

SPARKLING (INDIA) FINSHARES LIMITED

CIN: L74900DL1994PLC062222

Registered Office: Unit No. 355, 3RD Floor, Aggarwal Kondli Plaza Plot No. 8, LSC-I, Kondli Gharoli, Mayur Vihar Delhi New Delhi DL 110096 IN, **Email:** sparklinglimited@gmail.com,

Website: www.sparklingfinshares.com, **Tel. No. + 91-9582178451**

October 14, 2019

Corporate Relationship Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 Scrip Code: 540211	Listing Department The Calcutta Stock Exchange Limited 7, Lyons Range, Murgighata, B B D Bagh, Kolkata, West Bengal- 700001
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Dear Sir/Madam,

Subject – Notice and Annual Report for the FY 2018-19 of the Company

This is with reference to the above captioned subject, we would like to state as follow:

1. Pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements), 2015, the Register of Member and Share Transfer Books of the Company will remain closed from Friday, November 01, 2019 to Saturday, November 09, 2019 (both days inclusive) for the purpose of Annual General Meeting of the Company scheduled to be held on 9th November, 2019.

2. Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Notice of the Annual General Meeting of the Company scheduled to be held on Saturday, November 09, 2019 at 2:00 PM (IST) at the Registered Office of the Company. The attendance slip, proxy form and route map forms part of this Notice.

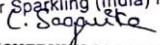
The Notice of the AGM is also available on our website at: www.sparklingfinshares.com

3. Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report and Accounts of the Company for the Financial Year 2018-19 ('Annual Report').

The Annual Report is also available on our website at www.sparklingfinshares.com.

Kindly take the above information on record and oblige.

Thanking You,

For Sparkling (India) Finshares Limited
For Sparkling (India) Finshares Ltd

(CHERUKU SAGARIKA)
Director
DIN: 07167996

Director

Encl: As above

SPARKLING (INDIA) FINSHARES LIMITED



26TH ANNUAL REPORT 2018-19

Board of Directors

Ms. Cheruka Sagarika
Mr. Gandikota Yadagiri
Ms. Karununga Rudra Pradeepta
Mr. Dasari Praveen

Independent Director
Independent Director
Non-Executive Non Independent Director
Non-Executive Independent Director

Key Personnel

Mr. Kancharla Mahidhar
Mr. Badampuri Durga Rao

Chief Executive Officer
Chief Financial Offer

Auditors

M/s Sushil Lal & Associates
Chartered Accountants

Internal Auditors

M/s Sadh & Associates
Chartered Accountants

Secretarial Auditor

Kajal Goyal and Associates
Company Secretaries

Bankers

Axis Bank Ltd.

Shares Listed at

BSE Limited
Calcutta Stock Exchange Limited

Registrar & Share Transfer Agent

Skyline Financial Services Private Ltd.
D-153/ A, First Floor,
Okhla Industrial Area, Phase - I,
New Delhi -110020.
Phone: 011 26812682-88
Email: info@skylinerta.com

Corporate office and Registered Office

Unit No. 355, 3rd Floor, Aggarwal Kondli Plaza
Plot No. 8, Lsc-I, Kondli Gharoli, Mayur Vihar
New Delhi DI 110096
Email ID: sparklinglimited@gmail.com
Website: www.sparklingfinshares.com

CONTENTS

NOTICE

DIRECTOR'S REPORT

MGT-9

SECRETARIAL AUDITORS REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

AUDITORS REPORT

BALANCE SHEET

PROFIT AND LOSS ACCOUNT

NOTES TO ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

CASH FLOW

NOTICE

Notice

Notice is hereby given that the 26th Annual General Meeting of **SPARKLING (INDIA) FINSHARES LIMITED** will be held on Saturday, the 09th Day of November, 2019 at **02:00 P.M.** at the Registered Office of the Company situated at **Unit No. 355, 3rd Floor, Aggarwal Kondli Plaza Plot No. 8, LSC-I, Kondli Gharoli, Mayur Vihar New Delhi 110096** to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2019 including audited Balance Sheet for the year ended 31st March, 2019 and the Statement of Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

By Order of the Board
Sparkling (India) Finshares Limited

Sd/-
(Cheruka Sagarika)
Director
DIN: 07167996

NOTES:

1. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote, instead of himself/herself and the proxy need not be a member. A person can act as proxy on behalf of members up to and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company.**

Further, a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member. The instrument appointing proxy must be deposited at the registered office of the company not less than 48 hours before the time of holding the meeting.

2. The relevant details as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking Appointment/re-appointment as Directors, are also annexed.
3. The instrument appointing the Proxy, duly completed must be deposited at the Company's Registered Office not less than 48 hours before the commencement of the meeting. A Proxy form for the Annual General Meeting is enclosed.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Members/Proxies/Authorized representatives are requested to bring the copies of annual reports and attendance slips to the meeting, if the same are received in physical form.
6. Pursuant to the provisions of section 91 of the Companies Act, 2013, the register of members and share transfer books of the Company will remain closed from Friday, November 01, 2019 to Saturday, November 09, 2019 (both days inclusive) for the purpose of the Annual General Meeting.
7. The Company's Registrar and Transfer Agents for its share registry (both, physical as well as electronic) is M/s Skyline Financial Services Private Limited having its office at D-153A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi 110020.
8. Members who are holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical mode are requested to advice any change in their address or bank mandates to the Company/Skyline Financial Services Private Limited.
9. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send to the company a certified true copy of the relevant Board resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the meeting.

10. To support the 'Green Initiative', members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, and Circulars etc. from the Company electronically.
11. Members may also note that the Notice of the Annual General Meeting and the Annual Report for the year 2018-2019 will also be available on the Company's website <http://www.sparklingfinshares.com//>. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in New Delhi for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at <http://www.sparklingfinshares.com//>.
12. Members seeking any information with regard to the accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or our Registrar & Transfer Agents.
14. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.
15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
16. Members, who still hold share certificates in physical form are advised to dematerialise their shareholding to avail the numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
17. Members/Proxies/Authorized representatives are requested to bring the copies of annual reports and attendance slips to the meeting, if the same are received in physical form.
18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening Annual General

Meeting to be held on Saturday, November 09, 2019, at 02:00 P.M. The Company has engaged the services of Central Depository Services Limited (CDSL) to provide the e-voting facility:

The e-voting facility is available at the link:

<https://www.evotingindia.com/>.

19. The facility for voting through poll shall be made available at the AGM, to all the members attending the AGM, who have not opted e-voting facility. Further, the members who have opted e-voting facility may also attend the AGM but shall not be entitled to cast their vote again at the AGM.
20. Person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
21. E-voting commences on November 06, 2019 at 9:00 A.M. and will end at November 08, 2019 at 5:00 P.M. and at the end of e-voting period, the facility shall forthwith be blocked.
22. The Detailed instructions on remote e-voting is made part of a separate sheet "Instructions for e-voting" attached to this Notice.
23. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013, will be available for inspection in physical or electronic form at the Registered Office of the Company during business hours on all working days up to the date of declaration of the result of the Annual General Meeting of the Company and the copies thereof shall also be made available for inspection in physical or electronic form at the Registered Office of the Company and also at the meeting.
24. For security reasons, no article/baggage will be allowed at the venue of the meeting.
25. Route map for directions to the venue of the meeting is provided in this notice and is also available on the website of the Company.
26. The instructions for shareholders voting electronically are as under:
 - i. The voting period begins on November 06, 2019 at 9:00 A.M. and will end at November 08, 2019 at 5:00 P.M. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of November 01, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - ii. The shareholders should log on to the e-voting website <https://www.evotingindia.com/>.

Instructions for shareholders voting electronically are as under:

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form PAN Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.

In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters.

Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Dividend Bank Details OR Date of Birth (DOB) Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.

If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (ii).

*sequence number shall be as per separate sheet attached with the Annual report

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the <Sparkling (India) Finshares Limited> on which you choose to vote.

- xi. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xvi. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store.

Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xviii. Note for Non-Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at

www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com and call to CDSL at 1800225533.

Other Instructions:

- i. The e-voting period commences on November 06, 2019 at (9:00 A.M. IST) and will end at November 08, 2019 at (5:00 P.M. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, November 01, 2019 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.
- ii. The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the Meeting through electronic voting system or poll paper.
- iii. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if he/she is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting vote. If you forget your password, you can reset your password by using "Forgot User Details / Password" option available on www.evotingindia.com.
- iv. Ms. Kajal Goyal, Practicing Company Secretary (Membership No. 54393), has been appointed as Scrutinizer to scrutinize the e-voting process (including the Ballot Forms received from the members who do not have access to the e-voting process) in a fair and transparent manner.
- v. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and make, not later than three days of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- vi. The result declared along with the Scrutinizer's Report shall be placed on the Company's website <http://www.sparklingfinshares.com> and on the website of CDSL www.cdslindia.com immediately.

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name	
Address	
DP-ID/CLIENT-ID*	
Regd. Folio No.#	
No. of shares held	
Whether the member is attending the meeting in person or by proxy or by authorized representative.	
Name of the proxy (to be filed in if proxy attends instead of the member).	

**Applicable for investors holding shares in Electronic form.*

Applicable for investors holding shares in Physical form.

I certify that I am a registered Shareholders/Proxy for the registered Shareholder of the Company. I/we hereby record my/our presence at the Annual General Meeting of the Company held on Saturday, November 09, 2019 at 02:00 P.M., at the Registered Office of the Company at **Unit No. 355, 3rd Floor, Aggarwal Kondli Plaza Plot No. 8, Lsc-I, Kondli Gharoli, Mayur Vihar New Delhi 110096.**

Signature of the Member/Proxy
(To be signed at the time of handing over the slip)

Form No. MGT-11**Proxy Form**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

CIN: L74900DL1994PLC062222

Name of the Company: Sparkling (India) Finshares Limited

Registered Office: Unit No. 355, 3rd Floor, Aggarwal Kondli Plaza Plot No. 8, LSC-I, Kondli Gharoli, Mayur Vihar New Delhi 110096

Name of the Member(s)		
Registered Address:		
E-mail Id:		
*DP Id. / Client Id.		Regd. Folio No.

(* Applicable for members holding share(s) in electronic form)

I / We, being the member(s) of shares of the above named company, hereby appoint:

1. Name : _____
Address : _____
E-mail ID : _____
Signature : _____, or failing him

2. Name : _____
Address : _____
E-mail ID : _____
Signature : _____, or failing him

3. Name : _____
Address : _____
E-mail ID : _____
Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Annual General Meeting** of the Company, to be held on Saturday, November 09, 2019 at 02:00 P.M. at the registered office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional	
Ordinary Business			
		For	Against
1	To receive, consider and adopt the Financial Statements of the Company for the year ended 31 st March, 2019 including audited Balance Sheet for the year ended 31 st March, 2019 and the Statement of Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.		

