>488.06</b>	<b>117.57</b>		<b>605.63</b>

2) Financial Liabilities								
(i) Borrowings (Non-current)	16	8.64	-	-	8.64	-	-	8.64
(ii) Other financial liabilities (non-current)	17	0.65	-	-	0.65	-	-	0.65
(iii) Borrowings (Current)			-	-		-	-	
(iv) Trade payables	19	156.74	-	-	156.74	-	-	156.74
(v) Other financial liabilities	20	7.03	-	-	7.03	-	-	7.03
<b>TOTAL</b>		<b>173.07</b>			<b>173.07</b>			<b>173.07</b>

#### B. Fair value hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale

The following methods and assumptions were used to estimate the fair values

(1) Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, loans and other current & Non-current financial assets, and other current financial liabilities approximate their carrying amounts due to the short term maturities of these instruments

(2) The Company uses the following fair value hierarchy for determining and disclosing the fair value of financial instruments:

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

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(i) Financial assets measured at fair value on a recurring basis as at 31st March, 2018

(Rs in Lacs)

Particulars	Refer Note No	Level 1	Level 2	Level 3	Total
<b>1) Financial assets</b>					
<b>At FVTOCI</b>					
(i) Investments in Equity Instruments	5	314.84	-	-	314.84
<b>TOTAL FINANCIAL ASSETS</b>		<b>314.84</b>	<b>-</b>	<b>-</b>	<b>314.84</b>

(ii) Financial assets measured at fair value on a recurring basis as at 31st March, 2017

(Rs in Lacs)

Particulars	Refer Note No	Level 1	Level 2	Level 3	Total
<b>1) Financial assets</b>					
<b>At FVTOCI</b>					
(i) Investments in Equity Instruments	5	350.13	-	-	350.13
<b>TOTAL FINANCIAL ASSETS</b>		<b>350.13</b>	<b>-</b>	<b>-</b>	<b>350.13</b>

(iii) Financial assets measured at fair value on a recurring basis as at 1st April, 2016:

(Rs in Lacs)

Particulars	Refer Note No	Level 1	Level 2	Level 3	Total
<b>1) Financial assets</b>					
<b>At FVTOCI</b>					
(i) Investments in Equity Instruments	5	117.57	-	-	117.57
<b>TOTAL FINANCIAL ASSETS</b>		<b>117.57</b>	<b>-</b>	<b>-</b>	<b>117.57</b>

There have been no transfer between Level 1 and Level 2 either during the year ended 31st March 2018 or during the year ended 31st March 2017

Description of significant unobservable inputs to valuation

The following table shows the valuation technique and inputs for financial instruments

(Rs in Lacs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>Investments in unquoted equity shares</b>	<b>Adjusted net asset method</b>		

Since there is no gain or loss in re-measurement of Investments in unquoted equity shares during the F.Y 2017-18 & F.Y 2017-2016 hence reconciliation is not considered necessary Fair value of Investments in unquoted equity shares is carried out by using level 3 basis and Fair value approximates the adjusted net asset method used to arrive at fair value Investments in unquoted mutual fund are taken at cost as it will be redeemable in equity hence fair value approximates the transaction price, ie, cost.

8) Financial risk management objectives and policies

The Company's principal financial liabilities are Security deposit characterised with repayable in short period and beside that there exists no other financial liabilities. The Company's principal financial assets include Trade receivables, Cash and cash equivalents & other financial assets that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviewed policies for managing each of these risks, which are summarized below :

(A) **Market risk** : Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk.

(I) **Interest rate risk** : Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's obligations towards Bank overdraft with floating interest rates.

(II) **Foreign currency risk** : Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in Foreign exchange rates. Since Company doesn't have any exposure in Foreign currency therefore it doesn't effects the company's cash flow

(III) **Regulatory risk** : Risk is inherent in every business activity and Sponge iron Industry is no exception. The Steel Industry displays strong commodity characteristics and is subject to cyclical price movements in business cycle. The company is exposed to risks from overall market, cheaper import of steel, changes in Government policies, law of the land, Taxation increases its cost of inputs like iron ore, coal, power, diesel, freight etc which effects the financial performance of the company.

