



GROWTH & SECURITIES LTD.

Enhancing Fortunes. Enriching Lives.



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CURRENCY DERIVATIVES • DP-CDSL

Date: 4th December 2020

National Stock Exchange of India Ltd,
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051

BSE Ltd,
Department of Corporate Services
P. J. Towers, Dalal Street,
Mumbai - 400 001

Scrip Name: Inventure

Scrip Code: 533506

Sub: Annual Report of the Company for the Financial Year 2019-2020

Dear Sir/Madam,

Pursuant to Regulation 34(1) and Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the Annual Report of the Company for the Financial Year 2019-2020 along with the Notice of 25th Annual General Meeting of the Members of the Company.

The aforesaid documents are also available on the Company's website www.inventuregrowth.com

Kindly take the same on record and acknowledge receipt.

Thanks & Regards,

For Inventure Growth & Securities Ltd

Bhavi R. Gandhi
(Company Secretary & Compliance officer)





INVENTURE

GROWTH & SECURITIES LTD.
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25th ANNUAL REPORT 2020



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CORPORATE INFORMATION

BOARD OF DIRECTORS:

1. Shri Kanji B. Rita	Chairman & Managing Director
2. Shri Kamlesh S. Limbachiya	Whole Time Director
3. Mr. Harilal B. Rita(Resigned w.e.f.12/09/2020)	Director
4. Mr. Lasha Meet Rita	Director
5. Mr. Meet K. Rita (Resigned w.e.f.12/09/2020)	Whole-time Director
6. Mr. Deepak M. Vaishnav	Independent Director
7. Mr. Ajay Khera (Resigned w.e.f.18/08/2020)	Independent Director
8. Mr. Dilip C. Shah(Removed w.e.f 15/07/2020)	Independent Director
9. Mr. Bharat P. Shah	Independent Director
10. Mr. Shilpa Vishal Solnaki	Independent Director

AUDIT COMMITTEE

Mr. Deepak M. Vaishnav (Chairman upto 15/07/2020)(Member w.e.f 15/07/2020)
Mr. Ajay Khera - Member (Resigned from Company wef 18/08/2020)
Mr. Bharat P Shah (Chairman w.e.f 15/07/2020)
Ms. Shilpa Solanki - Member (w.e.f 12/09/2020)
Mr. Kamlesh S Limbachiya - Member
Mr. Kanji B. Rita – Member (w.e.f 15/07/2020)

STAKEHOLDER RELATIONSHIP COMMITTEE

Mr. Deepak M. Vaishnav (Chairman wef 12/09/2020)
Mr. Bharat P Shah (Member wef 12/09/2020)
Mr. Ajay Khera (Resigned from Company wef 18/08/2020)
Mr. kamlesh S. Limbachiya

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Bhavi R Gandhi

CHIEF FINANCIAL OFFICER

Mr. Arvind J. Gala

INTERNAL AUDITORS

M/s. Shah & Ramaiya Chartered Accountants

SECRETARIAL AUDITOR

D. M. Zaveri & Co.

REGISTERED OFFICE

CIN No. L65990MH1995PLC089838
201,2nd floor, Viraj Towers,
Western Express Highway,
Andheri – East, Mumbai – 400069

NOMINATION & REMUNERATION COMMITTEE

Shri Ajay Khera (Chairman upto 15/07/2020)
Shri Deepak M. Vaishnav (Chairman w.e.f 15/07/2020)
Mr. Bharat P. Shah – Member
Mr. Harilal B. Rita – Member (upto 15/07/2020)
Mrs. Shilpa V. Solanki - Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Shri Bharat P. Shah (Chairman)
Shri Kanji B. Rita
Shri Kamlesh S. Limbachiya

STATUTORY AUDITORS

M/s. PHD & Associates
Chartered Accountants
Radha Chambers, Level 3, Teli lane,
Andheri-East, Mumbai

BANKERS

Bank of India
HDFC Bank Ltd.
Kotak Mahindra Bank Ltd.
Axis Bank Ltd.
Punjab National Bank
ICICI Bank Ltd.

REGISTRAR AND SHARE TRANSFER AGENT

LINKINTIME INDIA PRIVATE LIMITED
C 101, 247 Park, LBS Marg, Surya Nagar,
Gandhi Nagar, Vikhroli West, Mumbai,
Maharashtra 400083

FROM THE DESK OF CHAIRMAN

Dear Shareholders,

The last financial year was very volatile and challenging for the overall markets with various macro-level headwinds like weak auto sales, muted growth in personal and consumer loans and sluggish rural demand. Adding to these woes was the default of a major housing finance company, escalation in US-China trade tensions and fall in oil prices. Even then, equity markets enjoyed a bull run for most part of the year with the Sensex and Nifty touching an all-time high in January.

But with the origination and spread of coronavirus and significant lockdown imposed by the government, economic activity was severely disrupted. India's growth engines (private consumption, private investment and exports) slowed down significantly due to tightening credit and poor customer sentiment. Despite such challenges during the year, our company withstood the volatility and continued to march towards achieving linearity in the business.

We continue to remain optimistic on the growth potential of all our business verticals given the robust fundamental structure and revival in macro-conditions. Our consolidated revenues for Financial Year 2019-2020 stood at Rs.217 Million.

We firmly believe in our QGLP (Quality, Growth, Longevity and Price) philosophy which has rewarded us over the years in terms of performance and will continue to follow for continuous improvement.

We focus on maintaining strong foundations in these businesses through investments which could generate long-term benefits and built products to enhance customer delight such as Equity Advisory Product IGSL Elite, Margin Trading Facility, EKYC, Mutual Fund distributions and Research Analysis to our valued customers.

Your Company has been able to seize the opportunities presented by the challenges in the current market meltdown, and also protect itself from challenges posed by dynamic and volatile Market. Change has become the norm of the day and for us to retain our position, it is essential to have a multi-pronged approach to remain future-ready. Towards this end, we continue to work on:

a) Taking advantage of innovations and high-end technology b) committing to sustainable and responsible growth and c) Building future-ready capabilities.

Our Subsidiaries have scaled up their performances which are commendable in nature despite multiple challenges presented by the external environment, change in Government and its Policies. Building on core strengths of the Group and unparalleled industry insights of our leadership, the Group continued to focus increasingly on higher value addition to its stakeholders.

I would like to take this opportunity to thank to all our Valued Customers, Suppliers, Bankers and all other Stakeholders, including the Shareholders for their continued support to Inventure Group. I earnestly request them to extend the same cooperation and support with same enthusiasm.

To all my colleagues, I have a special message – I have been saying time and time again – “Change is the only constant”. There is always room for improvement – no matter how long we have been in business. I earnestly request each one of you to embrace change, focus on your deliverables, help one another to meet the targets we set for ourselves together; in short – be worthy ambassadors carrying forward the Inventure legacy for our future generation.

Thanks & Regards,

Sd/-
Shri Kanji B. Rita
(Chairman & Managing Director)
DIN: 00727470
Inventure Growth & Securities Limited

BOARD OF DIRECTORS

Shri Kanji B. Rita (Chairman & Managing Director)

Mr. Kanji B. Rita, 54 years, is the Managing Director w.e.f. 24.09.2015 of our Company. He is a non-matriculate and started his career in retail steel sector from the year 1984. He has over 17 years of experience in the stock markets. He has diversified business interests in the areas of realty, retail and finance. In the year 2002 he incorporated Vandana Collection Private Limited and set up a retail store by the name "Kenorita". He ventured into the real estate sector and has multiple projects running under the banner of Krushmi Developers Private Limited, Ratnasagar Diamond Mall Private Limited and Kenorita Developers Private Limited.

Shri Kamlesh S. Limbachiya (Whole-time Director)

Shri Kamlesh S. Limbachiya 53 Years, is a Whole Time Director of the Company with effect from 1st April 2014. He is Commerce Graduate and started his career in the year 1993. He has 18yrs of experience in Readymade Garments business including 14 years of experience in construction business. He works as a Partner in M/S Shri Paridhan Traders and as a Director in Keshvi Developers Private Limited.

Mrs. Lasha Rita (Whole Time Director) (wef 12/09/2020)

Mrs. Lasha Rita, is Designated Director in Inventure Commodities and Inventure Growth and Securities limited. She is qualified with degree of B.M.S, M.Com and PGDM in Marketing. She has experience of 6 years including 3 years of experience in Securities Market. She is handling day to day activities of the company which includes Operations, Accounts and technology. She is also developing technology based system to improve the quality and performance of various departments

Shri Deepak M. Vaishnav (Independent Director)

Mr. Deepak M. Vaishnav, 56 years, is the Independent Director of our Company. He is a Chartered Accountant by profession. He has a vast experience of 27 years in the fields of business process re-engineering, computerization of processes, ERP evaluation, implementation and post production support, ERP due diligence, providing functional, technical and strategic support to various teams working on various projects in diverse industries like stock exchange, finance, real estate, telecommunication, banking, government financials, IT consulting, insurance and investments, process manufacturing, retail etc. at different locations in India and abroad. He is employed with Tata consultancy services.

Shri Bharat P. Shah (Independent Director)

Shri Bharat Popatlal Shah is an Independent Director in our company. He is qualified as a B.com from Mumbai University & Chartered Accountants from ICAI. His work experience is more than 34 years & currently he is Proprietor of Bharat P. Shah & Co.

Mrs. Shilpa Vishal Solanki (Independent Director)

Mrs. Shilpa Vishal Solanki, is an Independent Director has 21 years of working experience in accountancy background. She is Qualified as a B. Com from Mumbai University as well as Chartered Accountants from ICAI. By profession she is Practicing Chartered Accountants in the firm name "M/s Shilpa S Jain and Associates", she was partner in Yardli Prabhu & Associates

NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the Members of Inventure Growth & Securities Limited will be held on Saturday, 26th December 2020 at 11.00 AM through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), to transact, with or without modifications, as may be permissible, the following business :

ORDINARY BUSINESS:

1. To consider and adopt (a) the Audited Financial Statement of the Company for the financial year ended 31st March, 2020 and the reports of the Board of Directors and Auditors thereon; and (b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2020 and the report of the Auditors thereon and in this regard, to pass the following resolutions as Ordinary Resolutions:

- (a) **RESOLVED THAT** the Audited Financial Statement of the Company for the Financial Year ended 31st March, 2020 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
- (b) **RESOLVED THAT** the Audited Consolidated Financial Statement of the Company for the Financial Year ended 31st March, 2020 and the report of the Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To appoint Mr. Kanji B. Rita (DIN 00727470) who retires by rotation as a Director and being eligible, offers himself for re appointment.

3. To consider & approve Appointment of Statutory Auditor

To appoint Auditor and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**.

“**RESOLVED THAT** pursuant to the Section 139, 142 and applicable provision of the Companies Act 2013, the Companies (Audit and Auditors) Rules 2014 and other applicable statutory provisions, M/S PPV & Co. Chartered Accountants, (Firm Registration No 153929W) be and is hereby appointed as Statutory Auditors of the Company, for a term of five years and to hold office from conclusion of this Annual General Meeting (AGM) till conclusion of the AGM to be held in the year 2025, on the terms and fees as mentioned in the explanatory statement, and that the Board be and is hereby authorized to vary their remuneration and decide about reimbursement of out of pocket expenses, as may be incurred, in the performance of Audit

SPECIAL BUSINESS:

4. To approve Reclassification of Promoter & Promoter Group of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments made thereto) (hereinafter referred to as “Listing Regulations”) including any statutory modification(s) or re-enactment thereof, for the time being in force and other applicable provisions of Listing Regulations and other applicable laws, subject to requisite approval from the SEBI, Stock Exchanges and other appropriate statutory authorities, as may be necessary, the consent of the members of the Company be and is hereby accorded to re-classify the status of Mr. Pravin Gala holding ,10,00,000 equity shares of Rs 10 each of the Company comprising 1.19 % of the paid capital of the Company (hereinafter referred to as “applicant”) forming part of the Promoter Group from “Promoter and Promoter Group Category” to “Public Category”.

“**RESOLVED FURTHER THAT** that the applicant seeking re-classification and persons related to the applicant [as defined under sub-clauses (ii), (iii) and (iv) of clause (pp) of sub-regulation (1) of regulation 2 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018] seeking re-classification shall not:

(i) together, hold more than ten percent of the total voting rights in the Company; (ii) exercise control over the affairs of the Company directly or indirectly; (iii) have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements; (iv) be represented on the board of directors (including not having a nominee director) of the Company; (v) act as a key managerial person in the Company; (vi) be a 'wilful defaulter' as per the Reserve Bank of India Guidelines; (vii) be a fugitive economic offender.

"RESOLVED FURTHER THAT Mr. Kanji B. Rita, Chairman & Managing Director and/or Mr. Kamlesh S. Limbachiya, Whole Time Director, and/or Mrs. Bhavi R. Gandhi, Company Secretary be and are hereby authorized to submit the application for reclassification to the SEBI Board, Stock Exchange, wherein the securities of the company are listed or any other regulatory body, as may be required, and to take such steps expedient or desirable to give effect to this resolution.

"RESOLVED FURTHER THAT Mr. Kanji B. Rita, Chairman & Managing Director and/or Mr. Kamlesh S. Limbachiya, Whole Time Director, and/or Mrs. Bhavi R. Gandhi, Company Secretary of the Company be and are hereby authorized to do all such acts, deeds and things and deal with all such matters and take all such steps as may be necessary to give effect to this resolution.

5. To appoint Mrs. Lasha Meet Rita as Whole Time Director of the Company w.e.f 12th September 2020.

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

"RESOLVED THAT pursuant to the provisions of Sections 203, 196, 197 and 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder including the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, Articles of Association of the Company, (including any statutory modifications or re-enactment thereof for the time being in force), subject to necessary approvals, if any, the consent of the Company be and is hereby accorded for the appointment of Mrs. Lasha Meet Rita (DIN: 08104505) as Whole time Director of the Company for a period of 3 (Three) years i.e. 12th September 2020 to 11th September 2023, on the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting (including the remuneration to be paid in the event of loss or inadequacy of Profits in any financial year during the tenure of his appointment), with the liberty and powers to the Board of Directors to increase, alter and vary the salary, commission and perquisites and other terms in such manner as the Board in its absolute discretion deems fit and is acceptable to Mrs. Lasha Meet Rita (DIN: 08104505) within the limits specified in Section 197 and Schedule V to the Companies Act, 2013 or any amendments, modifications, re-enactments thereof in force from time to time in this behalf.

"RESOLVED FURTHER THAT the Board of the Company, be and is hereby authorized to do all such acts, deeds and action as it may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental for giving effect to this Resolution, enter into agreement or issue letter if necessary, and to settle questions, remove any difficulty or doubt that may arise from time to time and to take such action or give such directions as may be necessary or desirable and to obtain any approvals, permissions or sanctions which may be necessary or desirable, as it may think fit."

**By Order of the Board of Directors
For Inventure Growth & Securities Ltd
Sd/-
Kanji B. Rita
DIN:- 00727470
(Chairman & Managing Director)**

**Place: Mumbai
Date: 10.11.2020**

NOTES:

- 1) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its Circular No. 20 dated May 5, 2020 read with Circular No. 14 dated April 8, 2020 and Circular No. 17 dated April 13, 2020 (hereinafter collectively referred to as “MCA Circulars”) permitted the holding of Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Members of the Company is being held through VC/OAVM.
- 2) The deemed venue for the AGM will be place from where the Chairman of the Board conducts the meeting. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
- 3) Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
- 4) In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 5) Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to dmz@dmzaveri.com with copies marked to the Company at cs@inventuregrowth.com and to its RTA at saili.lad@linkintime.co.in.
- 6) Relevant documents referred to in the accompanying notice and explanatory statements are open for inspection by the members at the registered office and corporate office of the Company on all working days between 11.00 a.m. and 2.00 p.m. and will also be made available at the meeting. Said documents will be made available at Company’s website www.inventuregrowth.com or through electronic means on request.
- 7) A Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), relating to the Special Business to be transacted at the Meeting is annexed hereto.
- 8) Details of Directors retiring by rotation / seeking re-appointment at the ensuing Meeting are provided in the “**Annexure 1**” to the Statement pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.
- 9) Members having any questions on financial statements or on any agenda item proposed in the notice of Annual General Meeting are requested to send their queries at least seven days prior to the date of Annual General Meeting at the registered office address of the Company to enable the Company to collect the relevant information.
- 10) The Register of Members and Share Transfer Books of the Company will remain closed 18th December, 2020 to 26th December, 2020 (both days inclusive).

To support green initiative, members who have not registered their e-mail address so far, are requested to register the same in the following manner.

- a. In respect of electronic/demat holdings, through concerned Depository Participant (DP).

- b. Members who hold shares in physical form are requested to send their email address to cs@inventuregrowth.com quoting name and folio number. This initiative would enable the members to receive communication promptly besides paving way for reduction in paper consumption and wastage. In case of any change in the email address, shareholders can update it in the same manner as mentioned above.
- 11) Nomination: Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to section 72 of the Companies Act, 2013 read with relevant rules. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH13 duly filled in and signed to the Company or RTA.
- 12) Members are requested to note that pursuant to the provisions of Section 124(5) of the Companies Act, 2013, the dividend remaining unclaimed / unpaid for a period of seven years from the date it becomes due for payment shall be credited to the Investor Education and Protection Fund (IEPF) set up by the Central Government.
- 13) Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio.
- 14) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. 20th November 2020
- 15) A person, whose name is recorded in the register of members or in the register of beneficial owners of the Company, as on the cut-off date i.e. 20th November 2020 shall be entitled to avail the facility of e-voting, either through remote e-voting and voting at the AGM. A person who is not a member as on the cut-off date should treat this notice for information purposes only.
- 16) Mandatory PAN Submission: 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 details 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's RTA, Link Intime India Private Limited.
- 17) Members may note that the Notice of the 25th Annual General Meeting and the Annual Report for the year 2019-2020 will also be available on the Company's website www.inventuregrowth.com and on the website of Linkintime i.e. <https://www.linkintimeindia.co.in>.
- 18) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their nominations, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Members holding shares in physical form are requested to intimate such changes the Company's Registrar and Transfer Agents.

19) Registration of email ID and Bank Account details:

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/ Depositories, log in details for e-voting are being sent on the registered email address.

In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

- (i) Kindly log in to the website of our RTA, Linkintime India Private Ltd., www.linkintime.co.in under Investor Services > Email/ Bank detail Registration - fill in the details and upload the required documents and submit. **OR**
- (ii) **In the case of Shares held in Demat mode:**

The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

- 20) The Notice of the Annual General Meeting along with the Annual Report for the financial year 2019-20 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2019-20 will also be available on the Company's website www.inventuregrowth.com ; websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at www.nseindia.com and www.bseindia.com respectively. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
- 21) Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
- 22) Instructions for e-voting and joining the Annual General Meeting are as follows:

Instructions for Shareholders/Members to Attend the Annual General Meeting through Insta Meet:

Instructions for Shareholders/Members to attend the Annual General Meeting through Insta Meet (VC/OAVM) are as under:

- 1) Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Linkintime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.

Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/ Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted upto members only.

Shareholders/ Members will be provided with Insta Meet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:

1. Open the internet browser and launch the URL for Insta Meet <<<https://instameet.linkintime.co.in>>> and register with your following details:
 - a. DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company
 - b. PAN: Enter your 10 digit Permanent Account Number (PAN)
 - c. Mobile No.
 - d. Email ID
2. Click "Go to Meeting"

Note:

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call us: - Tel : (022-49186175)

Instructions for Shareholders/Members to register themselves as Speakers during Annual General Meeting:

Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at (cs@inventuregrowth.com) from 23.12.2020 at 09.00 am to 25.12.2020 at 5.00 pm (preferably one day or 24 hrs. prior to the date of AGM).

The first Speakers on first come basis will only be allowed to express their views/ask questions during the meeting.

Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (cs@inventuregrowth.com). The same will be replied by the company suitably.

Shareholders will receive 'speaking serial number' once they mark attendance for the meeting. Shareholders are requested to speak only when Moderator of the meeting will announce the name and serial number for speaking.

Please remember 'speaking serial number' and start your conversation with panelist by switching on audio of your device.

Note:

Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.

Shareholders/ Members should allow to use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
2. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired.
Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call us: - Tel : (022-49186175)

24. EVOTING FACILITY Pursuant to the Listing Regulations, section 108 of the Companies Act 2013 and Companies (Management and Administration) Rules 2014, the Company is providing the facility to members to exercise their right to vote by electronic means by remote e-voting facility and accordingly business/resolutions as mentioned in the AGM Notice shall be transacted also considering e-voting. Necessary arrangements have been made by the Company with Linkintime (India) Limited to facilitate e-voting. The Company has appointed Mr. Dharmesh Zaveri of D M Zaveri & Co., Practicing Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of votes cast, in a fair and transparent manner. The Company may vary dates as mentioned herein and scrutinizer, if necessary to meet the compliance or if circumstances so warrant. For the purpose of dispatch of this notice, shareholders of the Company holding shares either in physical form or in dematerialized form as on 20th November, 2020, have been considered. Any person, who acquires shares of the Company and becomes member of the Company after the said date, may obtain login ID and password by sending a request at cs@inventuregrowth.com or Share Transfer Agents at saili.lad@linkintime.co.in The Members whose names appear in the Register of Members/ list of Beneficial Owners as received from Depositories as on 19th December 2020 ("cut-off date") are entitled to vote on the resolutions set forth in this Notice. Person who is not a member as on the said date should treat this Notice for information purpose only. The e-voting period will commence on 23rd December 2020 (9:00 a.m.) and will end on 25th December 2020 (5:00 p.m.). During the said period, shareholders of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Also, only those shareholders, who will be present at the AGM through VC/ OAVM facility and who would not have cast their vote in above mentioned e-voting period prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the AGM. On submission of the report by the scrutinizer, the result of voting at the meeting and e-voting shall be declared. The Results along with the Scrutinizer's Report shall be placed on the Company's website www.inventuregrowth.com and on the website of Linkintime (India) Limited. Result will be declared forthwith on receipt of the Report of the Scrutinizer.

Instructions for shareholders to vote electronically:

❖ Log-in to e-Voting website of Linkintime India Private Limited (LIPL)

1. Visit the e-voting system of LIPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
2. Click on "Login" tab, available under 'Shareholders' section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
4. Your User ID details are given below:
 - a. **Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID
 - b. **Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID
 - c. **Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company
5. Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

For Shareholders holding shares in Demat Form or 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). <ul style="list-style-type: none"> Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number (Last Four Digits) as recorded in your demat account or in the company records for the said demat account or folio number. <ul style="list-style-type: none"> Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

❖ **Cast your vote electronically**

- After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.
- On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.

- If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.

After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish

9. to confirm your vote, click on “YES”, else to change your vote, click on “NO” and accordingly modify your vote.
10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
11. You can also take the printout of the votes cast by you by clicking on “Print” option on the Voting page.

❖ **General Guidelines for shareholders:**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund / Corporate Body**’.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘Custodian / Mutual Fund / Corporate Body’ login for the Scrutinizer to verify the same.
- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular “Event”.
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions (“FAQs”) and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : 022 - 49186000.

**By Order of the Board of Directors
For Inventure Growth & Securities Ltd
Sd/-
Kanji B. Rita
DIN:- 00727470
(Chairman & Managing Director)**

**Place: Mumbai
Date: 10.11.2020**

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3 - Appointment of Statutory Auditor

It is proposed to appoint PPV& Co Chartered Accountants (the Firm or Auditor) as a statutory auditor of the Company pursuant to the applicable provision of the Companies Act 2013 (the Act). As confirmed by the said proposed auditor, it is eligible for appointment and their appointment if made would be within the prescribed limits and shall be in accordance with the conditions and criteria as prescribed in section 141 and other applicable provisions of the Act and Rules made thereunder. The Audit Committee and the Board has, considering the experience and competency of the proposed auditors, requirement of the Company and other relevant aspects, recommended the appointment of M/S PPV & Co. Chartered Accountants, (Firm Registration No 153929W) as a statutory auditor of the Company pursuant to provisions of the Companies Act 2013 and other applicable statutory provisions. The Audit Committee is of the view that considering the experience of partners and profile of the Firm, it is appropriate to recommend the appointment. Brief details / Profile of the M/S PPV & Co. Chartered Accountants is posted on the Company's website. The fees / remuneration of the Auditor shall be for the financial year basis for statutory audit, issue of audit reports, issue of limited review reports and service relating thereto, audit of internal financial control relating financial reporting and reports or certificates to be issued as a statutory auditor. Aforesaid audits and reports includes for standalone and consolidated financial statements. In case the Auditor ceased as auditor due to whatsoever reason, before completing audit or non-issue of audit report or limited review for relevant financial year / quarter, the fees shall be as may be determined by the Board of Directors of the Company. In case the Auditor resign or ceased as such, it shall complete audit / limited review and issue report as per the SEBI Regulation 2015 and circulars issued by SEBI in this respect. It is proposed to authorize the Board to vary the fees as per requirement of the Company. The Board recommends the resolution relating to appointment of auditor as set out in the Notice for your approval by way of passing ordinary resolution. Directors, Key Managerial Personnel of the Company and any of their relatives are not in any way, concerned or interested in this resolution.

Item No 4. Reclassification of Promoter & Promoter Group of the Company

The Company has received an Application from Mr. Pravin Gala falling under the category of Promoters/Promoter group of the Company, requesting to reclassify him as a Public Shareholder.

The applicant holds 10,00,000 equity shares of Rs 10 each of the Company comprising 1.19% of the total issued and paid-up share capital of the Company. He does not exercise any control over the company. He is in no way connected with the management of the affairs of the company. He neither have representation on the Board of Directors of the Company, nor holds any key managerial personnel position in the Company. The Company has also not entered into any shareholders agreement with him. Further he does not have any special rights as to voting power or control of the Company, nor any special information rights.

Based on the letter received from an applicant, the matter was discussed by the Board of Directors of the Company at their meeting held on 15th July 2020 and Board decided to get the applicant reclassified from the category "Promoter" to "Public" with the approval of the Stock Exchange.

A reclassification may also be permitted by the Stock Exchange under main listing regulations No 31A(2) itself with the additional conditions specified under regulation 31A9&) of the listing regulations. The sum total conditions under the two sub regulations are as follows:

1. A request for reclassification is to be made by the concerned listed entity or by the concerned shareholder to stock exchanges.
2. All relevant evidence to be provided
3. Reclassified Promoter shall not directly or indirectly exercise control over the affairs of the entity
4. Increase in the level of public shareholding pursuant to reclassification of promoter shall not be considered towards achieving compliance with minimum public shareholding requirement under rules 19A of the Securities Contract (Regulations) rules 1957.
5. The event of reclassification shall be disclosed to the stock exchanges as a material event in accordance with the provisions of the listing regulations.

All the conditions specified under regulation 31A(2) and 31A(7) of listing regulation have been duly complied with by the Company.

No Director, Key managerial personnel or their relatives are in any way concerned or in the resolution No 4 other than Mr. Pravin Gala the applicant.

The Board of Directors recommend the Resolution set forth in the notice for approval by the shareholders.

Item No 5. – Appointment of Mrs Lasha Rita (DIN:08104505) as Whole Time Director of the Company.

Re-appointment of Mrs. Lasha Meet Rita (DIN: 08104505) as Executive Whole Time Director of the Company. The Board of Directors in the meeting held on 12th September 2020, on the recommendation of the Nomination & Compensation Committee, recommended for the approval of the Members, the appointment of Mrs. Lasha Meet Rita as a Whole Time Director of the Company. The principal terms and conditions of appointment of Mrs. Lasha Meet Rita (herein after referred to as an “Executive Director”) are as follows:

- A. **TENURE OF APPOINTMENT:** The appointment of the Executive Director is for a period of Three years with effect from 12th September 2020.
- B. **NATURE OF DUTIES:** The Executive Director shall devote her whole time and attention to the business of the Company and shall perform such duties as may be entrusted to her by the Board from time to time and separately communicated to her and exercise such powers as may be assigned to her, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of one or more of its associated companies and / or subsidiaries, including performing duties as assigned to the Executive Director from time to time by serving on the Boards of such associated companies and / or subsidiaries or any other executive body or any committee of such a company
- C. **REMUNERATION:** I. **Basic Salary:** Current Basic Salary of up to ₹1,25,000/- per month. The annual increments which will be effective from 1st April each year, will be decided by the Board based on the recommendations of the Nomination and Remuneration Committee (“NRC”) or by the NRC on authority of the Board and will be performance-based and take into account the Company’s performance as well, provided that the total remuneration shall not exceed the limits specified under the Companies Act, 2013.
- II. **Benefits, Perquisites & Allowances:** a. **Housing Allowances:** As per the rules of the Company. b. **Medical Reimbursement** incurred for herself and her family: As per the rules of the Company. c. **Personal accident / Medical Insurance:** As may be decided by the Board/Nomination and Remuneration Committee. d. **Club Memberships:** Subscription or reimbursement of membership fees (including admission and life membership) for two clubs in India and/or abroad. e. **Leave Encashment:** As per the rules of the Company. f. **Personal Accident Insurance:** As may be decided by the Board/Nomination and Remuneration Committee. g. **Benefits, if any, assigned under Keyman Insurance Policy.** h. **Other Allowances:** As may be decided by the Board/ Committee from time to time, subject to the provisions of the Companies Act, 2013 and Schedule V thereto. **Explanation:** Perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost. i. **Telephone:** Free telephone(s) at her residence; Personal long distance calls will be billed to the Whole time Director. **Explanation:** The amenities shall not be included for the purposes of computation of the remuneration as aforesaid.
- D. **MINIMUM REMUNERATION:** Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Salary, Benefits, Perquisites, Allowances and Commission subject to further approvals as required under Schedule V of the Companies Act, 2013, or any modification(s) thereto.
- E. **OTHER TERMS OF APPOINTMENT:** a. The Executive Director shall not become interested or otherwise concerned, directly or through her spouse and / or children, in any selling agency of the Company.

b. The terms and conditions of the appointment of the Executive Director may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Executive Director, subject to such approvals as may be required.

c. The Agreement may be terminated by either party by giving to the other party Three months' notice of such termination or the Company paying Three months' remuneration in lieu thereof.

d. The employment of the Executive Director may be terminated by the Company without notice or payment in lieu of notice:

- if the Executive Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which she is required to render services; or
- in the event of any serious repeated or continuing breach (after prior warning) or non-observance by the Executive Director of any of the stipulations contained in the Agreement;

e. Upon the termination by whatever means of the Executive Director's employment:

- the Executive Director shall immediately cease to hold offices held by her in any holding company, subsidiaries or associated companies without claim for compensation for loss of office by virtue of Section 167(1)(h) of the Act and shall resign as trustee of any trusts connected with the Company;
- the Executive Director shall not without the consent of the Company, at any time thereafter represent herself as connected with the Company or any of the subsidiaries or associated companies.

e. All Personnel Policies of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to the Executive Director, unless specifically provided otherwise.

f. The terms and conditions of appointment of the Executive Director also include clauses pertaining to adherence with the Company's Code of Conduct, non-solicitation and maintenance of confidentiality. h. If and when the Agreement expires or is terminated for any reason whatsoever, the Executive Director will cease to be the Executive Director, and also cease to be a Director. If at any time, the Executive Director ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Executive Director, and the Agreement shall forthwith terminate. Requisite Notice under Section 160 of the Act proposing the appointment of Mrs. Lasha Meet Rita has been received by the Company, and consent has been filed by Mrs. Lasha Meet Rita pursuant to Section 152 of the Act. The Directors are of the view that the appointment of Mrs. Lasha Meet Rita as Executive Director will be beneficial to the operations of the Company and the remuneration payable to her is commensurate with her abilities and experience and accordingly commend the Resolutions at Item Nos. 5 of the accompanying Notice for approval by the Members of the Company by way of Special Resolution. In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Act, read with Schedule V to the Act, the terms of remuneration specified above are now being placed before the Members for their approval.

The brief profile of Mrs. Lasha Meet Rita is given in the annexure and forms part of this Notice. The Resolution and Explanatory Statement should be considered as disclosure and information under applicable statutory provisions including that of the written memorandum pursuant to section 190 of the Act.

None of the other Directors or Key Managerial Persons and their relatives except Mrs. Lasha Meet Rita is deemed to be interested in the said resolution No 5.

For Inventure Growth & Securities Ltd.
Sd/-
Kanji B. Rita
DIN:- 00727470
(Chairman & Managing Director)

Place: Mumbai
Date: 10.11.2020

ANNEXURE TO THE NOTICE

Details of the Directors seeking appointment/re-appointment in the ensuing AGM.

(In pursuance to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings)

Name of the Director	Kanji Bachubhai Rita	Lasha Meet Rita
DIN	00727470	08104505
Date of Birth	15.11.1966	24.03.1995
Age	56 Years	25 Years
Date of last Appointment	04.08.2018	30.01.2019
Brief resume, qualification, experience and nature of expertise in specific functional areas	Mr. Kanji Rita is the driving force behind Inventure Growth & Securities Limited. He has over 18 years of entrepreneurial experience of the broking industry and Real Estate Sector. He directly oversees the day-to-day activities of the Company	Mrs. Lasha Meet Rita is qualified with degree of B.M.S, M.Com and PGDM in Marketing. She has experience of 5 years including 2 years of experience in Securities Market. She is handling day to day activities of the company which includes Operations, Accounts and technology. She is also developing technology based system to improve the quality and performance of various departments.
No. of Board Meetings attended during the financial year ended March 31, 2020	6	3
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	<ul style="list-style-type: none"> • Inventure Finance Private Limited • Inventure Merchant Bankers Services Private Limited • Inventure Developers Private Limited • Keshvi Developers Private Limited • Ratnasagar Enterprises Private Limited • Krushmi Developers Private Limited • K. R. Shoppers Private Limited • Kothari Builders Private Limited • Kenorita Collections Private Limited 	<ul style="list-style-type: none"> • Inventure Commodities Limited
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	1	0
Number of Shares held in the Company	2,21,64,327	7,00,000
Inter-se relationship with other Directors and Key Managerial Personnel	Father in Law of Mrs. Lasha Meet Rita	Daughter in Law of Mr. Kanji Bachubhai Rita
Details of Remuneration sought to be paid	₹ 3,00,000/- pm	₹ 1,25,000/- pm
Remuneration last drawn by the Director	₹ 3,00,000/- pm	NA
Justification for choosing the appointee for the appointment as Independent Directors	NA	NA

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 25th Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the Financial Year ended, 31st March, 2020.

The summarized financial results for the year ended 31st March, 2020 are as under:

FINANCIAL HIGHLIGHTS

I Standalone Financial Information:

(₹ In Lacs)

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Gross Income	2,172.56	8,563.03
Profit Before Depreciation, Interest & Tax	627.88	(502.23)
Less: Depreciation	42.28	62.10
Interest	120.11	47.45
Profit Before Tax	465.49	(61,180)
Current Tax	43.86	4.79
Deferred Tax	(10.85)	(114.33)
Net Profit/(Loss)	432.48	(502.26)
Add: Profit brought forward from earlier years	778.37	280.63
Profit available for appropriation	1,210.86	(221.63)
Appropriations		
Last year dividend paid	(210)	-
Last year dividend tax paid	(3.70)	-
Proposed Dividend	-	-
Interim Dividend	-	-
Dividend Tax	-	-
General Reserve	-	(1,000.00)
Balance carried to Balance sheet	997.16	778.37
Basic and Diluted Earnings Per Share	(0.51)	(0.67)

II Consolidate Financial Information :

(₹ In Lacs)

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Gross Income	3,063.12	9,533.35
Profit Before Depreciation, Interest & Tax	289.88	(245.27)
Less: Depreciation	59.88	76.12
Interest	235.41	146.10
Profit Before Tax	(5.41)	(467.49)
Current Tax	183.99	10.86

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Deferred Tax	(194.25)	(110.38)
Net Profit /(Loss)(after Minority Interest)	4.86	(367.96)
Add: Profit brought forward from earlier years	2956.32	2360.27
Adjustment arising on consolidation	-	-
Profit available for appropriation	2708.02	1992.31
Appropriations		
Last year dividend paid	(210)	-
Last year dividend tax paid	43.17	-
Proposed Dividend	-	-
Interim Dividend	-	-
Dividend Tax	-	-
General Reserve	-	(1,000.00)
Statutory Reserve	-	36.00
Balance carried to Balance sheet	2708.02	2956.31
Basic and Diluted Earnings Per Share	(0.08)	(0.51)

1. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE.

STANDALONE:

The company has incurred a Profit of ₹ 432.49 (before OCI) lakhs for the financial year 2019-20.

CONSOLIDATED:

The company has incurred a Profit of ₹ 4.86 (before OCI) lakhs for the financial year 2019-20.

COVID-19 outbreak was declared a pandemic by the World Health Organization on March 11, 2020. The Indian Government announced a 21-day complete lockdown on March 24, 2020, across the country, to contain the spread of the virus. The lockdown was thereafter extended from time to time with gradual relaxations. Stock Broking services, being part of Capital Market operations were declared as essential services. During the period, the Company faced no business interruption on account of the lockdown.