Signed this _____ day of _____ 2019.

Affix Revenue Stamp

Affix
Revenue
Stamp

Signature of Shareholders(s)

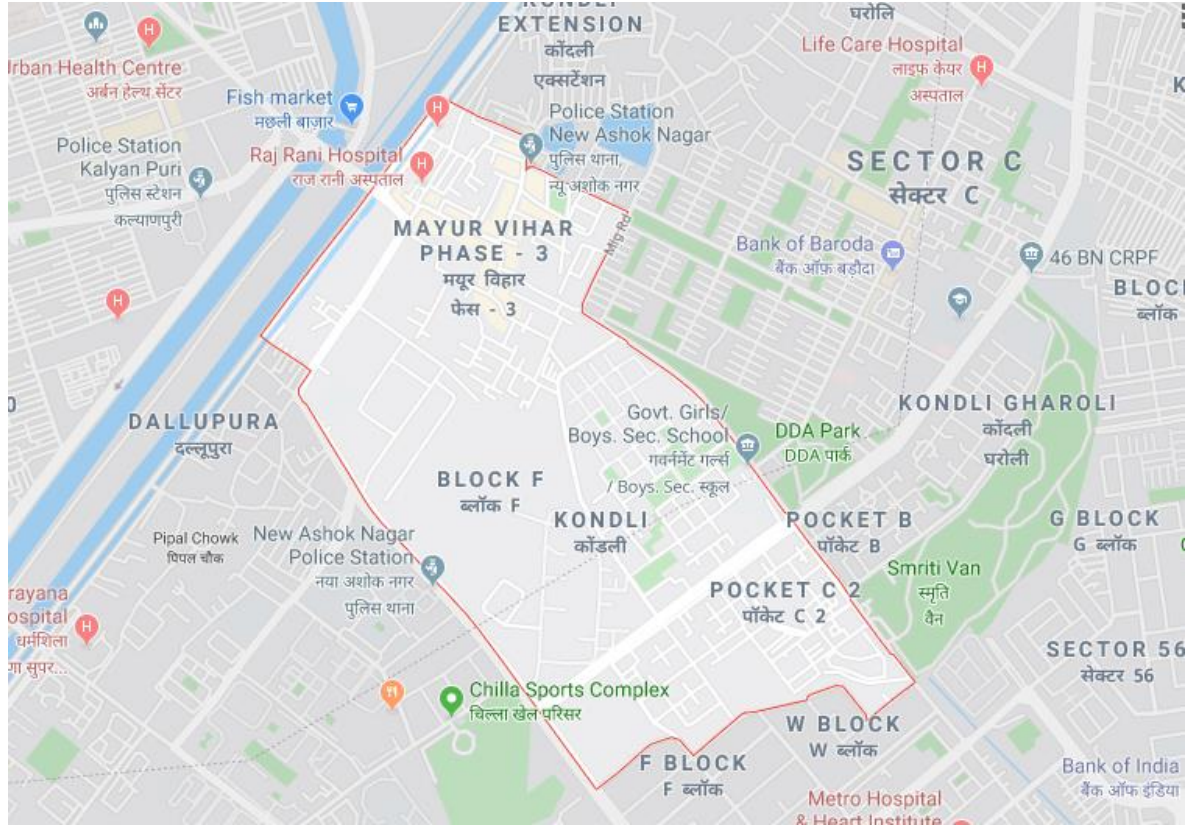
Signature of Proxy holders(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.

It is optional to put a (√) in the appropriate column against the Resolution indicated in the Box. If, you leave the 'For' and 'against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she think appropriate.

ROUTE MAP FOR AGM VENUE



DIRECTOR'S REPORT

DIRECTOR'S REPORT

To,
The Members of **Sparkling (India) Finshares Limited**

The Directors hereby present their Annual Report together with the audited financial statements for the Financial Year (FY) ended 31 March, 2019.

BACKGROUND

The Company is a Non Deposit Accepting Non-Banking Finance Company ("NBFC"), holding a Certificate of Registration from the Reserve Bank of India ("RBI").

STATE OF COMPANY'S AFFAIRS

With the expected positive momentum in the Indian economy, the Company is focused on growth and achieving profitability along with a renewed commitment to enhance quality and customer service and to reduce costs. Innovations, investment and positive modifications are expected in the near future, boosting the Company's revenues. Together with forward looking strategy, the Company is also focusing extensively on expanding the business and operational improvements through various strategic projects for operational excellence and cost cutting initiatives.

FINANCIAL SUMMARY/HIGH LIGHTS/PERFORMANCE OF THE COMPANY

FINANCIAL HIGHLIGHTS

(Amount in Rs.)

<u>Particulars</u>	<u>Standalone</u>	
	<u>Current Year</u>	<u>Previous Year</u>
	<u>31st March, 2019</u>	<u>31st March, 2018</u>
Income from operations	3,04,278	10,20,141
Other Income	-	-
Total Income	3,04,278	10,20,141
Total Expenditure	25,86,785	36,71,514
Profit/(loss) before tax	22,82,507	26,51,373
Less : Provision for taxation		
(i) Current Year	-	-
(ii) Earlier Year Adjustment	-	-

(iii) Deferred Tax	(4,049)	(2,691)
Profit/ (loss) of the Year	(4,049)	(2,691)

REVIEW OF OPERATIONS

The revenue from operations for the year ended 31st March, 2019 stood at Rs. 3,04,278/- as compared to Rs. 10,20,141/- for the previous year ending 31st March, 2018.

The loss before tax for the year ended 31st March, 2019 stood at Rs. 22,82,507/- as compared to loss of Rs. 27,29,373 for the year ending 31st March, 2018. The Loss after Tax stood at Rs. 22,78,459/- for the year ending 31st March, 2019 as compared to loss of Rs. 27,26,682/- for the previous year.

Your Directors are in hope of increasing the revenue of the Company in the future.

TRANSFER TO RESERVES

The Company has not transferred not any amount required under Section 45-IC of RBI Act, 1934 to the Statutory Reserve as the Company in huge losses.

DIVIDEND

In view of need to conserve the resources of the company for the future growth, your Company's Directors do not recommend any dividend to the shareholders of the Company for the Financial Year 2018-19.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

In the opinion of the Board, there has been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

CAPITAL PROJECTS

The Company was not working on any kind of capital projects for the financial year 2018 - 19.

CONSERVATION OF ENERGY/TECHNOLOGY ABSORPTION/FOREIGN EXCHANGE EARNINGS AND OUTGO:

A. CONSERVATION OF ENERGY:

Company has limited scope for undertaking energy conservation exercises, but nevertheless continues to emphasize work practices that result in conservation of energy. At the offices of your Company, special emphasis is placed on installation of energy-efficient lighting devices, use of natural light as best as possible, and adoption of effective procedures for conservation of electricity, water, paper and other materials that consume natural resources.

B. TECHNOLOGY ABSORPTION:

Company did not absorb any new Technology during the financial year.

C. FOREIGN EXCHANGE AND OUTGO:

There was no foreign exchange inflow or Outflow during the year under review.

ENVIRONMENT AND SAFETY

The Company conducts various promotional activities relate do Safety, Health & Environment during National safety week, Road safety week & Fire service day. Quiz & poster contest, live demonstration of fire fighting techniques, domestic & household safety for the students of neighbouring schools, employees children and people residing in surrounding community are taken up during those days.

As part of the safety performances following parameters were considered:

- Health & Safety Management systems
- Workers participation in Health & Safety
- Health & Safety Training
- Work Permit, tag out & lockout systems
- Internal & External Safety auditing, review process
- Promotion of safety & health at workplace
- Community awareness programs
- Safety of the contract workers

INDUSTRIAL RELATIONS

Cordial and conducive working conditions prevailed amongst the Company employees and the contract vendors.

EXTRACT OF THE ANNUAL RETURN

Pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of The Companies (Management and Administration) Rules, 2014, the extract of the Annual Return as on 31st March, 2019 is enclosed as **Annexure “1”** to the Directors’ Report.

As a green initiative, a copy of the Annual Return has been hosted on the website of the Company at <http://www.sparklingfinshares.com/>.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the rules made there under and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 in Form AOC-2 is not applicable.

SHARE CAPITAL

The paid up equity share capital as on March 31, 2019 was Rs. 4,00,05,000.00/-. There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options.

LISTING OF SECURITIES

The 40,00,500 equity shares of Rs. 10/- each of the Company are listed on BSE Limited and the Calcutta Stock Exchange Limited.

The Annual listing fees for the year 2018-19 have been paid to both the Stock Exchanges.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186 of the Companies Act, 2013 (the ‘Act’) read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the loan made, guarantee given or security provided in the ordinary course of business by a Non- Banking Financial Company (NBFC) registered with Reserve Bank of India are exempt from the applicability of provisions of Section 186 of the Act. The details of Loans, Corporate Guarantees and Investments made during the year under the provisions of Section 186 of the Companies Act, 2013 are given in notes to the financial statements.

NOMINATION & REMUNERATION POLICY AND DISCLOSURES ON REMUNERATION

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and employees in the Senior Management. In accordance with the provisions of Section 178 of the Act, the Board of Directors has adopted a Policy on Board Diversity and Director Attributes and the Remuneration Policy. The Policy on Board Diversity and Director Attributes has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board. The Remuneration Policy for Directors, Key Managerial Personnel and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The Policy aims to ensure that the level and composition of the remuneration of the Directors, Key Managerial Personnel and all other employees is reasonable and sufficient to attract, retain and motivate them to successfully run the Company.

RISK MANAGEMENT POLICY

Risk Management Policy identifies, communicate and manage risks across the organization. The policy also ensures that responsibilities have been appropriately delegated for risk management. Key Risk and mitigation measures are provided in the Management Discussion and Analysis annexed as **Annexure 3** to the Annual Report.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company in accordance with the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015 has established a vigil mechanism for directors and employees to report genuine concerns to the management viz. instances of unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct or Ethics Policy. The Company has also formulated a Whistle Blower Policy ("Policy") which provides for adequate safeguard against victimization of persons and has a provision for direct access to the Chairperson of the Audit Committee. The Company has not denied any person from having access to the Chairman of the Audit Committee.