(IV) **Credit risk** : Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The impairment for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each balance sheet date. Financial assets are written off when there is no reasonable expectation of recovery, however, the Company continues to attempt to recover the receivables. Where recoveries are made, these are recognised in the Statement of Profit and Loss

(V) **Trade receivables** : Trade receivables are non-interest bearing and are generally on credit terms of 3 to 60 days. An impairment analysis is performed at each balance sheet date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively

The ageing analysis of the receivables has been considered from the date the invoice falls due (Rs in Laacs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Upto 6 months	10.40	8.98	9.05
6 to 12 months	-	-	-
More than 12 months	-	-	-
	10.40	8.98	9.05

**(9) Balances with banks**

Credit risk from balances with banks is managed in accordance with the Company's policy

**Liquidity risk**

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and short term loans from banks.

**10) Capital Management**

**(a) Risk management**

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to share holders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2018 and for the year ended 31st March 2017

**11) Explanation of transition to Ind AS**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from the previous GAAP To Ind AS.

**(A)**

These financial statements, for the year ended 31st March, 2018, are the first financial statements, the Company has prepared in accordance with Ind AS. Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ended 31st March, 2018, together with the comparative figures for the year ended 31st March, 2017, as described in the summary of significant accounting policies [Refer Note No.2]. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2016, i.e. the date of transition to Ind AS. This note explains the principal adjustments made by the Company and an explanation on how the transition from the previous GAAP to Ind AS has affected its financial statements, including the Balance Sheet as at 1st April, 2016 and the financial statements for the year ended 31st March, 2017.

**(B)**

The Company has elected to continue with carrying value of all Property, plant and equipment under the previous GAAP as deemed cost as at the transition date i.e. 1st April, 2016. Under the previous GAAP, Property, plant and equipment were stated at their original cost (net of accumulated depreciation, amortization and impairment), if any.

**(C)**

Under Ind AS 109, at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognized financial assets, as 'FVTOCI' on the basis of the facts and circumstances that existed at the date of transition to Ind AS. Accordingly, the Company has designated its investments in certain equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed as at the date of transition to Ind AS.

**(D)**

The estimates as at 1st April, 2016 and as at 31st March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies).

**(E)**

Ind AS 101 requires the de-recognition requirements of Ind AS 109 to be applied prospectively to transactions occurring on or after the date of transition. Therefore, the Company has not recognized financial assets and liabilities under Ind AS which were derecognized under the previous GAAP as a result of a transaction that occurred before the date of transition

**(F)**

The Company has applied the requirements in Ind AS 109 at the date of transition to Ind AS

**12. Disclosures as required by Ind AS - 101 - First Time Adoption of Indian Accounting Standards - Reconciliation between Previous GAAP and Ind AS**

**(a) Reconciliation of equity as at 31st March, 2016 (date of transition to Ind AS) :** (Rs. in Laacs)

Particulars	Foot note	Previous GAAP	Adjustments	Ind AS
<b>I. ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment	A	70.39	-	70.39
(b) Financial assets				

(i) Investments	<b>B</b>	371.46		(214.43)		157.03	
(ii) Other financial assets	<b>G</b>	234.29				234.29	
(c) Deferred tax assets ( net)	<b>D</b>	(0.43)		53.51		53.08	
(d) Other non-current assets		6.02	681.72		(160.92)	6.02	520.80
<b>(2) Current assets</b>							
(a) Inventories		453.44				453.44	
(b) Financial assets							
(i) Trade and other receivables		9.05				9.05	
(ii) Cash and cash equivalents	<b>G</b>	27.31				27.31	
(iii) Loans		175.00				175.00	
(iv) Other financial assets		2.95	667.75			2.95	<b>667.75</b>
<b>Total Assets</b>			<b>1,349.47</b>				<b>1,188.55</b>
<b>II. EQUITY AND LIABILITIES</b>							
<b>(1) Equity</b>							
(a) Share Capital		500.00				500.00	
(b) Other Equity	<b>H</b>	671.51	1,171.51		(160.92)	510.59	1,010.59
<b>(2) Non-current liabilities</b>							
(a) Financial liabilities							
(i) Borrowings		8.64				8.64	
(ii) Other financial liabilities		0.65				0.65	
(b) Provisions		2.74	12.04			2.74	12.04
<b>(3) Current liabilities</b>							
(a) Financial liabilities							
(i) Trade payables							
(A) Micro & Small Enterprises							
(B) Other than Micro & small Ent.		156.74				156.74	
(ii) Other financial liabilities		7.03				7.03	
(a) Other current liabilities		0.79				0.79	
(b) Current tax liabilities (Net)		1.36	<b>165.93</b>			1.36	<b>165.93</b>
<b>Total Equity and Liabilities</b>			<b>1,349.47</b>				<b>1,188.55</b>