2. SILVER JUBILEE YEAR

The year 2020 marked as 25 years of the Company's operations. From being a pure equity broking player, the Company, driven by professional entrepreneurs, has emerged as one of the leading financial services players, offering a wide bouquet of services that include equity broking, Commodity Broking, Institutional Broking, Mutual Fund Services, Merchant Banking Services and Research Analysis.

3. CHANGE IN NATURE OF BUSINESS.

There is no change in nature of business of the Company

4. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY.

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2019-20 and the date of this report.

5. SHARES.

Company has not issued any bonus Shares, securities with Differential Voting Rights, any SWEAT Equity, any Employee Stock Option or any preferential issue of Warrants or Convertible into Equity Shares along with your Company has not brought back any securities from Market.

6. CONSOLIDATED ACCOUNTS.

In compliance with the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), Consolidated financial statements of the Company and all of its subsidiaries and associate, have been prepared for the year under report. The audited Consolidated financial statements along with the auditors' report thereon forms part of this Annual report. The consolidated financial statements presented by the Company include the financial results of all its subsidiaries and associate. The audited standalone financial statements of these entities have been reviewed by the Audit Committee and the Board.

7. SUBSIDIARIES.

The Company has total Six(6) Subsidiaries Companies”

Inventure Finance Private Limited
Inventure Commodities Limited
Inventure Wealth Management Limited
Inventure Insurance Broking Private Limited
Inventure Merchant Bankers Services Private Limited
Inventure Developers Private Limited

Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of your Company. The financial statements including the consolidated financial statements, financial statements of subsidiaries and all other documents required to be attached to this report have been uploaded on the website of your Company (www.inventuregrowth.com) The financial performance of each of the subsidiaries included in the consolidated financial statements of your Company is set out in the **Annexure A** as **AOC-1** to this Report. Additional details of the performance and operations of the subsidiaries along with details of the restructuring and investments made by your Company are set out in the Management Discussion and Analysis which also forms part of this report.

8. MANAGEMENT DISCUSSION AND ANALYSIS.

The Management Discussion and Analysis (MDA) report for the year under review, of the operations and state of the affairs of your Company and all of its subsidiaries or associate is given in a separate section of this Annual Report and forms part of this Annual Report.

9. CORPORATE GOVERNANCE REPORT.

The Company is committed to maintain highest standards of corporate governance aligned with the best practices. Pursuant to applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed report on Corporate Governance forms part of this Report. The Company is in compliance with the various requirements and disclosures that have to be made in this regard. A certificate from the Auditors confirming compliance of the conditions of Corporate Governance as stipulated under the Listing Regulations forms part of the Annual Report.

10. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS.

A) In connection with the Show Cause Notice dated 30/06/2016 under Section 11(1), 11(4), 11A and 11B of SEBI Act, 1992 in the matter relating to public issue received from SEBI, The SEBI Whole Time Member has passed an Order against The Company, Its Directors and KMP of the Company as follows:

The Company filed an Appeal at Securities Appellate Tribunal as on challenging the Order of SEBI. Proceedings at SAT has done and Final Order by SAT as follows:

The SEBI Order passed against all the Independent Directors i.e. Mr. Ajay Khera, Mr. Deepak Vaishnav, Mr. S. Jambunathan, Mr. H M Gajbhiye, Mr. Arun Joshi and Mr. Pravin Gala has been set aside.

The restraint imposed on the Company and Executive Directors was reduced from 4 years to 3 years.

The Company, Executive Directors and KMPs had filed Review Applications on 01.11.2019 against the SAT

Order dated 10.10.2019. The SAT hearing for Review Applications was completed on 05.02.2020 and order passed as follow;

All The review applications has been dismissed and the debarment period has been reduced from 4 years to 3 years. The Comapny has filed and Appeal at Supreme Court against the SAT Order.

- B) Further, in respect of Notice on 31/10/2018 under Rule 4(1) of SEBI (Procedure for Holding Inquiry and imposing penalties by adjudicating Officer) Rules, 1995 read with Section 151 of the SEBI Act, 1992, Personal Hearing is done at SEBI as on 26.02.2020. Final Order from Adjudication Officer was passed as on 31.08.2019.

The Company had filed an Appeal against the Order at Securities Appellate Tribunal and Hon'ble SAT has passed the Order as on 26.02.2020 as follows:

The Hon'ble SAT has instructed Adjudication Officer of SEBI to decide the matter fresh in light of the SAT Order as on 10.10.2019 and set aside the order passed by AO of SEBI.

- C) Show Cause Notice from SEBI dated 21st April 2020 received on 26th August 2020 under Regulation 25 (1) of the Securities and Exchange Board of India (Intermediaries) Regulation 2008 in the matter of Inspection of Inventure Growth and Securities Limited – Stock Broker and Depository Participant.
- D) Show Cause Notice from SEBI dated 21st April 2020 received on 26th August 2020 Notice under Rule 4 of the Securities Contracts (Regulation) Procedure for Holding Inquiry and Imposing Penalties) Rules, 2005 read with Section 23-1 of the Securities Contracts (Regulation) Act, 1956 and under Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules,1995 read with Section 15-1 of the Securities and Exchange Board of India Act, 1992 in the matter of Inspection of Inventure Growth and Securities Limited -Stock Broker and Depository Participant.

The order for the above mentioned Notice is awaited.

11. TRANSFER TO RESERVE.

There is also no specific statutory requirement to transfer any sum to General reserve. Your Directors therefore have not proposed any sum for transfer to Reserves during this Year.

12. DIVIDEND.

Your Company has not proposed any dividend for the year 2019-2020.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL.

Mr. kanji Bachubhai Rita, Chairman & Managing Director of the Company, is liable to retire by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of your Company and being eligible have offered herself for re-

appointment. Appropriate resolution for her re-appointment is being placed for your approval at the ensuing AGM. The brief resume of the Directors and other related information has been detailed in the Notice convening the 25th AGM of your Company. Your Directors recommend his re-appointment as Chairman & Managing Director of the Company.

After the financial year under review, there is change in the Board of Directors of the Company

Mr. Dilip C. Shah, Non-Executive Independent Director (DIN:05202642) of the Company, ceased to be a Director u/s 167 of w.e.f 15th July 2020.

Mr. Ajay Khara, Non Executive Independent Director (DIN: 00695146) of the Company has resigned w.e.f 18th August 2020. The Board places on record its deep appreciation for the valuable contributions made by Mr. Ajay Khara.

Due to Resignation of Two Independent Directors of the Company, composition of Board of Directors is not in accordance with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements), 2015, Hence to comply with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements), 2015, Mr. Meet Kanji Rita, Whole Time Director and Mr. Harilal Bachubhai Rita, Non Executive Director has resigned from the Company w.e.f 12th September 2020.

All the Independent Directors have given declaration that they meet the criteria of independence laid down under Section 149 of the Companies Act, 2013 and the Listing Regulations. Every Independent Director of the Company have affirmed that they have registered themselves under Independent Director Database and they will pass online proficiency test as may be required or applicable to them individually. The Independent Directors of Company hold office up to September, 2022 and are not liable to retire by rotation.

Shri Kanji B. Rita, Chairman & Managing Director and Shri Kamlesh S. Limbachiya, Whole Time Director, Mrs. Bhavi Gandhi, Company Secretary and Mr. Arvind Gala, CFO are the Key Managerial Personnel of your Company in accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

14. DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES:

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force),

Further details of Directors including remuneration, remuneration policy, criteria for qualification, independence; performance evaluation of the Board, Committees and Directors; meetings, committees and other details are given in the Corporate Governance Report, which is integral part of this Annual and Board's Report. Remuneration policy is posted in investors, corporate governance section on the Company's website or link: www.inventuregrowth.com and salient features of the same are mentioned in the Corporate Governance Report.

The Managing Director & Whole Time Directors of your Company does not receive remuneration from any of the subsidiaries of the Company.

15. DIRECTORS RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended 31 March 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

- b) that accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2020 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

16. EVALUATION OF BOARD'S PERFORMANCE:

Nomination and Remuneration Committee and the Board adopted performance evaluation policy for Board, Committees and Directors with intents to set out criteria, manners and process for the performance evaluation. The policy provides manners to evaluate performance of the Board, committees, independent directors, non-independent directors and chairman. Criteria in this respect includes; Board composition, mix of skill, experience, members' participation and role, attendance, suggestions for effective functioning, board process, policies and others. The evaluation process includes review, discussion and feedback from directors and rating on questioners through online software based system. Evaluation of Performance of the Board, its committees, every Director and Chairperson, for the financial year 2019-20 has been done following the manner and process as per the policy which includes discussion, feedback, assessment and rating on questioners. The manner in which the evaluation has been carried out has also been explained in the Corporate Governance Report, which forms part of this Annual Report

17. NUMBER OF MEETINGS OF THE BOARD AND ITS COMMITTEES

During the financial year 2019-20 the Board met for 6(Six) times and there were 4 Audit committee Meetings held. The details of the meetings of the Board of Directors and its Committees, convened are given in the Corporate Governance Report which forms a part of this report.

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The Company has complied with the Secretarial Standard as issued by the ICSI.

18. AUDITORS AND AUDITORS' REPORT**A. STATUTORY AUDITORS**

Pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 ("the Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s PHD & Associates, Chartered Accountants having firm Registration No.11236W were re-appointed at the 20th Annual General Meeting held on 24th September, 2015 as the statutory auditors of the Company and they are retiring on conclusion of Annual General Meeting to be held in the calendar year 2020.

Therefore as per provisions of Companies Act 2013, The Company has proposed M/S PPV & Co. Chartered Accountants, (Firm Registration No 153929W) as Statutory Auditor of the Company to hold the office from the conclusion of ensuing Annual General Meeting till the conclusion of Annual General Meeting to be held in the Year 2025. In accordance with the amendment to section 139 of the Act, the requirement of ratification of appointment by members every year is no longer required.

M/S PPV & Co. Chartered Accountants, (Firm Registration No 153929W) have confirmed their eligibility and qualification required under section 139 and 141 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force, for their continuation as statutory auditors.

In terms of the Listing Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI.

Reporting of Fraud

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

Change In Accounting Policy

As per MCA Notification G.S.R. 365 (E) dated 30.03.2016 stock broking companies were covered under Non-Banking Finance Companies and the IND-AS was applicable to NBFC listed entities having net worth below Rs 500 crores effective from April 2019. Accordingly, the Company has adopted Indian Accounting Standards (IND - AS) with effect from April 1, 2019. The effective date of such transition is April 1, 2018.

B. INTERNAL AUDITORS

The Company continues to engage **SHAH & RAMAIYA** Chartered Accountants as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

C. SECRETARIAL AUDITORS

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 D. M. Zaveri & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as **Annexure-B**. Reply to the observations made in Secretarial Report; a) The observation given in respect of delay in submission of Annual Report at Stock Exchange, the delay was unintentional and was occurred inadvertently and Company ensures compliance of the same in future. B) The observation given in respect of delay in filing of Outcome of Board Meeting the delay was unintentional and occurred inadvertently.

19. EXPLANATION OR COMMENTS ON QUALIFICATIONS, OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS RESERVATIONS

There was no qualification, reservation or adverse remarks made by either of the auditor in their respective report for the Financial Year ended 31st March 2020.

There was no qualification, reservation or adverse remarks made by secretarial auditor in their report for the Financial Year ended 31st March 2020.

20. MAINTAINANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by Central Government under sub-section (1) of Section 148 of the Companies Act, 2013

21. COMMITTEES OF THE BOARD

There are currently four committees of the board, as indicated below:

1. Audit committee

Audit Committee of the Board has been constituted as per the Listing Regulations and section 177 of the Companies Act, 2013. Constitution, meetings, attendance and other details of the Audit Committee are given in Corporate Governance Report which is part of this Report.

2. Nomination and Remuneration committee

Nomination and Remuneration committee of the Board has been constituted as per the Listing Regulations and section 178 of the Companies Act, 2013. Constitution, meetings, attendance and other details of the Committee are given in Corporate Governance Report which is part of this Report.

3. Stakeholder Relationship committee

Stakeholder Relationship committee of the Board has been constituted as per the Listing Regulations and section 178 of the Companies Act, 2013. Constitution, meetings, attendance and other details of the Committee are given in Corporate Governance Report which is part of this Report.

4. Corporate Social Responsibility Committee

Details of all the committees, along with their charters, composition and meeting held during the year are provided in the report on Corporate Governance forms part of the Annual Report

22. EXTRACT OF ANNUAL RETURN

Pursuant to Sections 92 & 134(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9 is provided in Annexure - C to this Report and is also available on the Company's website URL: www.inventuregrowth.com

The details forming part of the extract of the Annual Return as on 31st March, 2020 in Form MGT – 9 in accordance with Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, are set out herewith as **Annexure C** to this report.

23. LOANS, GUARANTEE AND INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT, 2013

Details of loans, guarantees and investments under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on 31st March, 2020, are set out in Note no. 44 to the Standalone Financial Statements forming part of this report.

24. RELATED PARTY TRANSACTIONS

Arrangements or transactions entered by the Company during the financial year with related parties were on an arm's length basis and in the ordinary course of business. All related party transactions are placed for approval before the Audit Committee and also before the Board wherever necessary in compliance with the provisions of the Act and Listing Regulations. During the year, the Company has not entered into any contracts/ arrangements/ transactions with related parties which could be considered material in accordance with the policy of the Company on material related party transactions or under section 188(1) of the Act. Accordingly, there are no particulars to report in Form AOC-2. Details of the related party transactions during the year as required under Listing Regulations and Indian accounting standards are given in note 43 to the standalone financial

statements. The policy on dealing with the Related Party Transactions including determining material subsidiaries is available on the Company's website or link: www.inventuregrowth.com

25. VIGIL MECHANISM

The Company has a whistle blower policy laying down a vigil mechanism to deal with instances of unethical behavior, fraud or mismanagement. The said policy has been explained in the corporate governance report and also displayed on the Company's website www.inventuregrowth.com.

26. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Pursuant to Section 135 of the Companies Act, 2013 and the relevant rules, the Board has constituted Corporate Social Responsibility (CSR) Committee under the Chairmanship of Mr. Bharat P. Shah, Independent Director. The other members of the Committee are Mr. Kanji B. Rita and Mr. Kamlesh S. Limbachiya. The Board of Directors, based on the recommendations of the Committee, formulated a CSR Policy. The detailed CSR Policy is available on web link www.inventuregrowth.com Annual report on CSR as required under Companies (Corporate Social Responsibility Policy) Rules 2014.

The Company confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company. Implementation by the company on its corporate social responsibility initiatives are **Annexure D** in this Report.

27. FAMILIARIZATION PROGRAMME

The Company's Policy on programme and measures to familiarize Independent Directors about the Company, its business, updates and development includes various measures viz. issue of appointment letters containing terms, duties etc., management information reports, presentation and other programmes as may be appropriate from time to time. The Policy and programme aims to provide insights into the Company to enable Independent Directors to understand the business, functionalities, business model and others matters. The said Policy and details in this respect is displayed on the Company's website.

28. LISTING OF SECURITIES

The Equity Shares of the Company are presently listed on BSE Limited, National Stock Exchange of India Limited and Metropolitan Stock Exchange of India. However, Company has made an application for Voluntary Delisting of Shares at Metropolitan Stock Exchange of India Limited, confirmation is awaited from the Exchange. The Annual Listing Fee for the year 2019-2020 has been duly paid to the Stock Exchange.

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

The particulars required by the Section 134(3)(m) of the Companies Act, 2013 ("the Act") read with rule 8 (3) of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption have not furnished considering the nature of activities undertaken by the Company during the year under review.

Foreign Exchange Earning and Outgo

Your Company has no foreign exchange earnings and outgo.

30. LEVERAGING DIGITAL TECHNOLOGY

Innovative ideas and technology is introduced continuously to provide great user experience to our customers, business associates and employees. In association with the IT Team, the Company with active support from management has been investing time and effort in information technology solutions to demonstrate technological leadership.

31. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES.

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, including criteria for determining Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in **Annexure- E** and is attached to this report.

32. RISK MANAGEMENT POLICY.

The Company has laid down a well-defined risk management mechanism covering the risk mapping and analysis, risk exposure, potential impact and risk mitigation measures. Exercise is being carried out to identify, evaluate, manage and monitor the principal risks that can impact the Company's ability to achieve its strategic and financial objectives. Whenever necessary, the Board reviews the risks and suggests steps to be taken to control and mitigate the same through appropriate framework. Details on the risk elements which the Company is exposed to are covered in the Management Discussion and Analysis which forms part of this Annual Report. The Company has framed a Risk Management Policy to identify and assess the key risk areas, monitor and report compliance and effectiveness of the policy and procedure.

33. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES.

Relations with employees across all the offices and units continued to be cordial. HR policies of the Company are focused on developing the potential of each employee. With this premise, a comprehensive set of HR policies are in place, aimed at attracting, retaining and motivating employees at all levels. Your Company had 110 permanent employees as on 31 March 2020.

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure G** and forms part of this Report.

The Company has not paid any remuneration to its Non-Executive Directors, except sitting fees for attending the meetings of the Board and Committee thereof during the FY 2019-20. The details of the same are provided in the corporate governance Report forms part of the Annual Report.

34. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

An Internal complaints committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year 2019-20, no complaints were received by the Company related to sexual harassment.

35. DEPOSITS (UNDER CHAPTER V):

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

36. INTERNAL FINANCIAL CONTROLS SYSTEMS AND ADEQUACY.

The Board has adopted policies and procedures for governance of orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The Company's internal control systems commensurate with the nature of its business, the size and complexity of its operations.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Audit Committee of the Board of Directors, Statutory Auditors and the Senior Management are periodically apprised of the internal audit findings and corrective actions taken. Audit provides a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

37. APPRECIATION.

Your Directors would like to take this opportunity to express sincere gratitude to the customers, bankers and other business associates for the continued cooperation and patronage. Your Directors gratefully acknowledge the ongoing co-operation and support provided by the Government, Regulatory Bodies and the Stock Exchanges. Your Directors place on record their deep appreciation for the exemplary contribution made by the employees at all levels to the growth and profitability of your Company's business. The Directors also wish to express their gratitude to the valued shareholders for their unwavering trust and support.