CORPORATE SOCIAL RESPONSIBILITY ('CSR')

Pursuant to provisions of Section 135 of the Companies Act, 2013 read with the rules made there under, the criteria for companying with the CSR activity does not applicable to the Company throughout the year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 27 of SEBI (LODR) Regulations, 2015.

In accordance with the provisions of Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company organizes familiarization programme for Independent Directors as and when required.

During the year the Meetings of the Independent Directors were held on 25th March, 2019 without the attendance of non-independent directors and members of the Management, inter alia, to discuss the following:

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

PERFORMANCE EVALUATION

Pursuant to the provisions of the Section 134, 178 and Sch. IV of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the following performance evaluations were carried out;

- a. Performance evaluation of the Board, Chairman and non-Independent Directors by the Independent Directors;
- b. Performance evaluation of the Board, its committees and Independent Directors by the Board of Directors; and
- c. Performance evaluation of every director by the Nomination and Remuneration Committee.

COMPLIANCE

The Company has complied and continues to comply with all the applicable regulations, circulars and guidelines issued by the Ministry of Corporate Affairs (MCA), Stock Exchange(s), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI) etc.

The Company has generally complied with all applicable provisions of the Companies Act, 1956 and the Companies Act, 2013, Listing Agreement executed with the Stock Exchanges, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable rules/regulations/guidelines issued from time to time.

RBI GUIDELINES

As a Non Deposit taking Non-Banking Finance Company, your Company always aims to operate in compliance with applicable RBI laws and regulations and employs its best efforts towards achieving the same.

THE DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE PERIOD

S. No.	Name	Designation	Date of Appointment/Cessation	Reason
1.	Ms Teena Rani	Company Secretary	13.02.2019	Resignation
2.	Mr. Karununga Rudra Pradeepta	Additional Director	04.05.2019	Appointment
3.	Mr. Dasari Praveen	Additional Director	04.05.2019	Appointment
4.	Mr. Karununga Rudra Pradeepta	Director	27.09.2018	Change in Designation
5	Mr. Dasari Praveen	Director	27.09.2018	Change in Designation

BOARD MEETINGS:

The agenda and Notice for the Meetings is prepared and circulated in advance to the Directors. During the year under review, Six Board meetings were held on 04th May, 2018, 25th May, 2018, 13th August, 2018, 17th August, 2018, 14th November, 2018 and 13th February, 2019. Details of attendance of board meetings by Directors are as follows:

Name of the Director	Nos. of meetings attended
Ms. Cheruka Sagarika	6
Mr. Gandikota Yadagiri	6
Mr. Karununga Rudra Pradeepta	6
Mr. Dasari Praveen	6

The necessary quorum was present in all the meetings. The intervening gap between any two meetings was not more than one hundred and twenty days as prescribed by the Companies Act, 2013.

COMMITTEES OF THE BOARD:

AUDIT COMMITTEE:

The Audit Committee comprises of three directors namely: Ms. Cheruka Sagarika, Mr. Ganikota Yadagiri and Mr. Karununga Rudra Pradeepta.

Name of the Member	Nos. of meetings attended
Cheruka Sagarika	5
Ganikota Yadagiri	5

Karununga Rudra Pradeepta	5
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During the year under review Five Audit Committee Meetings were held on 25th May, 2018, 13th August, 2018, 17th August, 2018, 14th November, 2018, and 13th February, 2019 and all the recommendations of the Audit Committee were accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee comprises of three directors namely: Ms. Cheruka Sagarika, Mr. Ganikota Yadagiri and Mr. Karununga Rudra Pradeepta.

Name of the Member	Nos. of meetings attended
Cheruka Sagarika	2
Ganikota Yadagiri	2
Karununga Rudra Pradeepta	2

During the year under review, five Nomination and Remuneration Committee Meeting was held on 04th May, 2018 and 13th February, 2019.

STAKEHOLDER RELATIONSHIP COMMITTEE:

The Stakeholder Relationship Committee comprises of three directors namely: Ms. Cheruka Sagarika, Mr. Ganikota Yadagiri and Mr. Karununga Rudra Pradeepta.

Name of the Member	Nos. of meetings attended
Cheruka Sagarika	4
Ganikota Yadagiri	4
Karununga Rudra Pradeepta	4

During the year under review four Stakeholder Relationship Committee Meeting was held on 10th May, 2019, 05th July, 2018, 05th October, 2018 and 05th January, 2019

FIXED DEPOSITS

The Company has not accepted fixed deposits in the past or during the year.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the courts/regulators or tribunals impacting the going concern status and company's operations in future.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the company, which have occurred between the end of the financial year of the Company to which the financial statements relate and till the date of this annual report.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. The Company has designed and put in place adequate Standard Operating Procedures and Limits of Authority Manuals for conduct of its business, including adherence to Company's policies, safeguarding its assets, prevention and detection of fraud and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

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

SEPARATE MEETING OF INDEPENDENT DIRECTORS

In due compliance with the provisions of the Companies Act, 2013 read with the rules made there under a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole was evaluated, taking into account the views of directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the Board, its committees and individual directors was discussed.

CORPORATE GOVERNANCE

As per Regulation 15 of the SEBI (Listing Regulations and Disclosure Obligations Requirements) Regulations, 2015, the provisions of Chapter IV of the said Listing Regulations, 2015, the Compliance with the corporate governance provisions as specified in Regulations 17, [17A,] 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub

regulation (2) of Regulation 46 and para C, D and E of Schedule V shall not be mandatory, for the time being, in respect of the following class of companies:

- The listed entity having Paid up Equity Share Capital not exceeding Rs.10 Crore and Net Worth not exceeding Rs. 25 Crore, as on the last day of the previous financial year;
- The Listed Entity which has listed its specified securities on the SME Exchange. Since the Company is neither listed exclusively on the SME Exchange nor its paid-up share capital and net-worth exceeds the prescribed threshold limits therefore, Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 are not applicable on the Company.

STATUTORY AUDITORS

As per section 139 of the Companies Act, 2013 and Rules made there under, M/s. Sushil Lal & Associates, Chartered Accountants, New Delhi were appointed as Statutory Auditors of the Company earlier. The Report does not contain any qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors.

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

COST AUDIT

As per the Cost Audit Orders, Cost Audit is not applicable to the Company's for the FY 2018-19.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Kajal Goyal, Practicing Company Secretary as Secretarial Auditor, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year 2018-19 is enclosed as **Annexure 2** to this Directors' Report.

SECRETARIAL AUDITORS REPORT

The Secretarial Auditor remarks are self-explanatory and do not require any clarification from the Board. Further, the observation describes about the delay in compliance that was due to inadvertent reasons and the same shall be taken care of in the near future.

DISCLOSURE AS PER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As per provisions of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has constituted an Internal Complaints Committee for redressal of complaints against sexual harassment. There were no complaints/cases filed/pending with the Company during the year.

CORPORATE POLICY

We seek to promote and follow the highest level of ethical standards in our business transactions. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on the website of the Company viz. <http://www.sparklingfinshares.com>.

The Policies are reviewed periodically by the Board and updated on the basis of need and new Compliance.

The Key Policies are as follows:

Name of the Policy	Brief Description
WHISTLE BLOWER POLICY (VIGIL MECHANISM)	This policy has been established with a view to provide a tool to Directors and Employees of the Company to report to Management genuine concerns including unethical behaviour, actual or suspected fraud or violation of the code or the policy. The Policy also provides for adequate safeguards against victimization of Director(s)/Employee(s) who avail of the mechanism and also provides for direct access to the chairman of the Audit Committee in exceptional cases.
NOMINATION & REMUNERATION POLICY	The Board has on the recommendation of Nomination and Remuneration Committee framed and adopted a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration.
POLICY FOR DETERMINING MATERIAL INFORMATION	The Objective of this policy is to outline the guidelines to be followed by the Company for consistent, transparent and timely public disclosures of material information events/information and to ensure that such information is adequately disseminated to the stock Exchange(s) where the securities of the Company are listed in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality
POLICY OF PRESERVATION OF DOCUMENTS	This policy sets the Standards for classifying, managing and storing the records of the Company. The Purpose of this policy is to establish framework for effective records Management and the process for Subsequent archival of such records
TERMS AND CONDITIONS OF APPOINTMENT	This has prescribed the code of conduct terms and conditions of appointment of the Independent Directors, which are subject to the extant provisions of the applicable

OFINDEPENDENT DIRECTOR	laws, including the Companies Act, 2013 ("2013 Act").
CODE OF CONDUCT FOR DIRECTORS	This Code prescribes the guidelines for the Directors to conduct themselves in the highest degree of dignity, authenticity and compliance standards.
RELATED PARTY TRANSACTION POLICY	In compliance with the Listing Regulations, the Company has the policy for transactions with Related Parties (RPT Policy). During the year, the Company has revised its Policy on dealing with Materiality of Related Party Transactions, in accordance with the amendments to the applicable provisions of the Listing Regulations. The RPT Policy is available on the Company website
RISK MANAGEMENT POLICY	The policy describes the major risks faced by business and the system based approach for risk management, with the clear objectives of identification, evaluation, monitoring and minimisation of the identified risks
POLICY ON FAMILIARIZATION OF INDEPENDENT DIRECTORS	This policy has been formulated to familiarize the independent directors with the Company, the functions of the Company and specify their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various Programs

EMPLOYEES' STOCK OPTION SCHEME

During the year under review, your Company has not provided any Stock Option Scheme to the employees.

RIGHTS ISSUE OF SHARES

During the year under review, no Right Issue was made in the financial year 2018-19.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Venture or Associate Company.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanation obtained by us, your Directors make the following statements in terms of provisions of Section 134 (5) of the Companies Act, 2013, and hereby confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and

prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

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

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year:** Not Applicable since any Directors did not received remuneration during the financial year.
- ii) **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:** Not Applicable there is no increase in the remuneration of Company Secretary and any Directors of the Company during the year. Further, any Directors did not received remuneration during the financial year.
- iii) **The percentage increase in the median remuneration of employees in the financial year:** Not Applicable
- iv) **The number of permanent employees on the rolls of company:** 3
- v) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** Nil

- vi) **the key parameters for any variable component of remuneration availed by the directors:** Nil
- vii) **affirmation that the remuneration is as per the remuneration policy of the company:** It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

DISCLOSURE UNDER RULE 5 (2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OR MANAGERIAL PERSONNEL) RULES, 2014

There is no directors/employees in the Company for which disclosure have to be made under the provisions of Rule 5 (2) & (3) of the Companies (Appointment and Remuneration or Managerial Personnel) Rules, 2014.