**(b) Reconciliation of equity as at 31st March, 2017 (date of transition to Ind AS)**
**(Rs. in Lacs)**

Particulars	Foot note	Previous GAAP		Adjustments		Ind AS	
<b>I. ASSETS</b>							
<b>(1) Non-current assets</b>							
(a) Property, Plant and Equipment	<b>A</b>	67.45				67.45	
(b) Financial assets							
(i) Investments	<b>B</b>	373.59		18.56		392.15	
(ii) Other financial assets	<b>G</b>	179.53				179.53	
(d) Other non-current assets		6.02	626.59		18.56	6.02	645.15
<b>(2) Current assets</b>							
(a) Inventories		506.07				506.07	
(b) Financial assets							
(i) Trade and other receivables		8.98				8.98	
(ii) Cash and cash equivalents	<b>G</b>	9.80				9.80	
(iii) Loans		101.24				101.24	
(iv) Other financial assets		8.79	634.89			8.79	<b>634.89</b>
<b>Total Assets</b>			<b>1,261.48</b>				<b>1,280.04</b>
<b>II. EQUITY AND LIABILITIES</b>							
<b>(1) Equity</b>							
(a) Share Capital		500.00				500.00	
(b) Other Equity	<b>H</b>	709.59	1,209.59	0.07	0.07	709.67	1,209.67
<b>(2) Non-current liabilities</b>							
(a) Financial liabilities							
(i) Borrowings		6.38				6.38	
(ii) Other financial liabilities		0.65				0.65	
(b) Provisions		3.35	10.38			3.35	10.38
<b>(3) Current liabilities</b>							
(a) Financial liabilities							
(i) Trade payables							
(A) Micro & Small Enterprises							

(B) Other than Micro & small Enterprises		7.20				7.20	
(ii) Other financial liabilities		22.33				22.33	
(a) Other current liabilities		6.20				6.20	
(b) Deferred tax liabilities (Net)	<b>D</b>	0.22		18.49		18.71	
(c) Current tax liabilities (Net)		5.55			<b>18.49</b>	5.55	<b>59.99</b>
<b>Total Equity and Liabilities</b>			<b>1,261.48</b>				<b>1,280.04</b>

**24. Disclosures as required by Ind AS - 101 - First Time Adoption of Indian Accounting Standards - Reconciliation between Previous GAAP and Ind AS**

(c) Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2017

(Rs. In Lacs)

Particulars	Foot note	Previous GAAP	Adjustments	Ind AS
<b>I Revenue from operations</b>		33.25	-	33.25
II Other Income	<b>F</b>	51.99	-	51.99
<b>III Total Income(I+II)</b>		<b>85.24</b>	-	<b>85.24</b>
<b>IV Expenses:</b>				
Employee benefits expense	<b>E</b>	17.09	-	17.09
Depreciation and amortization expense	<b>A</b>	2.94	-	2.94
Other expenses		19.49	-	19.49
<b>Total Expenses (IV)</b>		<b>39.52</b>	-	<b>39.52</b>
<b>V Profit before exceptional items and tax (III - IV)</b>		<b>45.72</b>	-	<b>45.72</b>
VI Exceptional Items	-	-	-	-
<b>VII Profit before tax (V - VI)</b>		<b>45.72</b>	-	<b>45.72</b>
<b>VIII Tax expense :</b>				
(1) Current tax	<b>C</b>	7.84	-	7.84
(2) Deferred tax	<b>D</b>	(0.21)	-	(0.21)
<b>Total tax expense</b>		<b>7.63</b>	-	<b>7.63</b>
<b>IX Profit for the year (VII - VIII)</b>		<b>38.09</b>	-	<b>38.09</b>
<b>X Other Comprehensive Income / Loss</b>	<b>I</b>			
(A) (i) Items that will not be reclassified to profit or loss				
(a) Fair value changes of Investments in equity shares			232.99	232.99
(ii) Income tax relating to items that will not be recycled to profit or loss			71.99	71.99
<b>Total other Comprehensive Income / Loss</b>			<b>161.00</b>	<b>161.00</b>
<b>XI Total Comprehensive Income for the year (IX + X)</b>		<b>38.09</b>	<b>161.00</b>	<b>199.08</b>
(Comprising of profit and other comprehensive income for the year)				