For Inventure Growth & Securities Limited

**Sd/-
Mr. Kanji B. Rita
(Chairman & Managing Director)**

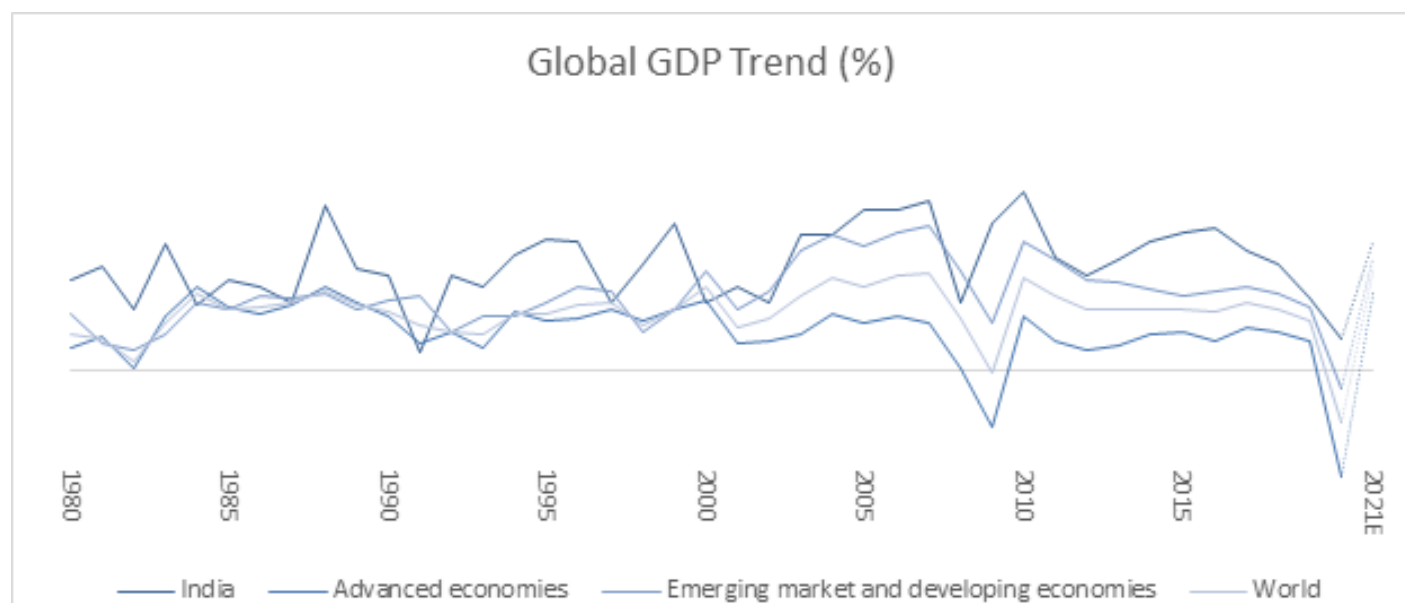
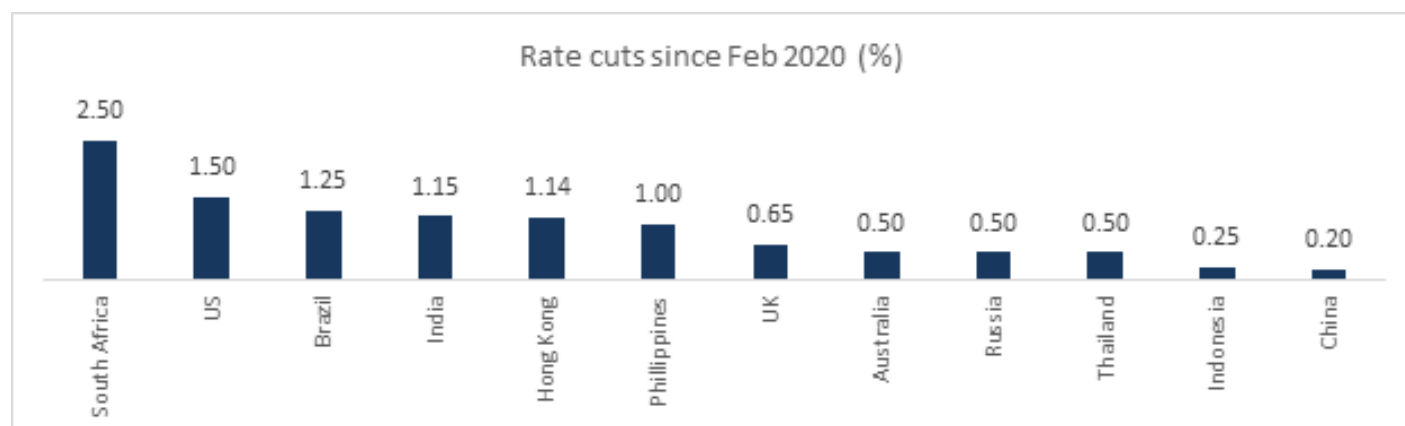
**Sd/-
Mr. Kamlesh S Limbachiya
(Whole -Time Director)**

**Place: Mumbai
Date: 12.09.2020**

MANAGEMENT’S DISCUSSION & ANALYSIS

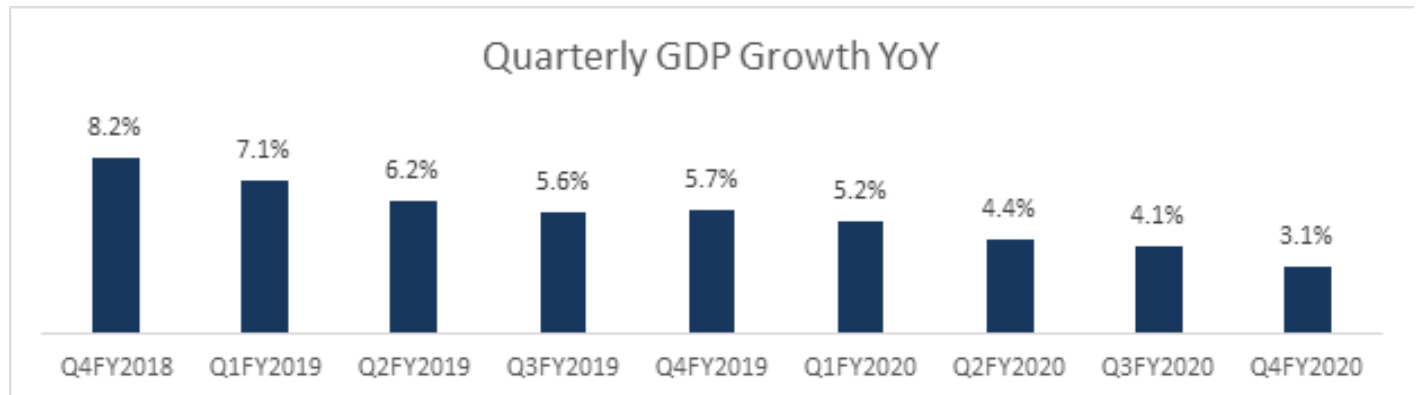
Global Macro Environment

The Financial Year 2019-20 (FY20) has been an eventful year for the global economy. Trade tensions between US and China, geopolitical worries in the Middle East and uncertainty around the United Kingdom’s exit from the European Union, stand out among many other key developments. However, nothing could have prepared us for what was coming next. In mere weeks starting from February 2020, the onset of the Covid-19 pandemic turned the world upside down, touching every facet of society from national economies and global trade to our daily lives. Oil prices fell to unprecedented levels due to severe demand destruction and disagreements between OPEC and Russia on production cuts. In view of the above developments, International Monetary Fund (IMF) revised down its global GDP growth forecast for Calendar Year (CY) 2020 to -4.9% from +3.3%. It expects the growth rate to bounce back to 5.4% in CY2021 owing to a low base and forecasted normalization of economic activity. However, there remains extreme uncertainty around the timing and speed of this global recovery forecast. With a view to cushion the economic impact, most global central banks reduced the policy rates significantly. US Fed reduced the target fed fund rate by 150 bps (in addition to 75 bps rate cut in 9MFY20) and brought it down to near zero in March 2020.



India Macro Environment

While India was one of the fastest growing major economies in the world growing at 6.1% in FY 19, hiding behind this number was a story of a progressive decline - with GDP growth slowing down to 3.1% by Q4 of FY 20 and 4.2% for the year. This was due to a fall in aggregate demand and rising unemployment, partly caused by a slowdown in credit offtake because of issues in the NBFC sector, which suffered from reduced funding options after the IL & FS implosion.



However, the recessionary trends witnessed in FY20 have significantly worsened in the first quarter of FY21, with the Covid-19 pandemic outbreak. To stall the transmission of the virus, India declared a centrally-imposed national lockdown towards the end of March 2020, which continues in some parts of the country. It created a massive humanitarian crisis among temporary, migrant labourers who were suddenly left without a source of livelihood in the cities, and hence, had to return to their homes in the countryside. The real impact of the lockdown will be felt in FY 20- 21, especially in the first half. As the economy opens up gradually, GDP will continue to be impacted due to muted discretionary consumption and postponement of private capex.

Moody's downgraded India's sovereign rating to Baa3/Outlook negative (June 2020) from Baa2/Outlook Negative. Earlier in November 2019, Moody had revised the outlook to Negative from Stable while keeping the rating unchanged at Baa2. The revised rating is same as rating of other International rating agencies S&P and Fitch which are at BBB-. Fitch has also revised India's rating outlook to Negative from Stable in June 2020. It is estimated that GDP will contract by ~6% in FY 20-21. In FY 21-22, assuming 12 months of normal economic activity, reported growth rate is likely to be over 7%.

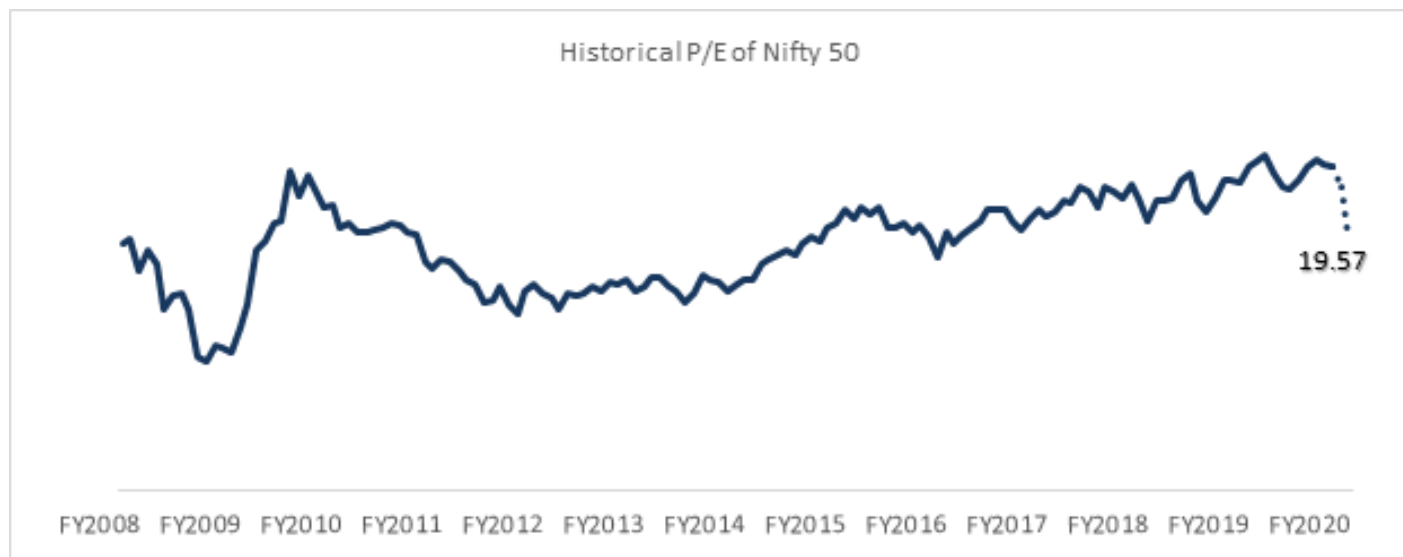
Both the Reserve Bank of India (RBI) and the Government have taken concerted efforts to reduce the impact of the Covid-19 crisis. The RBI reduced key rates including Repo rate to 4%, Reverse Repo to 3.35% and (Cash Reserve Ratio) CRR to 3%. It also unveiled an unprecedented Moratorium policy on loans given by banks and NBFCs applicable to the period April to August 2020. Further, the government arranged for a fiscal stimulus up to Rs. 20 lakh crore which included loan guarantees for NBFCs, provision of cheap credit to NBFCs, and Micro, small and medium enterprises (MSME), and increased the thresholds for classifying companies as MSME.

Industry Overview

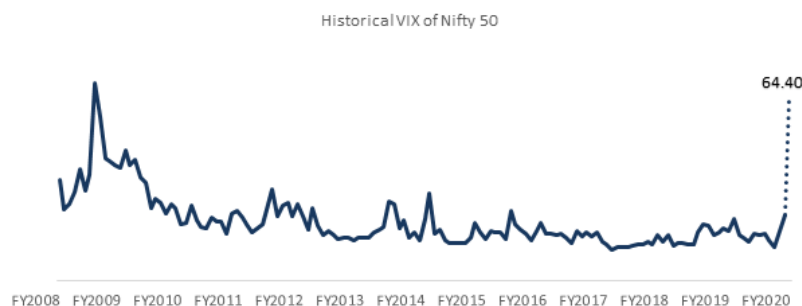
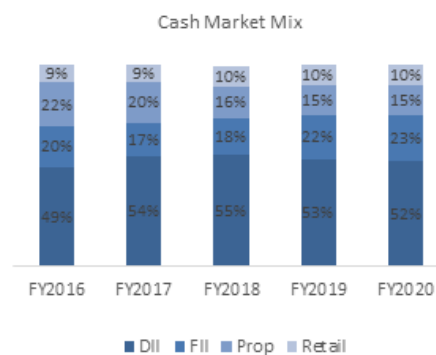
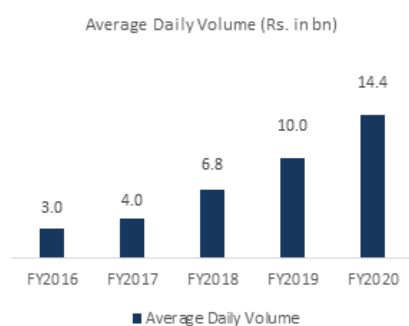
Market had a roller coaster ride in FY2020. Both Sensex and Nifty closed at an all-time high of 42,273 and 12,430 respectively in the month of January. Then came corona virus and as the pandemic rampaged across the world, Sensex and Nifty ended the year with large negative returns. With India in midst of a complete lockdown, Sensex and Nifty closed at 29,469 and 8,598 levels respectively in March, 2020.

FII's sold massively during the month of March, 2020 with net equity outflows of R 620 billion but still ended FY2020 with net inflows of R 65 billion. The size of outflow in March, 2020 was highest ever in one month and was around 0.4% of Indian market capitalization. DIIs also witnessed net inflows of R 1293 billion which was 79% higher than the previous year.

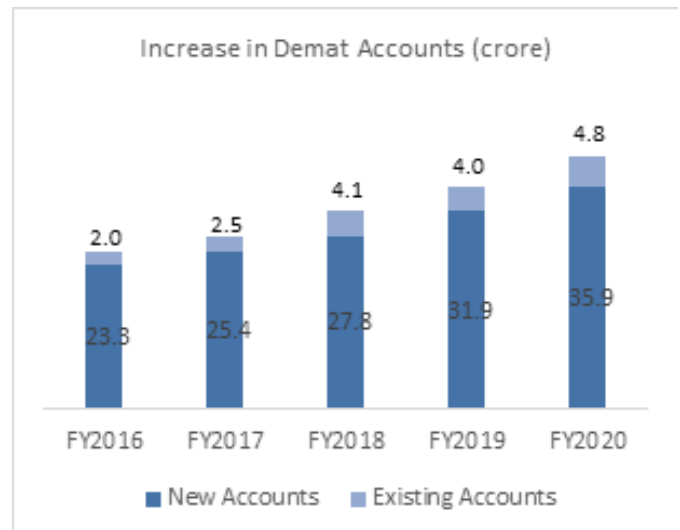
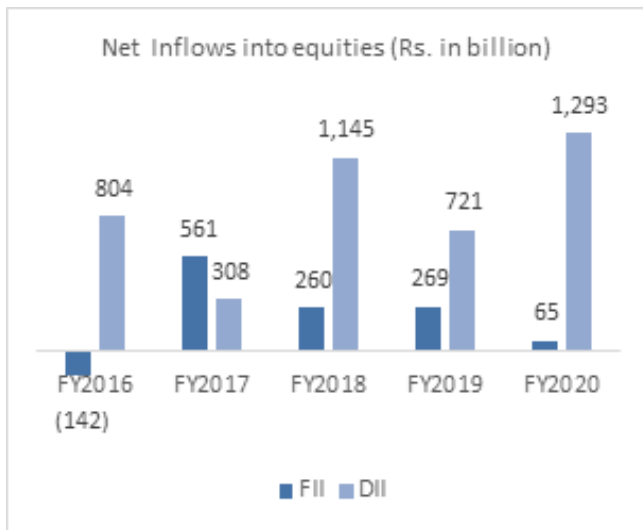
The Price to EPS (P/E) that signifies the valuation of the market and the VIX of the index that indicates the volatility in the market and is used to measure the level of risk, fear or stress in the market showed extreme fluctuations post the Covid-19 pandemic. The PE of the index fell to a 5 year low, while the VIX rose to a 10 year high.



The average daily traded volumes (ADTO) for the equity markets during FY2020 stood at R 14.44 lakh crores, up 45% YoY from R 9.93 lakh crores in FY2019. The overall Cash market ADTO reported growth of 11% YoY at R 39,068 crores in FY2020. Amongst cash market participants, retail constitutes 52% of total cash volume, institution constitutes 25% of total cash volume and prop constitutes 23%. The proportion of DII in the cash market was 10.1%.



The increase in demat accounts during the year stood at 13% with total number of accounts as on March, 2020 at 4.08 crores. The revival in market sentiments is expected to give push to the primary market activities and overall volumes. Even though Indian equities witnessed continued net inflows from FIIs for most of the part of the financial year, with November recording the highest since March 2019, still the total net inflows for FY2020 saw a major decline from the previous year. This was mainly due to the highest ever sell-off by FIIs in the month of March, led by coronavirus-induced jitters. Contrary to that, net inflows from DIIs in March was highest ever recorded. Despite volatilities and uncertainties, Indian households are seen to hold the interest in equity and equity products with expectations of higher returns than traditional fixed income products.



INVENTURE GROWTH AND SECURITIES LIMITED

About us

Inventure Growth and Securities Limited (the Company) Incorporated in June 1995, started as Public Limited Company with membership on Bombay Stock Exchange and National Stock Exchange. Inventure sees its role as “creating wealth diversification with a research-driven approach” for client base of more than 40,000 that includes corporations, institutions and individuals.

The Company has its Head Office in Mumbai, have completed 24 years of operations providing a 360 degree view of your financial needs and planning. It has one-stop shop for all your financial needs operating in different segments such as cash and derivatives trading, currency futures and a registered depository participant with Central Depository Service (India) Limited (CDSL). The Company operates with wide range of products and services across various asset classes like mutual funds, real estate, debt, insurance and many more.