A. Details of Top ten employees in terms of remuneration drawn:

Name & Designation	Age (in Years)	Remuneration per month	Nature of Employment	Qualification & Experience	Date of commencement of Employment	Last Employment	% of Equity Share held	Whether related to Director or Manager
Ms. Teena Rani Company Secretary	30 years	25000	Whole Time	Company Secretary	19.03.2018	Sparkling Finshares (India) Limited	Nil	No
Kancharla Mahidhar CEO	30 Years	30000	Whole Time	Graduate	11.09.2017	One IT Solutions	Nil	No
Badampuri Durag Rao CFO	28 Years	10000	Whole Time	Post Graduate	11.09.2017	N.A.	Nil	No

Note: During the year under review, Ms. Teena Rani, Company Secretary of the Company had resigned w.e.f. 13.02.2019

B. Details of other employees under aforesaid Rules:

Nil.

C. Statement showing the name of every employee of the company, who

- if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees; - **None**
- if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month;- **None**
- if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.- **None**

GREEN INITIATIVES

Electronic copies of the Annual Report for the FY 2018-19 and the Notice of the AGM were sent to all the members whose email addresses are registered with the Company / Depository Participants. For members who have not registered their email address, physical copies are sent in the permitted mode.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the dedication, commitment and contribution of all stakeholders and employees of your Company.

FOR AND ON BEHALF OF THE BOARD
Sparkling (India) Finshares Limited

Place: New Delhi
Date: 11.10.2019

Cheruka Sagarika
Director
DIN: 07167996

Gandikota Yadagiri
Director
DIN: 07225373

MGT-9
Extract of Annual Return
As on the financial year ended on 31.03.2019

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

I. CORPORATE INFORMATION:

i)	CIN:	L74900DL1994PLC062222
ii)	Registration Date:	19.10.1994
iii)	Name of the Company	Sparkling (India) Finshares Limited
iv)	Category / Sub-Category of the Company	Company Limited By Shares
v)	Address of the Registered office and contact details	Unit No. 355, 3 rd Floor, Aggarwal Kondli Plaza Plot No. 8, Lsc-I, Kondli Gharoli, Mayur Vihar New Delhi 110096
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Skyline Financial Services Private Limited D-153, 1st Floor Okhla Industrial Area, Phase-I, New Delhi - 110 020. Tel: 011-2681268

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code (2008) of the Product/ service	% to total turnover of the company
1.	The business of advisors /consultants on finance and lease and to lend and advance money.	64990	100%

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

IV.SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category Shareholders			No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
			Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	Promoters										
	1	Indian									
		a) Individual/HUF	Nil	279500	279500	6.99	Nil	279500	279500	6.99	-
		b) Central Govt	-	-	-	-	-	-	-	-	-
		c) State Govt(s)	-	-	-	-	-	-	-	-	-
		d) Bodies Corp.	-	-	-	-	-	-	-	-	-
		e) Banks / FI	-	-	-	-	-	-	-	-	-
		f) Any other	-	-	-	-	-	-	-	-	-
		Sub-total (A) (1)	Nil	279500	279500	6.99	-	279500	279500	6.99	-
	2	Foreign									
		a) NRIs	-	-	-	-	-	-	-	-	-
		b) Other	-	-	-	-	-	-	-	-	-
		c) Bodies Corp.	-	-	-	-	-	-	-	-	-
		d) Banks / FI	-	-	-	-	-	-	-	-	-
		e) Any Other....	-	-	-	-	-	-	-	-	-
		Sub-total (A) (2)	-	279500	279500	6.99	-	279500	279500	6.99	-
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)		-	279500	279500	6.99	-	279500	279500	6.99	-
B	Public Shareholding										
	1	Institutions									
		a) Mutual Funds	-	-	-	-	-	-	-	-	-
		b) Banks / FI	-	-	-	-	-	-	-	-	-
		c) Central Govt	-	-	-	-	-	-	-	-	-
		d) State Govt(s)	-	-	-	-	-	-	-	-	-
		e) Venture	-	-	-	-	-	-	-	-	-
		f) Insurance	-	-	-	-	-	-	-	-	-

	g) FIIs	-	-	-	-	-	-	-	-	-
	h) Foreign	-	-	-	-	-	-	-	-	-
	i) Others	-	-	-	-	-	-	-	-	-
	i-i Foreign Bank	-	-	-	-	-	-	-	-	-
	Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2	Non-Institutions									
	a) Bodies Corp.	-	-	-	-	-	-	-	-	-
	i) Indian	-	18800	18800	0.4	3200	18800	22000	0.55	
	ii) Overseas	-	-	-	-	-	-	-	-	-
	b) Individuals	-	-	-	-	-	-	-	-	-
	i) Individual shareholders holding nominal share capital up to 2 lakh	1135	106900	108035	2.70	44002	1034100	1078102	26.95	
	ii) Individual shareholders holding nominal share capital in excess of 2 lakh	1515265	2078900	3594165	89.84	1522712	410100	1932812	48.31	
	c) Others					-	-	-	-	-
	i) Clearing	-	-	-	-	-	-	-	-	-
	ii) Non Resident Indians	-	-	-	-	688086	-	688086	17.20	-
	iii) Overseas		-	-	-		-	-	-	-
	iv) Trusts	0	0	0	0	0	0	0	0	-
	v) HUF	0	0	0	0	0	0	0	0	-
	Sub-total (B)(2) :	1516400	2204600	3721000	93.01	2258000	1463000	3721000	93.01	
	Total Public Shareholding (B)=(B)(1)+	1516400	2204600	3721000	93.01	2258000	1463000	3721000	93.01	
	TOTAL (A)+(B)	1516400	2484100	4000500	100	2258000	1742500	4000500	100	-
C	Shares held by Custodian for GDRs & ADRs	-	-	-		-	-	-	-	
	Grand Total (A+B+C)	1516400	2484100	4000500	100	2258000	1742500	4000500	100	-

ii) **Shareholding of Promoters:**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares / of the company	% of Pledged / encumbered	No. of Shares	% of total Shares of the company	% of Pledged / encumbered	
1.	Ms. Mamta Aggarwal	94000	2.35	Nil	94000	2.35	Nil	NIL
2.	Mr. Pawan Aggarwal	185500	4.64	Nil	185500	4.64	Nil	Nil
TOTAL		279500	6.99	Nil	279500	6.99	Nil	Nil

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

No Change in Promoters' Shareholding during the financial year 2018-19.

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

Sl. No.	Shareholder's Name	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
1.	Tharuna Pandeti				
	At the beginning of the year	0	0	0	0
	Shares acquired/sold	0	0	0	0
	At the end of the year	245000	6.12	245000	6.12
2.	Sridevi Rangaraju				
	At the beginning of the year	0	0	0	0
	Shares acquired/sold	0	0	0	0
	At the end of the year	245000	6.12	245000	6.12
3.	Susheela Gopishetty				
	At the beginning of the year	0	0	0	0
	Shares acquired/sold	0	0	0	0
	At the end of the year	219000	5.47	219000	5.47

4.	Pawan Kumar Aggarwal				
	At the beginning of the year	185500	4.64	185500	4.64
	Shares acquired/sold	-	-	-	-
	At the end of the year	185500	4.64	185500	4.64
5.	Thupakula Kishore Kumar				
	At the beginning of the year	175000	4.37	175000	4.37
	Shares acquired/sold	-	-	-	-
	At the end of the year	175000	4.37	175000	4.37
6.	Vijayvarma Gajendran				
	At the beginning of the year	0	0	0	0
	Shares acquired/sold	175000	4.37	175000	4.37
	At the end of the year	175000	4.37	175000	4.37
7.	Janaki Ramana Reddy Vayyala				
	At the beginning of the year	175000	4.37	175000	4.37
	Shares acquired/sold	(208)	-	(208)	-
	At the end of the year	174792	4.37	174792	4.37
8.	Gajendran Harish				
	At the beginning of the year	155500	3.89	155500	3.89
	Shares acquired/sold	-	-	-	-
	At the end of the year	155500	3.89	155500	3.89
9.	Cherukuri Pradeep				
	At the beginning of the year	185000	4.62	185000	4.62
	Shares acquired/sold	(49218)	-	(49218)	-
	At the end of the year	135783	3.39	135783	3.39
10.	Mamta Aggarwal				
	At the beginning of the year	94000	2.35	94000	2.35
	Shares acquired/sold	0	0	0	0
	At the end of the year	94000	2.35	94000	2.35

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholder's Name	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
1.	Cheruka Sagarika	Nil	Nil	Nil	Nil
2.	Gandikota Yadagiri	Nil	Nil	Nil	Nil
3.	Karununga Rudra Pradeepta	Nil	Nil	Nil	Nil
4.	Dasari Praveen	Nil	Nil	Nil	Nil
	Total	Nil	Nil	Nil	Nil

V.INDEBTEDNESS

Amount in Rs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	1,10,28,959	-	1,10,28,959
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total(i+ii+iii)	-	1,10,28,959	-	1,10,28,959
Change in Indebtedness during the financial year	-	-	-	-
Addition	-	-	-	-
Reduction	-	46,34,315	-	46,34,315
Net Change	-	46,34,315	-	46,34,315
Indebtedness at the end of the financial year	-	63,94,644	-	63,94,644
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	63,94,644	-	63,94,644

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Director
	NIL	
1.	Gross salary	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify...	-
5.	Others, please specify (Retirement Benefits)	-
6.	Total (A)	-

*The above Salary is for part of the year.

B. Remuneration to other Directors:

(In Rs.)