(D) Footnotes to the reconciliation of equity as at 1st April, 2016 and 31st March, 2017 and Statement of Profit and Loss for the year ended 31st March, 2017

**(A) Property, plant and equipment**

Under Ind AS, the Company has elected to opt for cost model with respect to property, plant and equipments

**(B) Investments**

**Investments in equity instruments :** Under the previous GAAP, investment in equity instruments were classified as long term investments or current investment based on the intended holding period and realisability. The Company accounted for long term investments in equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments, if any. Under Ind AS, the Company has the option to designate such investments either as FVTOCI or FVTPL investments. In case of other long term investments in unquoted equity shares, the Company has designated investments as FVTOCI investments as at the date of transition. Ind AS requires FVTOCI investments to be measured at fair value. Difference in fair value of investments as per Ind AS and carrying value of investments as per PREVIOUS GAAP aggregating to **Rs (214.43 Lacs)** as at the date of transition and subsequent changes of **Rs 18.56 lacs** for the year ended 31st March ,2017 has been shown under Other Comprehensive Income

**(C) Current tax :** Current tax liabilities have been accounted for on account of various transitional adjustments as stated above as at the date of transition with corresponding impact either to Retained earnings or Other Comprehensive Income in correlation to the underlying transaction

**(D) Deferred tax :** Previous GAAP required deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the year. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which were not required under the previous GAAP. Moreover, carryforward of unused tax credits are to be treated as deferred tax assets which was earlier considered as Other non-current non-financial assets. In addition, the various transitional adjustments lead to temporary differences and consequently deferred tax adjustments have been recognized in correlation to the underlying transaction in retained earnings. The net impact on deferred tax (Assets)/ liabilities has increased by Rs 53.51 lacs and Rs 18.49 lacs as at the date of transition and for the year ended 31st March 2017.



**(E) Defined benefit liabilities :** Company has not carried out any actuarial valuation by external actuaries using the projected unit credit method and loss has therefore remeasurements, comprising of actuarial gain or not been Comprehensive Income ( OCI) carried out and to that extent effects of any gain or losses are not carried out through Other in the period in which they occur.

**(F) Interest Income/ Interest Expense :** The previous GAAP required the recognition of revenue from interest on time proportion basis. However, Ind AS requires interest on financial assets to be recognized using the effective interest rate method.

**(G) Cash flow statement :** Under Ind AS, bank overdrafts forms an integral part of the cash management process and are included in cash and cash equivalents for the purpose of presentation of Cash Flow Statement. Bank deposits having maturity more than 12 months has been classified as Other Financial Assets under Non- Current Investments to the tune of Rs 25.34 Lacs as on the date of transition that is April 1st 2016 and Rs 25.34 Lacs as on 31st March 2017. Apart from the above, the transition from the previous GAAP to Ind AS has not had a material impact on Cash Flow Statement

**(H) Retained earnings :** Retained earnings as at the transition date has been adjusted consequent to the above Ind AS transitional adjustments

**(I) Total comprehensive income and other comprehensive income :** Under the previous GAAP, the Company did not present total comprehensive income and other comprehensive income. Hence, it has reconciled the previous GAAP profit to profit as per Ind AS. Further, the previous GAAP profit is reconciled to other comprehensive income and total comprehensive income as per Ind AS. The previous year's including figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

**As per our report of even date attached**

For T.C. MAHAWAR & CO.

*Chartered Accountants*

Firm Registration No: 322294E

**T C Mahawar**

*Proprietor*

Membership No- 056212

Place of Signature : Kolkata

Date :30.05.2018

**For and on behalf of the Board of Directors**

Jitendra Kochar

**Managing Director**

DIN. 00556392

Ajit Kochar

Whole-Time Director

DIN. 00933365

Vasudha Chhajer

Director

DIN. 05102531

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