The Company encourages it's customers to make right decisions for your portfolio. It provides its valuable services to its customers with a trusted pedigree of employees, sub brokers and authorized persons it is our constant endeavor to provide services in transparent manner. Inventure today has managed to create a good network of clientele in Maharashtra and Gujarat. Trading under the symbols NSE: INVENTURE, BSE: 533506, Inventure helps retails customers to diversify their portfolios in almost all available financial services. It covers:

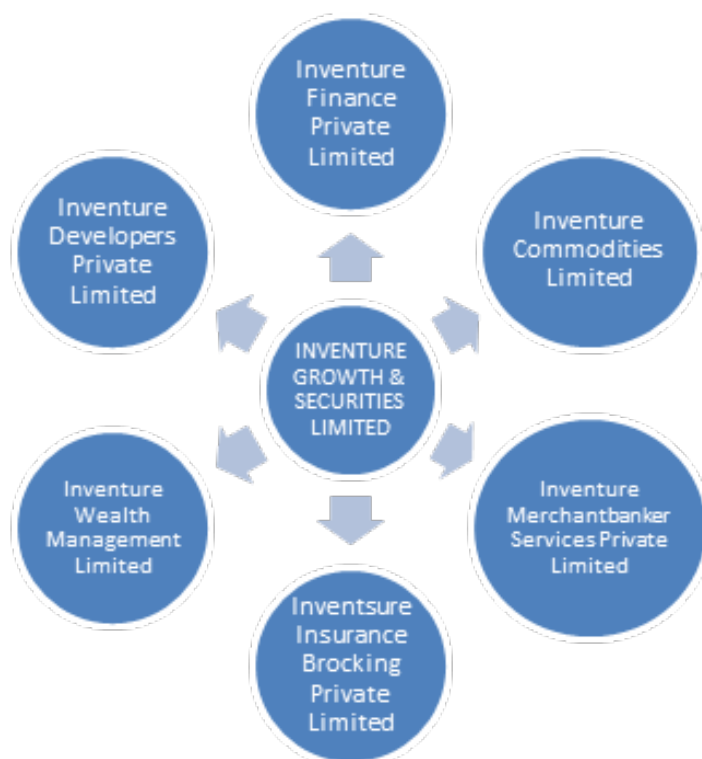
1. Retail Broking
2. Financial Product Distribution
3. Institutional Broking
4. Mutual Fund Investments

Investing money is just not enough. You have to monitor and ensure your investments help you build a robust financial portfolio. Hence we continuously strive to empower the retail customer community by understanding their financial needs. Being present in the entire life cycle of the customers' hard earned money, Inventure provides all financial products on a single platter. The Company started diversifying its business and different line of activities through its subsidiary companies. Today under the umbrella of Inventure, we have six wholly owned subsidiary companies.

Subsidiary businesses are largely divided into:

- ✓ Non-banking finance.
- ✓ Commodity Broking.
- ✓ Merchant Banking Activities.
- ✓ Real estate activities.

Small snippets of each of the subsidiary businesses are mentioned below -



Inventure Finance Private Limited

Inventure Finance Private Limited is a non-banking finance company (NBFC). The Company is engaged in lending and allied activities. It focuses on consumer lending, small and medium-sized enterprises (SME) lending, commercial lending, Its SME lending products include loan against property and business loans. Its commercial lending products include inter corporate deposits (ICD), loan against securities and financial institutions group lending business. Its retail lending products include Business Loans, salaried personal loans and gold loans.

Inventure Commodities Limited

Inventure Commodities Limited is a trading-cum-clearing member of the leading national commodity exchanges - MCX & NCDEX. Our offerings include Commodities Broking Services, Hedging Solutions and Arbitrage Desk to meet the requirements of all kinds of

market participants. The Commodities Broking Services cater to the retail private investor segment, while the Hedging Services are offered through our corporate desk to the producing/consuming firms that have either direct or economic exposure to the underlying commodity. Our offerings also include Arbitrage products that are backed by our experts. ICL offers a range of services to mitigate risk and provide assurance to clients operating in India. Our mission is to provide trade financiers with specialist risk mitigation and assurance services at strategic points along the commodity value chain, key benefits of trading in commodities are portfolio diversification, inflation protection, hedge against event bases risk etc., creating a secure environment for the successful conduct of trade

Inventure Insurance Broking Private Limited

Inventure Insurance Broking Services Private Limited is driven by a vision to provide transparent and reliable insurance broking services for all types of Life Insurance, General Insurance and Risk Management Solutions. We are committed to provide honest, timely and research-backed information and insurance services to our customers.

Inventure Merchant Bankers Services Private Limited

Inventure Merchant Bankers Service Private Limited has a comprehensive package of services like issue management, leasing and hire purchase, loan syndication, merger and acquisitions, stockbroking, treasury management, portfolio management, etc. These services encompass Project Advisory and Loan Syndication, Structured Debt Placement, Capital Markets, Mergers & Acquisitions, Private Equity and Stressed Assets Resolution. We are a complete solutions provider offering diversified financial advisory and investment banking services, innovative ideas and unparalleled execution to our client base across all stages of the business cycle. Customer centric approach of Inventure Merchant Bankers Service Private Limited, with a dedicated professional team has helped carve a niche for itself in financial services arena and won confidence of its clients. Inventure Merchant Banking Service Private Limited is registered with SEBI. With years of experience in capital markets activity this elite division of ours is dedicated in providing services/assistance related to Issue Management, merger and amalgamation of listed Company, Buybacks, delisting in Compliance with norms of SEBI.

Inventure Wealth Management Limited

Inventure Wealth Management Limited gained investor trust by managing funds as per its investment objectives and have been able to deliver superior risk adjusted returns. The consistent long term performance was achieved on the strength of fundamentals, process driven investment approach with enough flexibility for the fund managers to manage their funds in their respective unique style and insight. We strive hard to deliver consistent performance over the benchmark across all our products, thereby creating customer satisfaction. We have a dedicated team of employee offering a broad range of investment products across asset classes with varying risk parameters that cater to needs of various customer segments.

Inventure Developers Private Limited

Inventure Developers Private Limited is engaged in Real Estate related activities. It carry on business as builders, developers, general construction contractors, purchase, take over, acquire, and to sell or advertise, transfer, adapt, manage, franchise, commercialize, run, use, maintain, and in all aspects deal in any type of properties. Its business also includes take on lease or otherwise flats, offices, buildings or like structure along with equipment, plant and machinery, furniture and fixtures, and to assign the rights, title and interest in any type of properties, in India or elsewhere, either alone or jointly with one or more persons, companies, government.

CORPORATE GOVERNANCE REPORT

[Pursuant to Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

Inventure Growth & Securities Limited strive to follow the best corporate governance practices, develop best policies/ guidelines, communicate and train its entire employees in order to foster a culture of compliance and obligation at every level of the organization. The company is in compliance with the provision of Corporate Governance specified in the Listing Agreement with the Bombay Stock Exchange Ltd., National Stock Exchange of India Ltd.

The Company is committed to meet the expectations of stakeholders as a responsible corporate citizen. The Inventure Growth & Securities Limited’s code of conduct contains the fundamentals principles and rules concerning ethical business conduct.

2. BOARD OF DIRECTORS

As on 31st March, 2020, the Board of the Company comprised of Ten (10) Directors, out of which One (1) is Chairman and Managing Director, Two (2) is Whole Time Director, Two (2) Non-Executive Directors, five(5) are Independent Directors.

Mr. Harilal B. Rita, Non- Executive Director is brother of Mr. Kanji B. Rita, Chairman & Managing Director, Mr. Meet K. Rita, is Son and Mrs. Lasha Meet Rita is Daughter in law of Mr. Kanji B. Rita, Chairman & Managing Director.

All the directors have vast experience not only in Securities Market but also in other varied industries. The Independent Directors have no other pecuniary interest or business relation with the Company, other than just receiving sitting fees.

The Board of Directors of the Company has an optimum mix of Executive and Non-Executive Directors and is in conformity with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sr. No.	Category	Full Name	Designation	Date of Appointment
1	Executive	Kanji Bhachubhai Rita	Chairman & Managing director	14-08-2014
2	Executive	Meet Kanji Rita	Whole-time director	21-08-2018
3	Executive	Kamleshkumar Shankarlal Limbachiya	Whole-time director	12-02-2014
4	Non -Executive	Harilal Bhachubhai Rita	Director	28-02-2012
* 5	Independent Director	Ajay Khera	Independent Director	24-12-2009
6	Independent Director	Bharat Popatlal Shah	Independent Director	28-05-2014
7	Independent Director	Deepak Manikant Vaishnav	Independent Director	24-12-2009
*8	Independent Director	Dilip Champshi Shah	Independent Director	28-02-2014
9	Independent Director	Shilpa Vishal Solanki	Independent Director	23-03-2015
10	Non Executive	Lasha Meet Rita	Director	30-01-2019

- Mr. Ajay Khera resigned from the Company w.e.f 18th August 2020.
- Mr. Dilip Shah removed from office u/s 167 of the Companies Act 2013.
- Mr. Harilal Bachubhai Rita resigned from the Company w.e.f 12th September 2020.
- Mr. Meet Kanji Rita resigned from the Company w.e.f 12th September 2020.
- Mrs. Lasha Rita designation has changed from Non Executive Director to Whole Time Director w.e.f 12th September 2020.

2.1 Matrix of expertise and skill of Directors

Present Directors of the Company (including directors seeking appointment) having different skill and expertise in respective domain area viz. sales and marketing, technology and business management, accounting, finance and taxation etc. Following is the qualification, expertise and skill of the Directors of the Company. The Board is of the opinion that the skill or competence required for the Directors in relation to the present business of the Company includes finance, accounts, taxation, technology, legal, operation, business development and compliance:-

Sr. No.	Name of Director	Qualification	Skills/expertise/competence/experience
1	Mr. Kanji B. Rita	Non Matriculate	Key skills are in Business strategy, Marketing strategy, Business development, Product Management, Competitive Analysis, , Brand equity and Team management. Having Experience of more than 16 Years in Stock Markets and Real Estate Sector
2	Mr. Meet K. Rita	Bachelor of Commerce	Expertise in Business development, Supply Chain Management, Brand equity and Team management. Having Experience of more than 6 Years in Securities market and Non Banking Financial Sector.
3	Mr. Kamlesh S. Limbachiya	Bachelor of Commerce	Having Experience of more than 18 Years in Readymade garments sector and more than 13 Years of experience in Construction business.
4	Mr. Harilal B. Rita	Matric	Expertise in Finance and Brokerage sector with more than 14 Years of experience.
5	Mr. Ajay Khera	M.sc (Hons.) in Bio Chemistry, Diploma in International Marketing, Diploma in Industrial Purchasing and Materials Management, Advance diploma in German language, Fellow of Chartered Institute of Logistics and Transport, Member of Institute of Materials Management, United Kingdom.	Expertise in Warehousing and Logistics with more than 40 Years of Experience with outstanding contribution towards the growth of hi-tech Jawaharlal Nehru Port, by the Jawaharlal Nehru Port Trust and stands conferred with JPI's Rajiv Gandhi Memorial Shipping Performance Award – 1996 for special services for outstanding contribution for promoting of shipping trade at JNPT, Navi Mumbai.
6	Mr. Deepak Manikant Vaishnav	Member of ICAI	Expertise in the fields of business process re-engineering, computerization of processes, ERP evaluation, implementation and post production support, ERP due diligence, providing functional, technical and strategic support to various teams working on various projects in diverse industries like stock exchange, finance, real estate, telecommunication, banking, government financials, IT consulting, insurance and investments, process manufacturing, retail etc. Having experience of more than 26 Years
7	Mr. Dilip C. Shah	Bachelor of Commerce	Expertise in Real Estate Sector with more than 16 Years of experience.
8	Mr. Bharat P. Shah	Member of ICAI	Expertise in Taxation & Accountancy with more than 33 Years of experience as Chartered Accountant.
9	Mrs. Shilpa Vishal Solanki	Member of ICAI	Expertise in Accountancy with more than 20 Years of Experience as Chartered Accountant
10	Mrs. Lasha Meet Rita	B.M.S, Master of Commerce & PGDBM Marketing	Expertise in Accountancy and Technology and having more than 5 Years of experience in Securities Market.

Share Holding of Directors in the Company:

Sr. No.	Category	Full Name	Designation	No. of shares held
1	Executive	Kanji Bhachubhai Rita	Chairman & Managing director	2,21,64,327
2	Executive	Kamleshkumar Shankarlal Limbachiya	Whole-time director	7,00,000
3	Executive	Meet K. Rita	Whole-time director	8,40,000
3	Non -Executive	Harilal Bhachubhai Rita	Director	50,00,000
4	Non -Executive	Lasha Meet Rita	Director	7,00,000

Attendance Records of Directors at Board Meetings, Last Annual General Meeting (AGM) and number of their Directorship / Committee Membership / Chairmanships is given below:

Name of Director	Category	Number of meeting held during the year the director was on the board	No. of Board Meetings Attended during the year	Attendance at last AGM held on 30 th September 2019	No. of Positions held in Other Companies.		
					Board*	Committee membership#	Committee Chairmanship
Mr. Kanji B. Rita	Chairman & Managing Director	6	6	Yes	9	1	-
Mr. Meet K. Rita	Whole Time Director	6	6	YES	7	-	-
Mr. Kamlesh S. Limbachiya	Whole Time Director	6	6	Yes	6	-	-
Mr. Harilal B. Rita	Non-Executive Director	6	4	Yes	5	-	-
Mr. Ajay Khera	Independent Director	6	5	No	2	-	-
Mr. Deepak Manikant Vaishnav	Independent Director	6	6	Yes	-	-	-
Mr. Dilip C. Shah	Independent Director	6	1	No	-	-	-
Mr. Bharat P. Shah	Independent Director	6	5	Yes	-	-	-
Mrs. Shilpa Vishal Solanki	Independent Director	6	5	Yes	1	-	-
Mrs. Lasha Meet Rita	Non-Executive Director	6	3	No	1	-	-

#Only Audit Committee & Stakeholder's Relationship Committee is considered for the Committee Positions.
Board Meetings held during the Financial Year 2019-20:

April-June	July-September	October-December	January-March
24.05.2019	12.07.2019 24.08.2019 13.09.2019	05.12.2019	07.02.2020

3. Evaluation of the Board's Performance:

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering Board effectiveness, quality of discussion and contribution at the meetings, business acumen, strategic thinking, time commitment, relationship with the stakeholders, corporate governance practices, contribution of the Committees to the Board in discharging in its functions, etc.

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (as per Regulation 26(1)) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 across all the public limited companies in which he is a Director. All the Directors have made the requisite disclosures regarding Committee positions held by them in other public limited companies.

In the opinion of the Board All Independent Directors fulfill the conditions specified in these regulations and are independent of the management and given declaration of independency as required under regulation:

4. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. number of complaints filed during the financial year 2019-20 : Nil
- b. number of complaints disposed of during the financial year 2019-20 : N.A.
- c. number of complaints pending as on end of the financial year 2019-20 : N.A.

5. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: Details relating to fees paid to the statutory auditors are given in Note to the Standalone Financial Statements.

6. COMMITTEES:

A. AUDIT COMMITTEE

The Audit Committee comprises of 4 members, wherein Mr. Deepak M. Vaishnav holds chairmanship, who has sound financial knowledge. The other members in the audit committee are Mr. Ajay Khera, Mr. Kamlesh Limbachiya and Mr. Bharat P. Shah. And Mrs. Bhavi R. Gandhi Company Secretary of the Company was also the Secretary to the audit committee.

The audit committee has adequate powers and plays such role as required and prescribed under the provisions of Companies Act, 2013 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 signed with the Stock Exchanges. The members of the committee met 4 times during the financial year.

The Composition, Meetings & Attendance during the FY 2019-20 are as follows:

Name of Directors	Category	Attendance			
		24.05.2019	13.09.2019	05.12.2019	07.02.2020
Mr. Deepak M. Vaishnav	Chairman	Yes	Yes	Yes	Yes
Mr. Ajay Khera	Member	Yes	Yes	Yes	Yes
Mr. Kamlesh S. Limbachiya	Member	Yes	Yes	Yes	Yes
*Mr. Bharat P. Shah	Member	Yes	Yes	Yes	Yes
*Mrs. Shilpa V Solanki	Member	NA	NA	NA	NA
*Mr. Kanji B. Rita	Member	NA	NA	NA	NA

* As on 15.07.2020, Mr. Bharat Shah, Independent Director was appointed as Chairman of the Committee

* As on 15.07.2020 Mr. Kanji B. Rita, Chairman & Managing Director was appointed as Member of the Audit Committee.

* Mr. kamlesh S. Limbachiya is not a Member of the Committee due to reconstitution of committee w.e.f 15.07.2020

* Mr. Ajay Khera has resigned from the Company w.e.f 18.08.2020

- (i) The terms of reference of the audit committee:
- (a) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
 - (b) Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
 - (c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
 - (d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
 - (e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
 - (f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 - (g) Review and monitor the auditor's independence and performance, and effectiveness of the audit process.
 - (h) Approval or any subsequent modification of transactions of the Company with related parties.
 - (i) Scrutiny of inter-corporate loans and investments.
 - (j) Valuation of undertakings or assets of the company, wherever it is necessary.
 - (k) Evaluation of internal financial controls and risk management systems;
 - (l) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 - (m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - (n) Discussion with internal auditors of any significant findings and follow up there on.
 - (o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 - (p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - (q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - (r) To review the functioning of the Whistle Blower mechanism.

- (s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- (t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- (ii) The representatives of statutory auditors and internal auditors have attended all the Audit Committee meetings held during the year. The Chief Executive Officer, Chief Financial Officer, and Principal Officer are permanent invitees to the Meeting. The Company Secretary acts as the secretary to the audit Committee.
- (iii) The Chairman of the Audit Committee was present at the last Annual General Meeting held on September 30th September 2020.
- (iv) The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the BSE Limited read with Section 177 of the Companies Act, 2013.

In addition to the members of the Audit Committee, these meetings are attended by the heads of accounts & finance, Internal Auditors, Statutory Auditors and other executives of the Company who are considered necessary for providing inputs to the Committee as invitees.

Mrs. Bhavi R. Gandhi, Company Secretary acts as Secretary of the Committee.

B. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Shareholders'/ Investors' Grievance Committee consists of 3 members, a Chairman, Mr. Ajay Khara and another is the member, Kamlesh Limbachiya & Mr. Deepak M. Vaishnav Both/all the members are eminent in resolving the complaints, if any received from investors. However, Due to Resignation of Mr. Ajay Khara, The Committee got reconstituted w.e.f. 12th September 2020 and New Committee consists of 3 Members i.e. Chairman, Mr. Deepak M. Vaishnav and another is the member, Mr Kamlesh S Limbachiya & Mr. Bharat P. Shah.