Sr. No	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	Cheruka Sagarika	Gandikota Yadagiri	Karununga Rudra Pradeepta	Dasari Praveen	
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil	Nil
2.	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board	-	-	-	-	-

	committee meetings					
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	Nil				
	Overall Ceiling as per the Act	5% of the Net profit of the Company				

C. Remuneration to Key Managerial Personnel Other than MD /Manager /WTD

(In Rs.)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		Company Secretary	CEO	CFO	Total
		Teena Rani	Kanchal arla Mahidhar	Badampuri Durga Rao	
1.	Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961	124104	360000	120000	604104
	(b)Value of perquisites u/s17(2)Income- tax Act,1961				
	(c)Profits in lieu of salary under section17(3)Income-tax Act,1961				
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as% of profit - others, specify...	-	-	-	-
5.	Others, please specify(Retirement Benefits)	-	-	-	-
6.	Total	124104	360000	120000	604104

VII. Penalties/Punishment/Compounding Of Offences:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty	None				
Punishment					
Compounding					
B. Directors					
Penalty	None				
Punishment					
Compounding					
C. Other Officers in Default					
Penalty	None				
Punishment					
Compounding					

FOR AND ON BEHALF OF THE BOARD
Sparkling (India) Finshares Limited

Place: New Delhi
Date: 11.10.2019

Cheruka Sagarika
Director
DIN: 07167996

Gandikota Yadagiri
Director
DIN: 07225373

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]

CIN	L74900DL1994PLC062222
AUTHORISED CAPITAL	Rs. 45000000/-
PAID UP CAPITAL	Rs. 40005000/-

To,
The Members,
Sparkling (India) Finshares Limited
Unit No. 355, 3rd Floor, Aggarwal Kondli Plaza
Plot No. 8, LSC-I, Kondli Gharoli, Mayur Vihar
New Delhi 110096

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sparkling (India) Finshares Limited** (hereinafter referred to as the “Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2019** (“Audit Period”), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2019** according to the provisions of –

- i. The Companies Act, 2013 (“the Act”) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the Rules made under that Act;

- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
- iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act to the extent applicable to Overseas Direct Investment (ODI) **(Not Applicable as there was no reportable event during the period under review);**
- 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;
 - (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; **-(Not Applicable as there was no reportable event during the period under review);**
 - (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; **-(Not Applicable as there was no reportable event during the period under review);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **(Not Applicable as there was no reportable event during the period under review);**
 - (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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable as there was no reportable event during the period under review);**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **(Not Applicable as there was no reportable event during the period under review);**
- vi. Reserve Bank of India Act, 1934;
- vii. Non-Banking Financial (Non-Deposit Accepting or Holding); Companies Prudential Norms (Reserve Bank) Directions, 2015;

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

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;
- ii. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing agreements entered into by the Company with BSE Limited and the Calcutta Stock Exchange Limited.

We further report that:

The Board of Directors of the Company duly constituted with the Independent Directors (Non-Executive Directors) and Non Independent Non Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. However, the Company Secretary resigned w.e.f. 13.02.2019.

Further, the shareholding of the promoters is not in dematerialized Form as required under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the management represented that the same is under process.

Further, the Company has not taken CICs registration from any of the four credit rating agencies and had not taken requisite registrations under Registration with C-KYC (Central KYC Registry) and Registration with CERSAI (Central Registry of Securitization Asset Reconstruction and Security Interest of India).

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.

All decisions at Board Meetings and Committee Meetings thereof carried out with requisite majority.

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

**For Kajal Goyal and Associates
Company Secretaries**

**Kajal Goyal
Proprietor
M. No.: A54393
C.P. No.: 20082**

Date: 30th September, 2019
Place: New Delhi

Note: This report is to be read with our letter of even date which is annexed as Annexure herewith and forms and integral part of this report.

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
Sparkling (India) Finshares Limited
Unit No. 355, 3rd Floor, Aggarwal Kondli Plaza
Plot No. 8, LSC-I, Kondli Gharoli, Mayur Vihar
New Delhi 110096

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My 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.

**For Kajal Goyal and Associates
Company Secretaries**

**Kajal Goyal
Proprietor
M. No.: A54393
C.P. No.: 20082**

**Date: 30th September, 2019
Place: New Delhi**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Board of Directors is pleased to present the business analysis and outlook of Sparkling (India) Finshares Limited based on the current government policies and market conditions. The company is into contacts services as well as trading in Fabrics.

INDUSTRY OVERVIEW

NBFCs have been playing a complementary role to the other financial institutions including banks in meeting the funding needs of the economy. They help fill the gaps in the availability of financial services that otherwise occur in the unbanked & the underserved areas.

The NBFC segment has witnessed considerable growth in the last few years and is now being recognized as complementary to the banking sector due to implementation of innovative marketing strategies, introduction of tailor made products, customer-oriented services, attractive rates of return on deposits and simplified procedures, etc.

NBFCs have been at the forefront of catering to the financial needs and creating livelihood sources of the so-called non bankable masses in the rural and semi-urban areas. Through strong linkage at the grassroots level, they have created a medium of reach and communication and are very effectively serving this segment. Thus, NBFCs have all the key characteristics to enable the government and regulator to achieve the mission of financial inclusion in the given time.

OUR INDUSTRY SEGMENT

The Non-Banking Financial Companies (NBFC) Sector is still struggling for its growth in India. The NBFC Sector is doing much better all over the world as compared to Asian Countries as the general perception about NBFC in the mind of public is still hazy.

Sparkling (India) Finshares Limited is an NBFC and is engaged mainly in the business of providing loans and advances to various Corporate. The main objective of the Company is to finance Industrial Enterprises by way of making loans and advances to industrial enterprises in India and to carry out all such activities as may be ancillary to the achievement of main objectives of the Company. The industry structure relevant to the Company's operations is mainly concerned with the capital market. The NBFCs have attracted substantial investments during the recent years both from the retail and from the wholesale side. The growth also has been significant during this year.

Your Company's performance for the year 2018- 19 has to be viewed in the context of aforesaid economic and market environment.

BUSINESS

The Company is engaged in the business of providing loans and advances. The Company is registered as Non-deposit taking Non-Banking Finance Company with the Reserve Bank of India. Since the asset size of the company is not more than Rs. 100 crores it is presently Non Systemically Important Non Deposit taking NBFC.

OPPORTUNITIES AND THREATS

Over the years, your Company has achieved an appropriate balance between risk and returns by setting up an efficient risk mitigation system to meet various forms of financial and other risks. The primary risks that the company is exposed to credit risk, market risk and operational risk. Deriving from the long years of experience in NBFC sector your Company's credit policy framework is designed to provide the right balance between business growth and portfolio quality.

OUTLOOK AND FUTURE PROSPECTS

Competition continues to be intense, as the Indian and foreign banks have entered the retail lending business in a big way, thereby exerting pressure on margins. The erstwhile providers of funds have now become competitors. NBFCs can sustain in this competitive environment only through optimization of funding costs, identification of potential business areas, widening geographical reach, and use of technology, cost efficiencies, strict credit monitoring and raising the level of customer service.

RISKS & CONCERNS

In today's complex business environment, almost every business decision requires executives and managers to balance risk and reward. Effective risk management is therefore critical to an organization's success. Globalization, with increasing integration of markets, newer and more complex products & transactions and an increasingly stringent regulatory framework has exposed organizations to newer risks. As a result, today's operating environment demands a rigorous and integrated approach to risk management. Timely and effective risk management is of prime importance to our continued success. Increased competition and market volatility has enhanced the importance of risk management. The sustainability of the business is derived from the following:

- Identification of the diverse risks faced by the company;
- The evolution of appropriate systems and processes to measure and monitor them;

- Risk management through appropriate mitigation strategies within the policy framework;
- Monitoring the progress of the implementation of such strategies and subjecting them to periodical audit and review;
- Reporting these risk mitigation results to the appropriate managerial levels.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. These are designed to provide reasonable assurance with respect to maintaining reliable financial and operational information, complying with applicable statutes, executing transactions with proper authorisation coupled with ensuring compliance of corporate policies through documented Standard Operating Procedure (SOP) and Limits Of Financial Authority Manual (LOAM). These documents are reviewed and updated on an ongoing basis to improve the internal control systems and operational efficiency. The company uses a system to record data for accounting and managing information with adequate security procedure and controls.

The Company, through its own internal audit department supported by an external audit firm, carried out periodic audits based on the plan approved by the audit committee and brought out any deviations to internal control procedures. The observations arising out of audit are periodically reviewed and compliance ensured. The summary of the internal audit observations and status of implementation are submitted to the audit committee. The status of implementation of the recommendations is reviewed by the audit committee on a regular basis.

ENTERPRISE RISK MANAGEMENT (ERM)

Company's ERM framework encompasses practices relating to identification, assessment, monitoring and mitigation of strategic, operational, financial and compliance related risks. The coverage includes both internal and external factors. The risks identified are prioritised based on their potential impact and likelihood of occurrence. Risk register and internal audit findings also provide input for risk identification and assessment. The prioritised risks along with the mitigation plan are discussed with the Board Committees on periodic basis.

The Company has, during the year internally conducted the Risk Assessment exercise for reviewing the existing processes of identifying, assessing and prioritizing risks. Mitigation plans have been defined for the prioritised risks and same are being reviewed for adherence periodically.

The Risk Management Committee shall periodically review the risks and report to the Board of Directors from time to time.

SEGMENT-WISE PERFORMANCE

The Company is engaged in a single segment.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES

People remain the most valuable asset of your Company. Your Company is professionally managed with senior management personnel having rich experience and long tenure with the Company. Your Company follows a policy of building strong teams of talented professionals. Your Company encourages, appreciates and facilitates long term careers. Your Company continues to build on its capabilities in getting the right talent to support different products and geographies and is taking effective steps to retain the talent. The Company continues to focus on training programs for skill development, compliance and improved customer experience.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial performance of the Company during the year under reference was reasonably good. For detailed information, please refer to Directors' Report, which forms part of this Annual Report.

CAUTIONARY STATEMENT

There are certain statements in this report which the Company believes are forward looking. The forward looking statements stated in this report could significantly differ from the actual results due to certain risks and uncertainties, including but not limited to economic developments, Government actions, etc.

**FOR AND ON BEHALF OF THE BOARD
Sparkling (India) Finshares Limited**

**Place: New Delhi
Date: 11.10.2019**

**Cheruka Sagarika
Director
DIN: 07167996**

**Gandikota Yadagiri
Director
DIN: 07225373**

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of Sparkling (India) Finshares Limited Report

on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying standalone financial statements of M/s. Sparkling (India) Finshares Limited ("the company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss, and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its loss, and its cash flows for the year ended on that date.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention in the financial statements, which indicates that the Company incurred a net loss of Rs. 22.78 Lakhs during the year ended March 31, 2019 and as of that date, the Company's current liabilities exceeded its current assets. Further, the company is incurring continuous losses, resulting decrease in the revenue from operations. This conditions indicate

that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter

- 1) We draw attention to Note 23 to Financial Statements, where according to Rule-4 of the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, all the listed companies have to prepare financial statement on Ind AS basis. This Company is listed company but its nature is Non Banking Financial Company (NBFC) and Ind AS is applicable from 1st April 2019. Therefore, financial statement has not been prepared on the basis of Ind AS.
- 2) We draw attention to Note 25 to Financial Statements, where the accounts of certain Trade Receivables, Short Term Loans and Advances, Investment in Shares, Investment in Gold, Current Liabilities are subject to confirmation / reconciliation and adjustment, if any. The Management does not expect any material difference affecting the current year's financial statements.

Key Audit Matters

Except for the matter described in the Material Uncertainty Related to Going Concern section and matter given in Emphasis of Matter paragraph, we have determined that there are no other key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The Board's Report including annexure to Board's Report and Shareholder's Information is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read the Board's Report including annexure to Board's Report and Shareholder's Information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks,

and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31st, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company does not have any pending litigations on its financial position in its standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Sushil Lal & Associates
Chartered Accountants
FRN- 021758N

CA. S. K. Lal
Partner M.No.509185

Place of Signature: New Delhi
Date: 30.05.2019

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in paragraph 1 under the heading of Report on Other Legal and Regulatory Requirements” of our report to the members of **Sparkling (India) Finshares Limited** of even date:

In terms of information and explanations given to us and the books and records examined by us, we report that:

- (i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) The Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us, there is no immovable property held by the company, accordingly the provisions of clause (i) (c) of paragraph 3 of the Order is not applicable to the Company.
- (ii) The company has no inventory. Accordingly, the provisions of clause 3 (ii) of the order are not applicable to the company.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause iii (a) to (c) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.
- (iv) As information and explanation provided to us, the Company has not given any loan to Directors or the persons connected with them as per the provisions mentioned in section 185 of the companies Act, 2013. Further Company has made investments in other bodies corporate and complied with the provisions of section 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Companies Act, 2013 and the rules framed there-under. Therefore the provisions of clause 3(v) of the Order are not applicable to the Company.

- (vi) Having regard to the nature of the Company's business/ activities, reporting under clause (vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account and records, the Company is generally regular in depositing undisputed statutory dues with the appropriate authorities including Provident Fund, Income-Tax, Goods and Services Tax, Cess and any other statutory dues.

(b) According to the information and explanation given to us, there were no statutory dues related to Provident Fund, Income Tax, Goods and Services Tax, outstanding on account of any dispute.
- (viii) According to the information and explanations given to us, we are of the opinion that the Company has not taken any loans from financial institution, bank, government or debenture during the audit period.
- (ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year under the audit.
- (x) To the best of our knowledge, and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanation given to us, the Company has not paid/ provided managerial remuneration during the year. Hence, the approval mandated by the provisions of Section 197 of the Companies Act, 2013 and the rules made thereunder is not applicable.
- (xii) As explained, the Company is not a Nidhi company. Therefore, the provision of clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by applicable Accounting Standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the order is not applicable to the company.

- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

**For Sushil Lal & Associates Chartered
Accountants
FRN- 021758N**

**CA. S. K. Lal
Partner
M.No.509185**

**Place of Signature: New Delhi
Date: 30.05.2019**

“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 **Sparkling (India) Finshares Limited** (“the company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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.

Auditor’s Responsibility

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

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

assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2019:

- a) The company being in the business of investment and the investment has been measured at cost as represented by the management but we have not been able to confirm the same with any other means as there were inadequate supporting documents.
- b) As per the information provided to us, company has been holding two PAN which as per Sec 139A (7) of Income Tax, Act 1961 is an offence with a liability of fine also. So it is highly not

recommended to have more than one PAN as it can lead to some serious consequences and can attract penal liability along with the fine imposed under the IT Act.

c) The company has taken unsecured loan from the corporates and Director of the company but no documentary evidence is available for rate of interest, repayment demand and any other corroborative documents for the same.

d) Shareholding of the shareholders is not in dematerialized form except in some cases as required under Regulation 31 of the SEBI (Listing and Disclosure Requirements) Regulations, 2015.

A material weakness“ is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2019, based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2019 standalone financial statements of the Company, and these material weaknesses does not affect our opinion on the standalone financial statements of the Company.

For Sushil Lal & Associates
Chartered Accountants
FRN- 021758N

CA. S. K. Lal
Partner M.No.509185

Place of Signature: New Delhi
Date:30.05.2019

SPARKLING (INDIA) FINSHARES LIMITED

BALANCE SHEET AS AT 31 MARCH, 2019

(Amount in `)

Particulars	Note No.	Figures as at the end of the current reporting period	Figures as at the end of previous reporting period
		31.03.2019	31.03.2018
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	40,005,000	40,005,000
(b) Reserves and surplus	3	(3,915,785)	(1,637,326)
		36,089,215	38,367,674
(2) Non-current liabilities			
(a) Long Term Borrowings	4	6,394,644	11,028,959
(b) Deferred tax liabilities (Net)	5	-	3,053
(c) Other non current liabilities		-	-
(d) Long Term Provisions	6	25,006	18,715
		6,419,650	11,050,727
(3) Current liabilities			
(a) Trade Payables	7		
(A)total outstanding dues of micro enterprises and small enterprises; and		-	-
(B)total outstanding dues of creditors other than micro enterprises and small enterprises; and		162,248	29,153
(b) Other current liabilities	8	1,180,079	999,190
(c) Short Term Provisions	9	38	36
		1,342,365	1,028,379
TOTAL		43,851,230	50,446,780
II. ASSETS			
(1) Non-current assets			
(a) Property, Plant & Equipment			
(i)Tangible assets	10	3,323	20,792
(i)Intangible assets		-	-
(b) Deferred tax Assets (Net)	5	997	-
(c) Non-current investments	11	42,702,587	42,902,587
		42,706,907	42,923,379
(2) Current assets			
(a) Cash and cash equivalents	12	14,654	196,445
(b) Short-term loans and advances	13	1,009,944	6,715,670
(c) Other current assets	14	119,725	611,286
		1,144,323	7,523,401
TOTAL		43,851,230	50,446,780
Significant Accounting Policies	1		

The accompanying notes form an integral part of the financial statements (Note No 2 to 29)

As per our report of even date attached
For Sushil Lal & Associates
Chartered Accountants
FRN-021758N

For and on behalf of Board of Directors of
Sparkling (India) Finshares Limited

CA. S. K. Lal
Managing Partner
Membership No.: 509185

Gandikota Yadagiri
Director
DIN: 07225373

Cheruku Sagarika
Director
DIN: 07167996

Signed at New Delhi on May 30, 2019

Kancharla Mahidhar
Chief Executive Officer

Badampudi Durga Rao
Chief Financial Officer

SPARKLING (INDIA) FINSHARES LIMITED
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31 MARCH, 2019

(Amount in `)

Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
		From 01.04.2018 to 31.03.2019	From 01.04.2017 to 31.03.2018
I. Incomes			
(a) Revenue from operations	15	304,278	1,020,141
Total Revenue(I+II)		304,278	1,020,141
II. Expenses			
(a) Employee benefits expense	16	741,610	785,307
(b) Depreciation and amortization expense	10	17,469	25,093
(c) Finance costs	17	505,142	757,061
(d) Other expenses	18	1,322,564	2,104,053
Total Expenses		2,586,785	3,671,514
III. Profit/(Loss) before prior period item & Tax (I-II)		(2,282,507)	(2,651,373)
IV. Prior period items		-	78,000
V. Profit/(Loss) before tax		(2,282,507)	(2,729,373)
VI. Tax expense:			
(a) Current tax		-	-
(b) Deferred tax		(4,049)	(2,691)
VII. Total Tax expenses		(4,049)	(2,691)
VIII. Profit/(Loss) for the year (V-VII)		(2,278,459)	(2,726,682)
IX. Earnings per equity share:	19		
Basic (`)		(0.57)	(0.68)
Diluted (`)		(0.57)	(0.68)
Significant Accounting Policies	1		

The accompanying notes form an integral part of the financial statements (Note No 2 to 29)

As per our report of even date attached
For Sushil Lal & Associates
Chartered Accountants
FRN-021758N

For and on behalf of Board of Directors of
Sparkling (India) Finshares Limited

CA. S. K. Lal
Managing Partner
Membership No.: 509185

Gandikota Yadagiri
Director
DIN: 07225373

Cheruku Sagarika
Director
DIN: 07167996

Signed at New Delhi on May 30, 2019

Kancharla Mahidhar
Chief Executive Officer

Badampudi Durga Rao
Chief Financial Officer

SPARKLING (INDIA) FINSHARES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2019

Particulars	Figures as at the end of current reporting period 31.03.2019	Figures as at the end of previous reporting period 31.03.2018
A. Cash flows from operating activities		
Net profit/(loss) before tax and extraordinary items	(2,282,507)	(2,729,373)
Adjustments for:		
Add: Depreciation	17,469	25,093
Add: Investment written off	200,000	-
Operating Profit/(Loss) before working capital changes	(2,065,038)	(2,704,280)
(Increase)/Decrease in trade receivables	-	-
(Increase)/Decrease in Other Current Assets	491,561	(190,181)
(Increase)/Decrease in short term loans & advances	5,705,726	1,851,674
Increase /(Decrease) in trade Payable	133,095	(124,726)
Increase /(Decrease) In Other Current Liabilities	180,888	317,340
Increase /(Decrease) In Short Term Provision	2	36
Increase /(Decrease) In Long Term Provisions	6,291	18,715
Less: Income Tax Paid	-	-
Net cash generated from/(used in) operating activities (A)	4,452,524	(831,423)
B. Cash flows from investing activities	-	-
Net cash generated from/ (used in) investing activities (B)	-	-
C. Cash flows from financing activities		
Proceed from Long Term Borrowings	1,877,000	2,266,315
Repayment of Long Term Borrowings	(6,511,315)	(1,900,000)
Net cash generated from/(used in) financing activities (C)	(4,634,315)	366,315
Net increase/(decrease) in cash/cash equivalents (A+B+C)	(181,791)	(465,108)
Cash and Cash Equivalents at the beginning of the year	196,445	661,553
Cash and Cash Equivalents at the end of the year	14,654	196,445
Significant Accounting Policies	1	

The accompanying notes form an integral part of the financial statements (Note No 2 to 29)

Notes

- 1) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 "Cash Flow Statements."
- 2) Cash and Cash Equivalents at the end of the year consist of Cash, Cheques in hand, Fixed Deposits and Balances with Banks.