- (i) In order to ensure quick redressal of the complaints of the stakeholders, the Company has, in due compliance with Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Companies Act, 2013.
- (ii) The terms of reference of the Committee:
 - (a) The Committee looks into redressal of shareholders' complaints such as transfer or credit of shares, Non-receipt of dividend, Non-receipt of Annual Reports etc.
 - (b) Oversee and review all matters connected with transfer of the Company's Securities
 - (c) Approve issue of Company's duplicate share / debenture certificate
 - (d) Monitor redressal of investors' / shareholders' grievances
 - (e) Oversee the performance of the Company's Registrars and Share Transfer Agents
 - (f) Monitors implementation and compliance with the Company's code of conduct for prohibition of insider trading
 - (g) Perform such other functions as may be necessary or appropriate for the performance of its duties

(iii) Meeting, Attendance and Composition:

The composition of Stakeholder Relationship Committee is in the Compliance with the provisions of the Companies Act, 2013 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Stakeholder Relationship Committee meetings held once during the year as on 07th February 2020

Name Of Directors	Category	07.02.2020
*Mr. Ajay Khera	Chairman	Yes
*Mr. Deepak M. Vaishnav	Member	Yes
Mr. Kamlesh S. Lindachiya	Member	Yes
*Mr Bharat P. Shah	Member	NA

Mr Ajay Khera resigned from Company wef 18/08/2020. Mr Deepak Vaishnav became Chairman wef 12/09/2020 and Mr. Bharat Shah became member wef 12/09/2020 due to reconstitution of Committee.

The Company has specifically designated an email id i.e. for the purpose of registering complaints of investors electronically: investorgrievance@inventuregrowth.com to Compliance Officer- Bhavi Gandhi (Company Secretary)

However, the committee has delegated its power to approve transfer & transmission of shares & issue of duplicate share certificates to the Registrar & share transfer agent of the Company.

During the financial year 2019-2020, the Company has/has not received any complaints from its shareholders.

C. Nomination & Remuneration Committee.

The Company has Nomination & Remuneration Committee which comprises of 5 directors, Chairman Mr. Ajay Khera and Mr. Bharat P. Shah, Mr. Harilal B. Rita, Mrs. Shilpa Solanki and Mr. Deepak M. Vaishnav are other members. The Remuneration Committee met One(1) time during given period. The Committee has been reconstituted as on 15.07.2020 and the reconstituted committee comprises of 3 Directors, Chairman Mr. Deepak Vaishnav and Mr. Bharat P. Shah, Mrs. Shilpa Solanki are other members.

The composition of the Committee is in the Compliance with the provisions of the Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(ii) The terms of reference of the Committee inter-alia includes the followings :

- (a) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- (b) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and senior employees.
- (c) Formulate the policy to ensure that:

The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully

Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

- (d) Evaluate case by case before finalizing issue of Equity Shares to employees under ESOP, formulate and evaluate policies and procedures of ESOP, administer and supervise the ESOP scheme and other related activities.
- (e) To perform such other functions as may be necessary and appropriate for the performance of its duties

iii) Meeting, Attendance and Composition

Nomination and Remuneration Committee meetings held once during the year as on 24th August 2019.

Name Of Directors	Category	24.08.2019
*Mr. Ajay Khera	Chairman	Yes
*Mr. Deepak M. Vaishnav	Member	Yes
Mr. Kamlesh S. Limbachiya	Member	Yes
Mr. Bharat P. Shah	Member	Yes
Mrs. Shilpa V Solanki	Member	No
Mr. Harilal B. Rita	Member	No

* Mr. Ajay Khera, Mr. Harilal B. Rita and Mr. Kamlesh Limbachiya are not a member of the Committee w.e.f 15.07.2020 due to reconstitution of Committee.

* Mr. Deepak Vaishnav appointed as Chairman of the Committee w.e.f 15.07.2020

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

- (i) Pursuant to provisions of Section 135 of the Companies Act, 2013, the Board had constituted a Corporate Social Responsibility Committee.

The Corporate Social Responsibility Committee comprising of three (3) members, including two Non-Executive independent Director and one Non-Executive Director as under :

Sr. No.	Name of the Director(s)	Category
1	Mr. Bharat P. Shah	Chairman
2	Mr. Kanji B. Rita	Member
3	Mr. Kamlesh S. Limbachiya	Member

During the year no meeting was held of the CSR committee.

- (ii) The terms of reference of the Committee inter-alia includes the followings :
- Formulate and recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and rules framed thereunder.
 - Recommend the amount of expenditure to be incurred on the activities referred in Clause (a)
 - Monitor the Corporate Social Responsibility Policy of the Company from the time to time.
 - Prepare a transparent monitoring mechanism for ensuring implementation of the projects/programmers/activities proposed to be undertaken by the Company.
- (ii) Since the CSR norms are still not applicable to the Company. Hence, the disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is not required to be made.

7. REMUNERATION TO DIRECTORS

Details of remuneration, perquisites etc. and sitting fees of Directors for the financial year ended on 31th March 2020 are provided

under Annexure D of Directors Report. Performance bonus of the Chairman & Managing Director is as may be approved by the Nomination & Remuneration Committee and based on criteria including achievement of performance standards as mutually set out from time to time and as per Remuneration policy of the Company.

8. REMUNERATION POLICY

The Board on the recommendation of Nomination and Remuneration Committee approved Remuneration Policy for Directors, KMP and senior management employees. The policy describes various aspects and guiding factors while determining the remuneration to Directors, KMP and senior managerial personnel of the Company with intent to maintain level and composition of remuneration reasonable and sufficient to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and also create competitive advantage. Broad provisions of the Remuneration Policy are summarized hereunder.

- a. Nomination and Remuneration committee (NRC) has important role in monitoring the policy.
- b. The Board, on the recommendation of NRC approves the remuneration payable to the Managing Director of the Company. The remuneration payable to the Managing Director shall be in accordance with the applicable provisions of the Act, and the rules framed thereunder.
- c. The Board, on the recommendation of the NRC approves the remuneration payable to the Key Managerial Personnel and Senior Management Personnel. The structure of remuneration payable to Key Managerial Personnel and Senior Management Personnel will be in accordance with the compensation framework adopted for employees generally by the Human Resource department of the Company.
- d. The commission to the Non-Executive/ Independent Directors is paid as per the provisions of the Act and the rules framed thereunder.
- e. The Commission will be distributed among nonexecutive independent directors as per criteria mentioned in this Report.

9. CRITERIA FOR PAYMENT TO NON-EXECUTIVE INDEPENDENT DIRECTOR

Non-executive and Independent Directors are paid sitting fee of ₹ 25000/- for each meeting of the Board or committee thereof. The Company also reimburses expenses incurred by the directors for attending the meetings.

10. COMPANY POLICIES:

Policies of the Company as required During the year under review, the Company has adopted the following policies in line with Regulation 30(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 (wherever applicable) are displayed on the website of the Company i.e. www.inventuregrowth.com

11. INDEPENDENT DIRECTORS MEETING:

During the year under review, the Independent Directors met on 05.12.2019 inter alia,

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the independent Directors were present at the meeting.

12. Subsidiary Companies

The Company as on 31st March, 2020 has 6 subsidiary companies, which are enumerated below:

1. Inventure Finance Private Limited
2. Inventure Commodities Limited
3. Inventure Merchant Banker Services Private Limited
4. Inventure Wealth Management Limited
5. Inventure Insurance Broking Private Limited
6. Inventure Developers Private Limited

The requirements of Regulation 24 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to Subsidiary Companies have been complied with. As per regulation Inventure Finance Private Limited is Material Subsidiary Company.

The Company monitors performance of Subsidiary companies, inter alia by following means:

- Financial Statements, in particular investments made by the unlisted Subsidiary Companies are reviewed by the Company's Audit Committee.
- Minutes of the Board Meetings of Unlisted Subsidiary Companies are placed before the Company's Board.
- A Statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company's Board.

13. GENERAL BODY MEETINGS

- a) **No Extra Ordinary General of shareholders was held during the period from 01st April, 2019 to 31st March, 2020.**
- b) **The last three Annual General Meetings were held as under:**

Year	Venue	Day/Date	Time	No. of Special Resolutions passed
2018-19	3 rd Floor, Sterling Banquet Hall, Topiwala Center, Off S.V. Road, Near Station Road, Goregaon (West), Mumbai – 400 062	Monday 30.09.2019	11.00AM	7
2017-18	3 rd Floor, Sterling Banquet Hall, Topiwala Center, Off S.V. Road, Near Station Road, Goregaon (West), Mumbai – 400 062	Thursday 27.09.2018	11.00 A.M	3
2016-17	3 rd Floor, Sterling Banquet Hall, Topiwala Center, Off S.V. Road, Near Station Road, Goregaon (West), Mumbai – 400 062	Wednesday 27.09.2017	11.00 A.M	1

For the year ended March 31, 2020 No Special Resolutions passed by the Company's Shareholders through Postal Ballot..

14. DISCLOSURES

- a. **Materially Significant Related Party Transactions:**

There have been no materially significant related party transactions, pecuniary transactions or relationship between the Company and its Directors for the year ended 31.03.2020 that may have a potential conflict with the interest of the Company at large.

Related Parties and transactions with them as required under Accounting Standard (AS-18) are furnished in Notes on Accounts attached with the Financial Statements for the year ended March 31, 2020.

b. Statutory Compliance, Penalties and Strictures:

The Company has complied with the requirements of regulatory authorities and no instances with regards to non-compliance, penalty or otherwise occurred or was imposed on the Company by Stock Exchange or SEBI or any other statutory authority.

c. Accounting Standards:

The Company has applied the mandatory Accounting Standards as prescribed by the ICAI, and that there is no deviation in the accounting treatments which requires any specific disclosure.

d. Code of Conduct for Prevention/Prohibition of Insider Trading

The company has adopted Code of Conduct for Prevention/Prohibition of Insider Trading in lines with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018. The same is available on company's portal www.inventuregrowth.com

e. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Compliances:

The company has complied with all the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 compliances within time.

f. Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification:

In terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulation 17(8) the Managing Director and the Chief Financial Officer have furnished the required certificates to the Board of Directors.

g. web link where policy has been Disclosed:

The Company's website (www.inventuregrowth.com) contains a separate dedicated section where Policy regarding material subsidiaries and related party transactions information is available.

15. Means of Communication

a. Quarterly Results: The quarterly unaudited and audited results of the Company were published in the Newspaper as under during the FY 2019-20:

Date of Meeting	Date of Publishing results in Newspapers		Purpose of Meeting
	Name of the Newspaper	Name of the Newspaper	
	(Marathi) Navshakti Express	(English)Free Press Journal	
13.09.2019	14.09.2019	14.09.2019	Unaudited Financial Results of the Company for the Quarter ended 30 th June, 2019
05.12.2019	06.12.2019	06.12.2019	Unaudited Financial Results of the Company for the Quarter & Six Months ended 30 th September 2019.
07.02.2020	09.02.2020	09.02.2020	Unaudited Financial Results of the Company for the Quarter & Nine Months ended 31 st December, 2019.
15.07.2020	17.07.2020	17.07.2020	Audited Financial Results & Accounts of the Company for the Quarter & Year ended 31 st March, 2020.

The results are also available on the Company's website www.inventuregrowth.com

Annual results: The copy of annual report containing the annual results of the Company along with the notes, auditor's report, director's report etc., are yearly sent to the shareholders at their registered addresses and which are also available on the Company's website www.inventuregrowth.com

16. General Shareholders' Information

a. Annual General Meeting

Day and Date	:	Saturday, 26 th December 2020
Time	:	11.00 AM
Venue	:	Through Video Conferencing as mentioned in AGM Notice
Financial Year	:	01 st April, 2019 - 31 st March, 2020
Date of Book Closure	:	18 th December 2020 to 26 th December 2020 (both days inclusive)

b. Dividend Payment

: NIL

c. Listing of Shares

: BSE Limited
14th Floor, P J Towers,
Dalal Street, Fort,
Mumbai- 400 001

National Stock Exchange of India Limited (NSE)
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400051

Metropolitan Stock Exchange of India Limited
2nd Floor, Exchange Square,
Suren Road, Andheri (East),
Mumbai - 400 093

d. Scrip Id/Code	:	533506 - BSE
		Inventure - NSE
		Inventure - MSEI

Corporate Identity No : L65990MH1995PLC089838

e. Registrar and Share Transfer Agents:

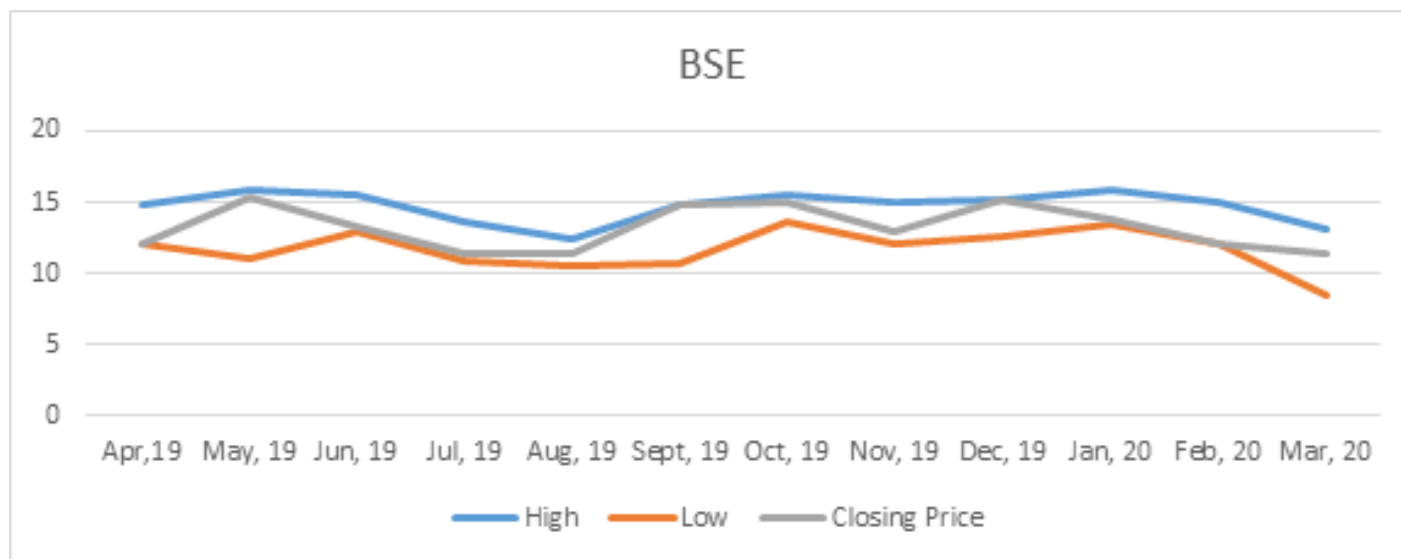
Name	:	Linkintime India Pvt Ltd.
Address	:	C 101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai - 400 078, Tel. No : 022- 49186000 Fax No. : 022-49186060

l) Share Price Data

Market Price Data: Stock Market price data for the financial year 2019-20. High/Low of daily closing market price of the company's shares traded at BSE, NSE & MSEI Exchange during each month in the financial year ended 2019-20 are as under:

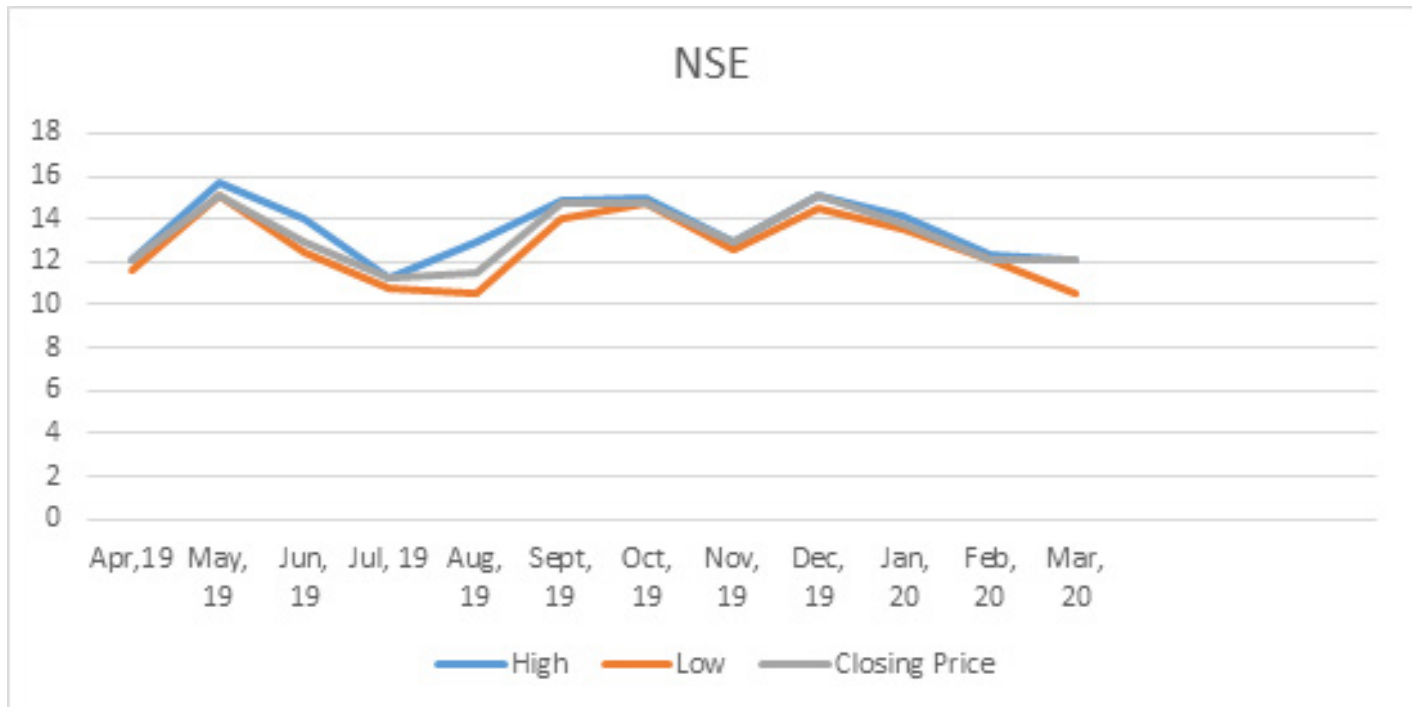
BOMBAY STOCK EXCHANGE LIMITED

Month	BSE		
	High	Low	Closing Price
Apr, 19	14.9	12.05	12.07
May, 19	15.87	11	15.35
Jun, 19	15.45	12.95	13.25
Jul, 19	13.7	10.81	11.4
Aug, 19	12.44	10.5	11.47
Sept, 19	14.9	10.7	14.8
Oct, 19	15.5	13.69	14.93
Nov, 19	15	12	13
Dec, 19	15.25	12.57	15.15
Jan, 20	15.95	13.5	13.75
Feb, 20	15	12.05	12.1
Mar, 20	13.2	8.5	11.47



NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Month	NSE		
	High	Low	Closing Price
Apr, 19	12.05	11.6	12.05
May, 19	15.7	15.05	15.1
Jun, 19	14	12.5	12.95
Jul, 19	11.25	10.75	11.25
Aug, 19	12.95	10.5	11.45
Sept, 19	14.9	14	14.8
Oct, 19	14.95	14.75	14.75
Nov, 19	12.95	12.55	12.95
Dec, 19	15.15	14.5	15.15
Jan, 20	14.1	13.6	13.8
Feb, 20	12.4	12.05	12.05
Mar, 20	12.1	10.55	12.1



METROPOLITAN STOCK EXCHANGE OF INDIA LIMITED

During the period from 01.04.2019 to 31.03.2020 details of trade are not available on portal of MSEI since no trade is executed during this period.

j) Distribution of shareholding

DISTRIBUTION OF SHAREHOLDING (SHARES)							
SR. NO.	SHARES RANGE			NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1	1	to	500	1837	67.5616	284177	0.3383
2	501	to	1000	315	11.5851	274466	0.3267
3	1001	to	2000	182	6.6936	299335	0.3564
4	2001	to	3000	62	2.2803	160951	0.1916
5	3001	to	4000	33	1.2137	120384	0.1433
6	4001	to	5000	39	1.4344	185432	0.2208
7	5001	to	10000	46	1.6918	351610	0.4186
8	10001	to	*****	205	7.5395	82323645	98.0043
Total				2719	100	84000000	100

Shareholding pattern as on 31 March, 2020

Category	No of Shares	Percentage
Promoters & Persons acting in concert	2,31,75,439	27.59
Mutual Funds/FIs/Banks/Insurance Companies	-	-
Clearing Member	3,93,026	0.47
Bodies Corporate	36,38,650	4.33
NRI/Foreign Nationals /Foreign Bodies Corporate	49,801	0.05
Public and others	5,04,48,860	60.06
Total	8,40,00,000	100

17. Reconciliation of Share Capital Audit Report as on 31st March, 2020

The Company, pursuant to the provisions of the SEBI (Listing obligations and Disclosures Requirements) Regulations, 2015, at every quarter has to submit a Certificate of Reconciliation of Share Capital Audit taken from a Practicing Company Secretary to the Stock Exchanges where the shares of the Company are listed. The report certifies that the total shares held with NSDL, CDSL and those in physical, tally with the share capital issued and paid up of the Company and that the Register of Members is duly updated.

18. Share Transfer System:

The Company's shares held in dematerialized form are transferrable through depositories whereas those in physical form are transferred by the Registrar & Transfer Agent and placed before the Share Transfer Committee for its approval. The power to issue share certificates on re-materialization or transfer of physical share has been delegated to Mrs. Bhavi R. Gandhi

The Investor Grievance Committee meets at a regular interval to consider and approve the transfer, transmission, issuance of duplicate / consolidated / sub-divided share certificates and requests for dematerialization / re-materialization of Company's shares. The Company on half yearly basis submits to the Stock Exchanges a Certificate under Regulation 40(9) & (10) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 giving details with regards to share transfer forms received and approved during the period.

19. Dematerialization of Shares:

The shares of the Company are compulsorily traded in electronic mode with National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited (CDSL). Out of the total Share Capital of the Company Equity Shares in Demat form, which includes the shares held by the Promoter and Promoter group, and remaining shares are held in physical mode.

20. The Company has/has not issued any GDR/ ADR Warrants or any other convertible instruments

21. ADDRESS OF CORRESPONDENCE

<p>REGISTRAR AND SHARE TRANSFER AGENTS LINK INTIME PRIVATE LIMITED C 101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai – 400 078 Tel: +91 022- 49186000 FAX: +91 22 49186060 E-mail: rnt.helpdesk@linktime.co.in Website: www.linkintime.co.in</p>	<p>REGISTERED OFFICE INVENTURE GROWTH & SECURITIES LIMITED 201, Viraj Tower, Near Landmark, W.E. Highway, Andheri (E), M-69, Tel: +91 22 71148500 FAX: +91 22 71148510 Email: cs@inventuregrowth.com Website: www.inventuregrowth.com</p>
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DECLARATION BY CHIEF EXECUTIVE OFFICER

This is to declare that as provided under Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the Directors and Senior Management for the year ended March 31, 2020.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 15.07.2020

Chief Executive Officer

**Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification
(Issued in accordance with the provisions of Regulation 33 (2) (a) of SEBI (LODR) Regulations 2015**

**To the Board of Directors
Inventure Growth & Securities Limited**

We, the undersigned, in our respective capacities as Whole Time Directors and Chief Financial Officer of the Company hereby certify that, to the best of our knowledge and belief;

- A) We have reviewed the financial statements read with the cash flow statement of Inventure Growth and Securities Limited for the year ended March 31, 2020 and that to the best of our knowledge and belief, we state that;
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that may be misleading;
 - (ii) These statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- B) There are, to the best of our knowledge and belief, no transaction entered into by the Company during the year ended March 31, 2020 which are fraudulent, illegal or in violation of the Company's code of conduct.
- C) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control system of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls. If any, and steps taken or propose to be taken for rectifying these deficiencies.
- D) We have indicated to the Auditors and the Audit Committee:
- I. There is no significant changes in internal control over financial reporting during the year ended March 31, 2020;
 - II. There is no significant changes in accounting policies made during the year ended March 31, 2020;
 - III. There is no Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Yours sincerely

For Inventure Growth & Securities Limited

**Sd/-
Kanji B. Rita
Managing Director**

**Sd/-
Arvind J. Gala
Chief Financial Officer**

**Place: Mumbai
Date: 15.07.2020**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of,
Inventure Growth and Securities Limited,
201, 2nd Floor, Viraj Tower, Near Landmark,
Western Express Highway, Andheri - East
Mumbai – 400 069

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Inventure Growth and Securities Limited** having CIN L65990MH1995PLC089838 and having registered office at 201, 2nd Floor, Viraj Tower, Near Landmark, Western Express Highway, Andheri - East Mumbai - 400069 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

SR. No.	Name of Directors	DIN	Date of appointment in the Company
1.	Kanji Bhachubhai Rita	00727470	24/09/2015
2.	Kamleshkumar Shankarlal Limbachiya	02774663	12/02/2014
3.	Meet Kanji Rita	06895249	21/08/2018
4.	Harilal Bhachubahi Rita	02750900	29/02/2012
5.	Lasha Rita Meet	08104505	30/01/2019
6.	Shilpa Vishal Solanki	07139092	23/03/2015
7.	Deepak Manikant Vaishnav	02889935	24/12/2009
8.	Ajay Khera	00695146	24/12/2009
9.	Dilip Champshi Shah	05202642	29/02/2012
10.	Bharat Popatlal Shah	02360505	28/05/2014

However, vide SEBI order dated 6th August 2018 has debarred following directors; Nagji K Rita/ Virendra D Singh/ Kanji B Rita/ Vinod K Shah/ Pravin M Gala/ Arun N Joshi/ Srinivasaiyer Jambunathan/ Harshavardhan M Gajbhiye/ Ajay Khera/ Deepak M Vaishnav to associate themselves with any listed company or company proposing to list, or any registered intermediary, in the capacity of a director, key management personnel or partner (in case of a partnership firm) for a period of 4 years, with effect from January 1, 2019. As informed by the management, the Company and all the directors and KMP as mentioned has filed an appeal with Securities Appellate Tribunal (SAT) on 11th September 2018 against the said SEBI order dated 06/08/2018. SAT from time to time has granted interim stay on reconstitution of the Board as directed in SEBI order dated 06/08/2018. After several hearings in the matter of order dated 06.08.2018 the final SAT hearings had been completed on 22nd July 2019. The Hon'ble judges of SAT has passed the Order dated 10.10.2019 and summary of the Order passed was as under:-

- a) The Appeal filed on 11th September 2018 by the Company i.e. Inventure Growth & Securities Limited and its directors Mr. Nagji K. Rita, Mr. Virendra D. Singh, Mr. Vinod K Shah, Mr. Kanji B. Rita, Mr. Arvind J Gala and Mrs. Bhavi R Gandhi was partly allowed as follows;
- i) The SEBI Order passed against all the Independent Directors i.e. Mr. Ajay Khera, Mr. Deepak Vaishnav, Mr. S. Jambunathan, Mr. H M Gajbhiye, Mr. Arun Joshi and Mr. Pravin Gala has been set aside.
 - ii) The restraint imposed on the Company and Executive Directors was reduced from 4 years to 3 years.
- b) The Company, Executive Directors and KMPs had filed Review Applications on 01.11.2019 against the SAT Order dated 10.10.2019. SAT hearing for Review Applications was completed on 05.02.2020 and order passed as follow;
- i) All The review applications has been dismissed and the debarment period has been reduced from 4 years to 3 years.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For D M Zaveri & Co.
Company Secretary

Dharmesh Zaveri
(Proprietor)
M. No.: 5418
CP. No.: 4363
Place: Mumbai
Date: 12th September 2020
ICSI UDIN: F005418B000694667

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Inventure Growth and Securities Limited

I have examined the compliance of conditions of Corporate Governance by **Inventure Growth and Securities Limited** ('the Company'), for the Financial Year ended 31st March 2020, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

In my opinion and to the best of my information and according to our examination of the relevant records and the explanations given to me and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of the Schedule V of the Listing Regulations during the period ended 31st March 2020.

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

For D. M. Zaveri & Co
Company Secretaries

Dharmesh Zaveri
(Proprietor)
FCS No. 5418
CP No. 4363

Place: Mumbai
Date: 12th September 2020

ICSI UDIN:- F005418B000694634

**ANNEXURE A
Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Subsidiaries

(Amount in Rupees)

Particulars	IFPL	IMBSPL	ICL	IWML	IIBPL	IDPL
Name of the subsidiary	Inventure Finance Private Limited*	Inventure Merchant Banker Services Private Limited	Inventure Commodities Limited	Inventure Wealth Management Limited	Inventure Insurance Broking Private Limited	Inventure Developers Private Limited
The date since when subsidiary was acquired	07/12/2007 28/06/2008 11/03/2011 04/11/2011	29/08/2011	19/08/2008	12/06/2008	08/01/2008	08/06/2018
Reporting period for the subsidiary concerned, if different from the Holding Company's reporting period	-	-	-	-	-	-
Share capital	4,80,00,000	1,21,00,000	2,19,07,000	65,00,000	60,00,200	1,00,000
Other equity	67,09,60,861	1,72,55,365	7,10,95,191	(14,79,179)	(2,06,075)	(7,22,417)
Total assets	10,62,11,6979	3,05,98,070	13,86,79,536	52,49,800	59,41,734	1,10,869
Total liabilities	34,31,56,118	12,42,705	4,56,77,345	2,28,979	1,47,609	7,33,286
Investments	-	92,13,200	-	5,35,840	2,92,960	
Turnover	12,82,41,996	35,90,237	1,36,56,777	2,35,353	3,76,072	7,649
Profit before taxation	(1,97,91,885)	5,76,916	(84,97,783)	2,19,320	3,21,653	(7,17,787)
Provision for taxation (net)	(26,95,030)	3,49,245	(22,39,728)	1,11,745	1,47,140	-
Profit after taxation	(1,70,96,855)	2,27,671	(62,58,055)	1,07,575	1,74,513	(7,17,787)
Proposed dividend		-	-	-	-	-
% of shareholding	100%	100%	99.97%	100%	100%	100%

* Following number of shares were acquired by the holding company on the following dates:

Date	Number of shares
07/12/2007	2,60,000
28/06/2008	5,40,000
11/03/2011	20,00,000
04/11/2011	20,00,000
	48,00,000

ANNEXURE B
SECRETARIAL AUDIT REPORT

Form No. MR-3

For the Financial year ended 31st March, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Inventure Growth and Securities Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Inventure Growth and Securities Limited** (hereinafter called '**the Company**'). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Inventure Growth and Securities Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the

Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter read with our letter of even date annexed as Annexure A which form an integral part of this report.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013(the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and the Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder (Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company during the audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('The SEBI'):-
 - (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, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not relevant / applicable during the year under review)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not relevant / applicable during the year 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) (Amendment) Regulations, 2018; **(Not relevant / applicable during the year under review)**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not relevant / applicable during the year under review)**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Other law applicable specifically to the Company as per the representation given by the management of the Company is SEBI (Stock Brokers and Sub-brokers) Regulations, 1992.

I have also examined compliance with the applicable clauses to the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Government of India, as applicable under the Companies Act 2013;
- (ii) The uniform listing agreements entered with BSE, NSE and MCX-SX in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except as follows;

- a) *the Company has failed to comply with Regulation 34 & 36(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 w.r.t. delay in submission of Annual Report at Stock Exchange within the period prescribed as the Company has submitted copy of annual report with the Stock Exchange on 18th September 2019 after delay of 9 days from the date of despatch of such report to members i.e. 5th September 2019.*
- b) *the Company has failed to comply with Regulation 30 read with Schedule III Part A(a)(4)(h) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.r.t. Delay in filing of outcome of the board meeting required to be submitted with Stock Exchange within 30 minutes of the closure of such board meeting as there was a delay of 8 min. in filing of outcome of the board meeting required to be submitted with Stock Exchange within 30 minutes of the closure of such board meeting.*

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive, Non – Executive Directors and Independent 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, vide SEBI order dated 6th August 2018 has debarred following directors; Nagji K Rita/ Virendra D Singh/ Kanji B Rita/ Vinod K Shah/ Pravin M Gala/ Arun N Joshi/ Srinivasaiyer Jambunathan/ Harshavardhan M Gajbhiye/ Ajay Khera/ Deepak M Vaishnav to associate themselves with any listed company or company proposing to list, or any registered intermediary, in the capacity of a director, key management personnel or partner (in case of a partnership firm) for a period of 4 years, with effect from January 1, 2019. As informed by the management, the Company and all the directors and KMP as mentioned has filed an appeal with Securities Appellate Tribunal (SAT) on 11th September 2018 against the said SEBI order dated 06/08/2018. SAT from time to time has granted interim stay on reconstitution of the Board as directed in SEBI order dated 06/08/2018. After several hearings in the matter of order dated 06.08.2018 the final SAT hearings had been completed on 22nd July 2019. The Hon'ble judges of SAT has passed the Order dated 10.10.2019 and summary of the Order passed was as under:-

- a) *The Appeal filed on 11th September 2018 by the Company i.e. Inventure Growth & Securities Limited and its directors Mr. Nagji K. Rita, Mr. Virendra D. Singh, Mr. Vinod K Shah, Mr. Kanji B. Rita, Mr. Arvind J Gala and Mrs. Bhavi R Gandhi was partly allowed as follows;*
 - i) *The SEBI Order passed against all the Independent Directors i.e. Mr. Ajay Khera, Mr. Deepak Vaishnav, Mr. S. Jambunathan, Mr. H M Gajbhiye, Mr. Arun Joshi and Mr. Pravin Gala has been set aside.*

- ii) *The restraint imposed on the Company and Executive Directors was reduced from 4 years to 3 years.*
- b) *The Company, Executive Directors and KMPs had filed Review Applications on 01.11.2019 against the SAT Order dated 10.10.2019. SAT hearing for Review Applications was completed on 05.02.2020 and order passed as follow;*
- i) *All The review applications has been dismissed and the debarment period has been reduced from 4 years to 3 years.*

Adequate notice is given to all the directors to schedule the Board Meeting, 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 are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

I further report that the Company had received a Show Cause Notice under Section 11(1), 11(4), 11A and 11B of SEBI Act, 1992 in the matter relating to public issue of the Company which was duly replied with requisite explanation for the queries raised by SEBI.

I further report that during the audit period;

- a) There was no further development in respect of letter dated 06/06/2018 received by the Company from Registrar of Companies (ROC) under section 206(4) of the Companies Act, 2013 for furnishing of information in respect of Initial Public offer and detailed submission of the same was filed by Company on 21/06/2018.
- b) In respect of Show Cause Notice received from SEBI dated 30/06/2016 under Section 11(1), 11(4), 11A and 11B of SEBI Act, 1992 in the matter relating to public issue of the Company. The SEBI has passed order dated 6th August 2018 U/s 11, 11(4), & 11B of SEBI Act, 1992 wherein it has directed that; the Company and its following Directors/ KMPs; Nagji K Rita/ Virendra D Singh/ Kanji B Rita/ Vinod K Shah/ Pravin M Gala/ Arun N Joshi/ Srinivasaiyer Jambunathan/ Harshavardhan M Gajbhiye/ Ajay Khara/ Deepak M Vaishnav/ Arvind Gala (CFO)/ Bhavi Gandhi (CS) shall not access the securities market or buy, sell or otherwise deal in the securities market, either directly or indirectly for a period of 4 years from the date of this order.

All the directors as mentioned above shall not associate themselves with any listed company or company proposing to list, or any registered intermediary, in the capacity of a director, key management personnel or partner (in case of a partnership firm) for a period of 4 years, with effect from January 1, 2019.

The Company shall ensure that the board of directors is reconstituted to give effect to the aforesaid directions in order to ensure the smooth functioning of the Company.

CFO & CS were warned/ cautioned to exercise due care & diligence, in future.

SEBI vide its order dated 9th August 2018 has allowed the Company from closing their respective open position at the earliest without any further roll-over but fresh positions shall not be allowed to be opened.

All such non compliances in respect of misutilisation of IPO proceeds and making false and inadequate disclosures in RHP/ Prospectus are pertaining to period earlier than the reporting period of our report. As informed by the management, the Company and all the directors and KMP as mentioned has filed an appeal with Securities Appellate Tribunal (SAT) on 11th September 2018 against the said SEBI order dated 06/08/2018. SAT from time to time has granted interim stay on reconstitution of the Board as directed in SEBI order dated 06/08/2018.

The Company and all the directors and KMP (except Nagji K Rita, Virendra D Singh & Vinod K Shah) had filed an application for settlement on 19th November 2018 with SEBI wherein on 16th January 2019, SEBI has rejected the settlement application filed by Company due to technical reason. Further settlement application filed by such directors and KMP(s) has been withdrawn by them.