Particulars	Note No.	As at 31 March, 2019	As at 31 March, 2018
Cash in Hand	12	2,900	4,961
Balances with Banks	12	11,754	191,484
		14,654	196,445

As per our report of even date attached
For Sushil Lal & Associates
Chartered Accountants
FRN-021758N

For and on behalf of Board of Directors of
Sparkling (India) Finshares Limited

CA. S. K. Lal
Managing Partner
Membership No.: 509185

Gandikota Yadagiri
Director
DIN: 07225373

Cheruku Sagarika
Director
DIN: 07167996

Signed at New Delhi on May 30, 2019

Kancharla Mahidhar
Chief Executive Officer

Badampudi Durga
Chief Financial Officer

SPARKLING (INDIA) FINSHARES LIMITED

Significant accounting policies and notes to the accounts for the year ended on 31 March, 2019

Corporate Information

Sparkling (India) Finshares Limited ["Sparkling"] was incorporated on October 19, 1994 as a public limited company under the provisions of Companies Act, 1956. Sparkling is registered with the Reserve Bank of India as Non-Banking Financial Company [Non-Deposit taking]. Sparkling is primarily engaged in the business of financial consultancy, financial assistance and investment activities.

1 Significant accounting policies

a Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent assets & contingent liabilities as of the date of the financial statements and the results of operations during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current & future periods.

c Property, Plant & Equipment

Tangible Assets

Property, Plant & Equipment are stated at the cost of acquisition including incidental costs related to acquisition and installation less accumulated depreciation. The actual cost capitalized includes material cost, freight, installation costs, duties and taxes, finance charges and other incidental expenses incurred during the construction / installation stage.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

d Depreciation / Amortization

Depreciation on tangible Property, Plant & Equipment is charged on Straight Line Method over their estimated useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year. Intangible assets are amortized over the useful life of the underlying assets. Computer software being intangible assets are amortized based on estimated useful life of 10 years.

e Lease

Operating lease

Lease where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

f Impairment of tangible and intangible assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount.

Recoverable amount is higher of an asset's net selling price, and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

SPARKLING (INDIA) FINSHARES LIMITED

Significant accounting policies and notes to the accounts for the year ended on 31 March, 2019

g Investments

Trade investments are the investments made to enhance the company's business interests. Investments are either classified as long term or current investments, based on management's intention at the time of purchase. Long-term investments are stated at cost and provision is made to recognise any decline, other than temporary, determined separately for each investment. Current investments are stated at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

h Revenue Recognition

Revenues are recognised and expenses are accounted for on accrual basis with necessary provisions for all known liabilities and losses. It is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. It is measured as per AS 9 "Revenue Recognition".

Interest : Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Dividend : Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

i Foreign Currency Transactions

Initial Recognition : Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion: Foreign currency monetary items are reported using the closing rate. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.

Exchange Differences: Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.

j Tax Expenses

Income tax expense comprises current tax as per Income Tax Act, 1961 and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of earning sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain, as the case may be, to be realized.

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

k Employee Benefits

The Company's obligations towards various employee benefits have been recognized as follows:

short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss of the year in which the related services are rendered.

Post employment and other long-term employee benefits are recognized as expense in the Statement of Profit & Loss for the year in which the employee has rendered service. The expense is recognized at the present value of the amount payable determined using Projected Unit Credit Method/Techniques. Actuarial provisions for gains and loss of post employment and other long-term benefits are charged to Statement of Profit & Loss.

SPARKLING (INDIA) FINSHARES LIMITED**Significant accounting policies and notes to the accounts for the year ended on 31 March, 2019****l Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of the equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

m Provisions

A provision is recognized when the Company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

n Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

SPARKLING (INDIA) FINSHARES LIMITED**Significant accounting policies and notes to the accounts for the year ended on 31 March, 2019****2 Share Capital**

Particulars	Amount in `	
	As at 31 March, 2019	As at 31 March, 2018
Authorized Capital 45,00,000(Previous year 45,00,000) Equity Shares of Rs. 10/- each fully paid up	45,000,000	45,000,000
Issued, Subscribed and Paid up Capital: 40,00,500(Previous year 40,00,500) Equity Shares of Rs. 10/- each fully paid up	40,005,000	40,005,000
Total	40,005,000	40,005,000

- a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period is as given below.

Particulars	Amount in `	
	As at 31 March, 2019	As at 31 March, 2018
Shares outstanding at the beginning of the year	4,000,500	4,000,500
Shares Issued during the year (+)	-	-
Shares bought back during the year (-)	-	-
Shares outstanding at the end of the year	4,000,500	4,000,500

b) Terms/rights attached to equity shares :

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

The equity shareholders of the company are entitled to get the dividend as and when proposed by the Board of Directors and approved by shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- c) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held is as given below:

Name of Shareholder	As at 31 March, 2019		As at 31 March, 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
	-	0%	-	0%

- d) The Company has not allotted any fully paid up equity shares without payment being received in cash and by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date.

3 Reserves and Surplus

Particulars	Amount in `	
	As at 31 March, 2019	As at 31 March, 2018
a) Securities Premium Account		
Opening Balance	-	-
Add : Securities premium credited on Share issue	-	-
Closing Balance	-	-
b) Statutory reserve (under section 45-IC of The Reserve Bank of India Act, 1934)		
Opening Balance	998,894	998,894
Add : Transferred during the year	-	-
Closing Balance	998,894	998,894
c) Surplus/(Deficit) in Profit & Loss Statement		
Opening balance	(2,636,220)	90,462
Add: Net Profit/(Loss) for the current year	(2,278,459)	(2,726,682)
Less: Transferred to statutory reserve	-	-
Closing Balance	(4,914,679)	(2,636,220)
Total	(3,915,785)	(1,637,326)

SPARKLING (INDIA) FINSHARES LIMITED
Significant accounting policies and notes to the accounts for the year ended on 31 March, 2019
4 Long Term Borrowings

Particulars	Amount in `	
	As at 31 March, 2019	As at 31 March, 2018
Unsecured		
-Lorvenka Global IT Services Pvt. Ltd.	2,371,500	2,175,000
-Unixguru Consultant Pvt. Ltd.	801,000	801,000
-Eutro Agro Pvt. Ltd.	800,000	-
-Others	2,422,144	8,052,959
Total	6,394,644	11,028,959

5 Deferred Tax Asset / Liability (Net)

As per the requirement of the Accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the net deferred tax amount credited to Profit during the year is ` 4049 (Previous year credited to profit ` 2691) . The year-end position of Deferred Tax Liability and Asset is given below:

Particulars	Amount in `	
	As at 31 March, 2019	As at 31 March, 2018
Deferred Tax Liability		
Related to Tangible assets	-	3,053
Deferred Tax Assets		
Related to Tangible assets	997	-
Net deferred tax liability/(Assets)	(997)	3,053

6 Long Term Provisions

Particulars	Amount in `	
	As at 31 March, 2019	As at 31 March, 2018
Gratuity Payable	25,006	18,715
Total	25,006	18,715

7 Trade Payable

Particulars	Amount in `	
	As at 31 March, 2019	As at 31 March, 2018
Micro & Small enterprises	-	-
Others		
Modern Advertising	1,144	1,144
Surbhi Bansal & Associates	70,792	1,131
Zeal Advertising Pvt. Ltd	8,749	76
Turnaround Corporate Advisors Pvt. Ltd.	43,200	-
Skyline Financial Services Pvt. Ltd	38,363	-
Others	-	26,802
Total	162,248	29,153

The information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act(MSMED Act), 2006 has been determined to the extent such parties have been identified by the company, on the basis of information and records available with them. Disclosure in respect of interest due on delayed payment has been determined only in respect of payments made after receipt of information, with regards to filing of memorandum, from the respective suppliers. Disclosures under section 22 of the Act, is as under.

SPARKLING (INDIA) FINSHARES LIMITED**Significant accounting policies and notes to the accounts for the year ended on 31 March, 2019**

Particulars	As at 31 March, 2019	As at 31 March, 2018
a) Principal amount due at the year end	-	-
b) Interest due on the principal amount unpaid at the year end	-	-
c) Amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006 along with the amount of payment made to the supplier beyond the appointed year during the accounting year	-	-
d) Amount of interest due and payable for the period of delay in making payment which has been paid but beyond the appointed day during the year, but without adding the interest specified under MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

8 Other Current Liabilities*Amount in `*

Particulars	As at 31 March, 2019	As at 31 March, 2018
Payable to Employees	604,104	12,494
Expenses Payable	545,158	867,398
Statutory Dues payable	30,817	119,298
Total	1,180,079	999,190

9 Short Term Provisions*Amount in `*

Particulars	As at 31 March, 2019	As at 31 March, 2018
Gratuity Payable	38	36
Total	38	36

SPARKLING (INDIA) FINSHARES LIMITED
Significant accounting policies and notes to the accounts for the year ended on 31 March, 2019
10 Property, Plant & Equipment
(Amount in `)

Particulars	GROSS BLOCK				Depreciation/Amortization				Net Block	
	As at 01 April, 2018	Additions	Sales/ Adjustments	As at 31 March, 2019	As at 31 March, 2018	For the year	Sales/ Adjustments	As at 31 March, 2019	As at 31 March, 2019	As at 31 March, 2018
Tangible Assets										
Computer (End User Devices)	75,280		-	75,280	54,488	17,469	-	71,957	3,323	20,792
Furniture & Fixtures	4,185		-	4,185	4,185		-	4,185	-	-
Office Equipment	155,480		-	155,480	155,480		-	155,480	-	-
	234,945		-	234,945	214,153	17,469	-	231,622	3,323	20,792
Intangible Assets	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
TOTAL	234,945	-	-	234,945	214,153	17,469	-	231,622	3,323	20,792

Pursuant to "AS 28- Impairment of Asset" issued by the central Government under the Companies (Accounting Standard) Rule 2006 for determining impairment in carrying amount of fixed asset, the companies has concluded that since recoverable amount of fixed asset is not less than its carrying amount, therefore , no provision for impairment is required in respect of fixed assets owned by the company.

SPARKLING (INDIA) FINSHARES LIMITED

Significant accounting policies and notes to the accounts for the year ended on 31 March, 2019

11 Non Current Investments

<i>Amount in `</i>		
Particulars	As at 31 March, 2019	As at 31 March, 2018
Other Investments		
Investment in Equity Shares of Rs. 10 each		
11,111 Equity Shares (Previous year 11,111 Equity Shares) of SBK Event Management Private Limited	20,000,000	20,000,000
2,50,000 Equity Shares (Previous year 2,50,000 Equity Shares) of IME International Private Limited	5,000,000	5,000,000
Equity Shares (Previous year 163 Equity Shares) of Livraison Food Products Pvt. Ltd.	-	200,000
Other Non Current Investments		
Investment in Gold Bars [10.098 kgs (Previous year-10.098 kgs)	17,702,587	17,702,587
Less: Aggregate provision for diminution in value of investments	-	-
Total	42,702,587	42,902,587
Aggregate value of quoted investments	-	-
Aggregate value of unquoted investments	42,702,587	42,902,587
Aggregate provision for diminution in value of investments	-	-

12 Cash and Cash Equivalents

<i>Amount in `</i>		
Particulars	As at 31 March, 2019	As at 31 March, 2018
Balances with banks*	11,754	191,484
Cash in hand	2,900	4,961
Total	14,654	196,445

* Balances with banks include:

<i>Amount in `</i>		
Particulars	As at 31 March, 2019	As at 31 March, 2018
Current Accounts	11,754	191,484
Total	11,754	191,484

13 Short Term Loans & Advances

<i>Amount in `</i>		
Particulars	As at 31 March, 2019	As at 31 March, 2018
MAT Credit Entitlement	952,344	952,344
Other Loans & Advances	57,600	5,763,326
Total	1,009,944	6,715,670

14 Other Current assets

<i>Amount in `</i>		
Particulars	As at 31 March, 2019	As at 31 March, 2018
Interest Receivable	-	611,286
GST Credit	111,276	-
Prepaid Insurance	5,874	-
Prepaid Expenses	2,575	-
Total	119,725	611,286

SPARKLING (INDIA) FINSHARES LIMITED

Significant accounting policies and notes to the accounts for the year ended on 31 March, 2019

15 Revenue from operations

Amount in `		
Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Revenue from operations	304,278	1,020,141
Total	304,278	1,020,141

16 Employee Benefits Expense

Amount in `		
Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Salary	741,610	780,307
Staff welfare Expenses	-	5,000
Total	741,610	785,307

17 Finance Costs

Amount in `		
Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Interest on Loan	505,142	757,061
Total	505,142	757,061

18 Other Expenses

Amount in `		
Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Audit Fees	92,000	92,000
Advertisement Expenses	14,847	23,439
Communication Expenses	2,823	26,224
Commission Expenses	-	18,000
Bank Charges	7,540	6,294
Direct Listing Fees	270,650	287,500
Insurance Charges	38,836	32,274
Interest on Statutory Dues	14,389	-
Legal & Professional Charges	419,591	1,171,527
General Expenses	3,375	2,092
Electricity & Water Expenses	-	5,920
Fees & Subscription	20,620	50,505
Travelling Expenses	-	117,707
Rent	231,600	216,000
Fees & Taxes	-	35,264
Other Expenses	-	555
Gratuity Expenses	6,293	18,751
Provision for Diminution of Investment	200,000	-
Total	1,322,564	2,104,053

19 Earnings Per Share

Amount in `			
Particulars	Reference	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Net profit/ (Loss) attributable to equity shareholders (Rs.)	A	(2,278,459)	(2,726,682)
Weighted Average Number of Equity Shares outstanding during the year	B	4,000,500	4,000,500
Weighted Average (Diluted) Number of Equity Shares outstanding during the year	C	4,000,500	4,000,500
Face Value per Share (Rs.)	D	10	10
Basic Earnings per equity shares (Rs.)	A/B	(0.57)	(0.68)
Diluted Earnings per equity shares (Rs.)	A/C	(0.57)	(0.68)

20 Payment to Auditors

Amount in `		
Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
As Auditors'		
- Audit Fees (Excluding GST)	92,000	92,000
In Other Capacity		
- Other Matters	-	-
Total	92,000	92,000

SPARKLING (INDIA) FINSHARES LIMITED
Significant accounting policies and notes to the accounts for the year ended on 31 March, 2019
21 Related Party Disclosures
a) Key Managerial Personnel

Name of Related Party	Relationship
Mr. Gandikota Yadagiri (Appointed w.e.f. June 30, 2015)	Director
Mr. Karununga Rudra Pradeepta (Appointed w.e.f. May 04, 2018)	Director
Mr. Dasari Praveen (Appointed w.e.f. May 04, 2018)	Director
Ms. Cheruku Sagarika (Appointed w.e.f. March 30, 2015)	Director
Mr. Pawan Aggarwal (Resigned w.e.f. May 04, 2018)	Director
Mr. Madan Gopal Sharma (Resigned w.e.f. May 04, 2018)	Director
Mr. Surya Prakash Vadlamani (Resigned w.e.f. September 11, 2017)	Chief Executive Officer
Mr. Durgaraju Ramu (Resigned w.e.f. September 11, 2017)	Chief Financial Officer
Mr. Kancharla Mahidhar (Appointed w.e.f. September 11, 2017)	Chief Executive Officer
Mr. Badampudi Durga Rao (Appointed w.e.f. September 11, 2017)	Chief Financial Officer
Ms. Teena Rani (Resigned w.e.f. February 13, 2019)	Company Secretary

b) Other Directors with whom transactions has entered during the year

Ms. Cheruku Sagarika	Director
----------------------	----------

c) Transactions with Related Parties

Particulars	Amount in `	
	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Unsecured Loan Taken		
Ms. Cheruku Sagarika	380,500	500,000
Remuneration to KMPs		
Mr. Surya Prakash Vadlamani	-	187,835
Mr. Durgaraju Ramu	-	80,500
Mr. Kancharla Mahidhar	360,000	199,000
Mr. Badampudi Durga Rao	120,000	66,333
Ms. Teena Rani	261,610	112,500
Balance Payable		
Ms. Cheruku Sagarika	2,422,144	2,041,644
Mr. Badampudi Durga Rao	120,000	-
Mr. Kancharla Mahidhar	360,000	-
Ms. Teena Rani	124,104	12,494

22 The Company does not have any contingent liability or commitments as on 31.03.2019.

23 According to Rule-4 of the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, all the listed companies have to prepare financial statement on Ind AS basis. This Company is listed company but its nature is Non Banking Financial Company (NBFC) and Ind AS is applicable from 1st April 2019. Therefore, financial statements has not been prepared on the basis of Ind AS.

24 The Company is operating in single line of business and geographical segment, hence in accordance with AS-17- "Segment Reporting" there are no separate reportable segments either on the basis of business segmentation or geographical segmentation.

25 The accounts of certain Trade Receivables, Short Term Loans and Advances, Investment in Shares, Investment in Gold, Current Liabilities are subject to confirmation / reconciliation and adjustment, if any. The Management does not expect any material difference affecting the current year's financial statements.

In the opinion of the management, the current assets, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the books of accounts.

26 Information as required under "Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015" is furnished vide Annexure - 1 attached herewith.

SPARKLING (INDIA) FINSHARES LIMITED

Significant accounting policies and notes to the accounts for the year ended on 31 March, 2019

- 27** The Company has prepared these financial statements as per the format prescribed by Schedule III to the Companies Act, 2013 ('the schedule') issued by Ministry of Corporate Affairs.
- 28** Figures for previous year have been regrouped and/or reclassified wherever considered necessary, to confirm to current year's classification.
- 29** Previous year figures have been regrouped/rearranged/recasted wherever considered necessary.

As per our report of even date attached

For Sushil Lal & Associates
Chartered Accountants
FRN-021758N

For and on behalf of Board of Directors of
Sparkling (India) Finshares Limited

CA. S. K. Lal
Managing Partner
Membership No.: 509185

GandikotaYadagiri
Director
DIN: 07225373

Cheruku Sagarika
Director
DIN: 07167996

Signed at New Delhi on May 30, 2019

Kancharla Mahidhar
Chief Executive Officer

Badampudi Durga Rao
Chief Financial Officer

Annexure-I

Schedule appended to the Balance Sheet of a Non-Systemically Important Non-Deposit taking Non-Banking Financial Company

[as required in terms of Paragraph 13 of Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015]

Amount in `

Particulars**Liabilities Side :****1 Loans and advances availed by the Non-Banking Financial Company (NBFCs)****inclusive of interest accrued thereon but not paid :****Amount
Outstanding****Amount
Overdue**

(a) Debentures

-Secured

-

-

-UnSecured

-

-

(other than falling within the meaning of public

(b) Deferred Credits

-

-

(c) Term Loans

-

-

(d) Inter-corporate loans and borrowing

-

-

(e) Commercial Paper

-

-

(f) Public Deposits

-

-

(g) Other Loans

6,394,644

-

Assets Side :**2 Break-up of Loans and Advances including bills receivables [other than those included in 4 below]****Amount
Outstanding in `**

(a) Secured

-

(b) Unsecured

57,600

3 Break up of Leased Assets and stock on hire and other Assets counting towards AFC activities**Amount
Outstanding in `**

(i) Lease assets including lease rentals under sundry debtors :

(a) Financial Lease

-

(b) Operating Lease

-

(ii) Stock on hire including hire charges under sundry debtors :

(a) Assets on hire

-

(b) Repossessed Assets

-

(iii) Other loans counting towards AFC activities

(a) Loans where assets have been repossessed

-

(b) Loans other than (a) above

-

4 Break-up of Investments :**Amount
Outstanding in `****Current Investments****1. Quoted :**

(i) Shares :

(a) Equity

-

(b) Preference

-

(ii) Debentures and Bonds

-

(iii) Units of mutual fund

-

(iv) Government Securities

-

(v) Others

-

2. Unquoted :

(i) Shares :

(a) Equity

-

(b) Preference

-

(ii) Debentures and Bonds

-

(iii) Units of mutual fund

-

(iv) Government Securities

-

(v) Others

-

Long Term Investments :**1. Quoted :**

(i) Shares :

(a) Equity

-

(b) Preference

-

(ii) Debentures and Bonds

-

(iii) Units of mutual fund

-

(iv) Government Securities

-

(v) Others

-

2. Unquoted :

(i) Shares :		
	(a) Equity	25,000,000
	(b) Preference	-
(ii) Debentures and Bonds		-
(iii) Units of mutual fund		-
(iv) Government Securities		-
(v) Others (Gold Bars)		17,702,587

5 Borrower group-wise classification of assets financed as in (2) and (3) above :

Category	Amount net of Provisions (in `)		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	57,600	57,600
Total	-	57,600	57,600

6 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

	Market Value / Break up or fair value or NAV (in `)	Book Value (Net of Provisions) (in `)
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	25,000,000	25,000,000
Total	25,000,000	25,000,000

7 Other information

Particulars	Amount in `
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(ii) Assets acquired in satisfaction of debt	-

As per our report of even date attached

For Sushil Lal & Associates
Chartered Accountants
FRN-021758N

For and on behalf of Board of Directors of
Sparkling (India) Finshares Limited

CA. S. K. Lal
Managing Partner
Membership No.: 509185

Gandikota Yadagiri
Director
DIN: 07225373

Cheruku Sagarika
Director
DIN: 07167996

Signed at New Delhi on May 30, 2019

Kancharla Mahidhar
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