After several hearings in the matter of order dated 06.08.2018 the final SAT hearings had been completed on 22nd July 2019 and the Hon'ble judges of SAT has passed the Order dated 10.10.2019 and summary of the Order passed was as under:

- i) The Appeal filed on 11th September 2018 by the Company i.e. Inventure Growth & Securities Limited and its directors Mr. Nagji K. Rita, Mr. Virendra D. Singh, Mr. Vinod K Shah, Mr. Kanji B. Rita, Mr. Arvind J Gala and Mrs. Bhavi R Gandhi was partly allowed as follows;
- ii) The SEBI Order passed against all the Independent Directors i.e. Mr. Ajay Khara, Mr. Deepak Vaishnav, Mr. S. Jambunathan, Mr. H M Gajbhiye, Mr. Arun Joshi and Mr. Pravin Gala has been set aside.
- iii) The restraint imposed on the Company and Executive Directors was reduced from 4 years to 3 years.
- iv) The Company, Executive Directors and KMPs had filed Review Applications on 01.11.2019 against the SAT Order dated 10.10.2019. The SAT hearing for Review Applications was completed on 05.02.2020 and order passed as follow;

All The review applications has been dismissed and the debarment period has been reduced from 4 years to 3 years

- c) SEBI has conducted hearing on 25/03/2019 for adjudication proceeding against the Company for the above mentioned matter. The Company has received final order dated 30th August 2019 issued by Adjudication Officer from SEBI. In the impugned order, SEBI has levied Penalty as mentioned in below in tabular form;

Sl. No	Name of the Noticee	Penalty amount in Rs.	Reference of provisions violated	Penal provisions under SEBI Act
1	Inventure Growth & Securities Ltd.	50,00,000/- (Rupees Fifty Lakhs only)	Section 12 A (a), (b), (c) of SEBI Act, 1992 and Regulations 3(b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations	Section 15HA
		25,00,000/- (Rupees Twenty Five Lakhs only)	Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations.	Section 15HB
2	Nagji Keshavji Rita (Resigned w.e.f. 04.08.2018)	10,00,000/- (Rupees Ten Lakhs only)	Section 12 A (a), (b), (c) of SEBI Act, 1992 and Regulations 3 (b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations	Section 15HA
		5,00,000/- (Rupees Five Lakhs only)	Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations.	Section 15HB
3	Virendra Dudhnath Singh (Resigned w.e.f. 10.08.2016)	10,00,000/- (Rupees Ten Lakhs only)	Section 12 A (a), (b), (c) of SEBI Act, 1992 and Regulations 3 (b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations	Section 15HA
		5,00,000/- (Rupees Five Lakhs only)	Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations.	Section 15HB

Sl. No	Name of the Noticee	Penalty amount in Rs.	Reference of provisions violated	Penal provisions under SEBI Act
4	Kanji Bhachubhai Rita	10,00,000/- (Rupees Ten Lakhs only)	Section 12 A (a), (b), (c) of SEBI Act, 1992 and Regulations 3 (b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations	Section 15HA
		5,00,000/- (Rupees Five Lakhs only)	Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations.	Section 15HB
5	Vinod Kanji Shah (Resigned w.e.f. 30.01.2014)	10,00,000/- (Rupees Ten Lakhs only)	Section 12 A (a), (b), (c) of SEBI Act, 1992 and Regulations 3 (b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations	Section 15HA
		5,00,000/- (Rupees Five Lakhs only)	Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations.	Section 15HB
6	Pravin Nanji Gala (Resigned w.e.f. 26.09.2013)	10,00,000/- (Rupees Ten Lakhs only)	Section 12 A (a), (b), (c) of SEBI Act, 1992 and Regulations 3 (b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations	Section 15HA
		5,00,000/- (Rupees Five Lakhs only)	Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations.	Section 15HB
7	Arun Narayan Joshi (Resigned w.e.f. 02.07.2013)	3,00,000/- (Rupees Three Lakhs only)	Section 12 A (a), (b), (c) of SEBI Act, 1992 and Regulations 3 (b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations	Section 15HA
		2,00,000/- (Rupees Two Lakhs only)	Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations	Section 15HB
8	Jambunathan Srinivasaiyer (Resigned w.e.f. 05.10.2013)	3,00,000/- (Rupees Three Lakhs only)	Section 12 A (a), (b), (c) of SEBI Act, 1992 and Regulations 3 (b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations	Section 15HA
		2,00,000/- (Rupees Two Lakhs only)	Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations	Section 15HB
9	Harshavardhan M Gajbhiye (Resigned w.e.f. 26.9.2013)	3,00,000/- (Rupees Three Lakhs only)	Section 12 A (a), (b), (c) of SEBI Act, 1992 and Regulations 3 (b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations	Section 15HA
		2,00,000/- (Rupees Two Lakhs only)	Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations	Section 15HB
10	Ajay Khera	3,00,000/- (Rupees Three Lakhs only)	Section 12 A (a), (b), (c) of SEBI Act, 1992 and Regulations 3 (b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations	Section 15HA
		2,00,000/- (Rupees Two Lakhs only)	Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations	Section 15HB

Sl. No	Name of the Noticee	Penalty amount in Rs.	Reference of provisions violated	Penal provisions under SEBI Act
11	Deepak M Vaishnav	3,00,000/- (Rupees Three Lakhs only)	Section 12 A (a), (b), (c) of SEBI Act, 1992 and Regulations 3 (b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations	Section 15HA
		2,00,000/- (Rupees Two Lakhs only)	Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations	Section 15HB
12	Arvind Jethalal Gala	2,00,000/- (Rupees Two Lakhs only)	Section 12 A (a), (b), (c) of SEBI Act, 1992 and Regulations 3 (b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations	Section 15HA
		1,00,000/- (Rupees One Lakh only)	Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations.	Section 15HB
13	Bhavi Rahul Gandhi	2,00,000/- (Rupees Two Lakhs only)	Section 12 A (a), (b), (c) of SEBI Act, 1992 and Regulations 3 (b), (c), (d), 4(1), 4(2)(f), (k) and (r) of the SEBI (PFUTP) Regulations	Section 15HA
		1,00,000/- (Rupees One Lakh only)	Regulations 57 (1) and 57 (2)(a) read with Clause 2 (VII) (G) and (XVI) (B) (2) of part A of schedule VIII and 60 (4) of the SEBI (ICDR) Regulations.	Section 15HB

As informed by the management, the Company and all the Directors and KMP who were penalised has filed an appeal with Securities Appellate Tribunal (SAT) on 4th November 2019 against the said SEBI Adjudication order dated 30th August 2019. The Hon'ble SAT has granted interim stay on 26th November 2019 for recovery of Penalties levied by SEBI. After several hearings in the matter of order dated 30th August 2019 the final SAT hearings had been completed on 26th February 2020 and the Hon'ble judges of SAT has passed the Order dated 26th February 2020 and summary of the order passed as follows; The Hon'ble SAT has instructed Adjudication Officer of SEBI to decide the matter fresh in light of the SAT Order dated 10th October 2019 and set aside the order passed by AO of SEBI.

- d) The SEBI vide its Order dated 23.06.2020 passed under Sections 11, 11(4) and 11B read with Section 19 of the SEBI Act, 1992 prohibited the Company from buying, selling or otherwise dealing in securities in any manner whatsoever, either directly or indirectly, for a period of 02 (Two) years from the date of coming into force of this Order in relation to show cause notice dated April 30, 2015 which was issued after a lapse of 7 years for the alleged trading during the investigation period of 01.06.2008 to 20.12.2008; As informed by the management, the Company got restrained for accessing Securities Market for the period of Two years from the date of the said Order.
- e) The SEBI vide its email dated 01.07.2020 and 02.07.2020 imposed a restriction under Sections 11, 11(4) and 11B read with Section 19 of the SEBI Act, 1992 by restraining from accessing security market as an Intermediary as well for a period of Two Years from the date of the Order and issued Directions to immediately Square off the F & O Position of Clients in relation to show cause notice dated April 30, 2015 which was issued after a lapse of 7 years for the alleged trading during the investigation period of 01.06.2008 to 20.12.2008; As informed by the Management, On receipt of email dtd 01.07.2020 and 02.07.2020, the Company had filed an Appeal at Securities Appellate Tribunal (SAT) against the order and filed Miscellaneous Application for Stay on Order as well as against the directions issued by Assistant Manager of SEBI vide his email dated 01.07.2020 and 02.07.2020. On filing of Appeal, the SAT has passed an Order as on 03.07.2020 which was as follows:
- i) The Hon'ble SAT had find that the appellant i.e. Inventure Growth & Securities Limited has been debarred from accessing the securities market for a period of two years for the trades done in the year 2008, further Hon'ble SAT also found that prima-facie the impugned order only relates to the trading account of the proprietary trading of the appellant and does not relate to the appellant's trading of its client as a registered trading member. At this stage, restraining the appellants in the intermediary trading in the stock market would not be in the interest of the investors nor in the interest of the 2500 shareholders of the appellant company".

- ii) Hon'ble SAT has granted six week time to the respondent SEBI to file a reply. Three weeks thereafter to the appellant to file a rejoinder and listed this matter for final disposal on 21.09.2020.
- iii) In the meanwhile, Hon'ble SAT direct that directions issued by the Assistant Manager of SEBI vide his e-mail dated July 1, 2020 and July 2, 2020 will not be acted upon and further make it clear that the restraint order passed by the WTM restraining the appellant from accessing the securities market for two years shall be confined only to the proprietary trading account.

For D. M. Zaveri & Co
Company Secretaries

Dharmesh Zaveri
(Proprietor)

FCS. No.: 5418
CP No.: 4363

Place: Mumbai
Date: 12th September 2020
UDIN: F005418B000694612

This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To,
The Members,
Inventure Growth and Securities Limited

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I 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 the management. My examination was limited to the verification of procedure 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 D. M. Zaveri & Co
Company Secretaries

Dharmesh Zaveri
(Proprietor)

FCS. No.: 5418
CP No.: 4363

Place: Mumbai
Date: 12th September 2020

**ANNEXURE C
EXTRACT OF ANNUAL RETURN**

FORM NO MGT 9

I. REGISTRATION AND OTHER DETAILS:

Sr. No.	Particular	Remark
1	CIN	L65990MH1995PLC089838
2	Registration Date	22.06.1995
3	Name of the Company	Inventure Growth & Securities Limited
4	Category / Sub-Category of the Company	Company limited by Shares
5	Address of the Registered office and contact details	201, Viraj Tower, Near Landmark, W.E. highway, Andheri (East), Mumbai – 400 069. Tel. No.: 022 – 71148500 Fax No.: 022 – 71148510
6	Whether listed company Yes / No	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	LINKINTIME INDIA Pvt Ltd, C 101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai – 400 078.

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 of the Product / Services	% of Turnover
1	Broking of Shares & other Securities	8030	47%

II. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr No.	Name And Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
1	Inventure Finance Pvt Ltd.	U65990MH1990PTC056454	Subsidiary Company	100%	2(87)
2	Inventure Merchant Banker Services Pvt Ltd.	U74120MH2011PTC221416	Subsidiary Company	100%	2(87)
3	Inventure Wealth Management Ltd.	U51909MH2008PLC183472	Subsidiary Company	100%	2(87)
4	Inventure Commodities Ltd	U67120MH1995PLC094485	Subsidiary Company	100%	2(87)
5	Inventure Insurance Broking Pvt Ltd.	U66000MH2008PTC177574	Subsidiary Company	100%	2(87)
6	Inventure Developers Pvt Ltd.	U70103MH2019PTC310518	Subsidiary Company	100%	2(87)

III SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

1. Category wise Shareholding:

Sr No	Category of Shareholders	Shareholding at the beginning of the year – 31.03.2019				Shareholding at the end of the year – 31.03.2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (Specify)									
	Persons Acting In Concert	23175439	0	23175439	27.5898	23175439	0	23175439	27.5898	0.0000
	Sub Total (A)(1)	23175439	0	23175439	27.5898	23175439	0	23175439	27.5898	0.0000
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	23175439	0	23175439	27.5898	23175439	0	23175439	27.5898	0.0000
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Alternate Investment Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(g)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Any Other (Specify)									
	Sub Total (B)(1)	0	0	0	0.0000	0	0	0	0.0000	0.0000

Sr No	Category of Shareholders	Shareholding at the beginning of the year – 31.03.2019				Shareholding at the end of the year – 31.03.2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto ₹ 2 lakh.	1645689	0	1645689	1.9592	1933727	0	1933727	2.3021	-0.4054
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	35718381	0	35718381	42.5219	37755133	0	37755133	44.9466	0.4373
(b)	NBFCs registered with RBI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Independent Relatives Of Director	11360000	0	11360000	13.5238	10760000	0	10760000	12.8095	0.7143
	Hindu Undivided Family	6246108	0	6246108	7.4358	6294224	0	6294224	7.4931	-0.0573
	Non Resident Indians (Non Repat)	35011	0	35011	0.0417	14355	0	14355	0.0171	0.0246
	Non Resident Indians (Repat)	34846	0	34846	0.0415	35346	0	35346	0.0421	-0.0006
	Clearing Member	2012414	0	2012414	2.3957	393026	0	393026	0.4679	0.9278
	Bodies Corporate	3772112	0	3772112	4.4906	3638650	0	3638650	4.3317	0.1589
	Sub Total (B)(3)	60824461	0	60824461	72.4101	60824461	0	60824461	72.4101	0.0000
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	60824561	0	60824561	72.4102	60824561	0	60824561	72.4102	0.0000
	Total (A)+(B)	84000000	0	84000000	100.0000	84000000	0	84000000	100.0000	0.0000
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	84000000	0	84000000	100.0000	84000000	0	84000000	100.0000	

(i) Shareholding of Promoters

Sr No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	KANJI BACHUBHAI RITA	22164327	26.3861	0.0000	22164327	26.3861	0.0000	0.0000
2	KANJI BACHU RITA HUF	11112	0.0132	0.0000	11112	0.0132	0.0000	0.0000
3	PRAVIN NANJI GALA	1000000	1.1905	0.0000	1000000	1.1905	0.0000	0.0000
	Total	23175439	27.59	0.0000	23175439	27.59	0.0000	0.0000

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

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 31.03.2019		Transactions during the year		Cumulative Shareholding at the end of the year - 31.03.2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	KANJI BACHUBHAI RITA	22164327	26.3861	-	-	22164327	26.3861
	AT THE END OF THE YEAR			-	-	22164327	26.3861
2	PRAVIN NANJI GALA	1000000	1.1905	-	-	1000000	1.1905
	AT THE END OF THE YEAR			-	-	1000000	1.1905
3	KANJI BHACHU RITA (HUF)	11112	0.0132	-	-	11112	0.0132
	AT THE END OF THE YEAR			-	-	11112	0.0132

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

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	HARILAL BHACHUBHAI RITA	5000000	5.9524			5000000	5.9524
	AT THE END OF THE YEAR					5000000	5.9524

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
2	K KALIDAS FASHIONS PRIVATE LIMITED	2525109	3.0061			2525109	3.0061
	AT THE END OF THE YEAR					2525109	3.0061
3	SHANTILAL BHACHUBHAI RITA	2000000	2.381			2000000	2.381
	AT THE END OF THE YEAR					2000000	2.381
3	RAMESH UTTAMCHAND RAMCHANDANI	2720000	3.2381			2720000	3.2381
	Market Buy			06 Apr 2018	1113110	3833110	4.5632
	Market Sell			29 Mar 2019	-1630000	2203110	2.6228
	AT THE END OF THE YEAR					2203110	2.6228
4	DEEPAK BABULAL SHAH	1534810	1.8272			1096800	1.3057
	Transfer			05 Apr 2019	124507	1659317	1.9754
	AT THE END OF THE YEAR					1659317	1.9754
5	PRAVIN VASANT MEHTA	1135000	1.3512			1135000	1.3512
	AT THE END OF THE YEAR					1135000	1.3512
6	VELJI HARAKCHAND GADA	1070000	1.2738			1070000	1.2738
	AT THE END OF THE YEAR					1070000	1.2738
7	SHANTIBEN KANJI RITA	1000000	1.1905			1000000	1.1905
	AT THE END OF THE YEAR					1000000	1.1905
8	RAMESH UTTAMCHAND RAMCHANDANI	2203110	2.6228			2720000	3.2381
	Transfer			30 Aug 2019	-46841	2156269	2.567
	Transfer			06 Sep 2019	-464707	1691562	2.0138
	Transfer			13 Sep 2019	-196868	1494694	1.7794
	Transfer			27 Sep 2019	-510723	983971	1.1714
	Transfer			30 Sep 2019	-33971	950000	1.131
	AT THE END OF THE YEAR					950000	1.131
9	VIRAL L CHHEDA						
	885000	1.0536			885000	1.0536	
	Transfer			08 Nov 2019	11000	896000	1.0667

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Transfer			31 Dec 2019	3000	899000	1.0702
	Transfer			03 Jan 2020	3400	902400	1.0743
	AT THE END OF THE YEAR					902400	1.0743
10	HEENA HARILAL SHAH	310000	0.369			310000	0.369
	Transfer			19 Apr 2019	322727	632727	0.7532
	Transfer			26 Apr 2019	67273	700000	0.8333
	Transfer			11 Oct 2019	200000	900000	1.0714
	AT THE END OF THE YEAR					900000	1.0714

(v) Shareholding of Directors and Key Managerial Personnel:

Sr No	For Each of the Directors and KMP	Shareholding at the Beginning of the year 2019		Cumulative Shareholding during the year 2019-2020	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Kanji B. Rita At the beginning of the year	22164327	26.3861	22164327	26.3861
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)			-	-
	At the end of the year(or on the date of separation, if separated during the year)	22164327	26.3861	22164327	26.3861
2	Bharat Popatlal Shah At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00

Sr. No	For Each of the Directors and KMP	Shareholding at the Beginning of the year 2019		Cumulative Shareholding during the year 2019-2020	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
3	Kamleshkumar Shankarlal Limbachiya At the beginning of the year	700000	0.83	700000	0.83
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) 20.02.2019	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	700000	0.83	700000	0.83
4	Deepak Manikant Vaishnav At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	0	0	0	0
5	Shilpa Vishal Solanki At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	0	0	0	0
6	Lasha Rita At the beginning of the year	700000	0.83	700000	0.83
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year (or on the date of separation, if separated during the year)	700000	0.83	700000	0.83
7	Arvind Jethalal Gala At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	0	0	0	0

Sr. No	For Each of the Directors and KMP	Shareholding at the Beginning of the year 2019		Cumulative Shareholding during the year 2019-2020	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
8	Bhavi Rahul Gandhi At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	0	0	0	0

V. INDEBTEDNESS

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. no.	Particulars of Remuneration	Name of MD/ WTD/ Manager			Total Amount
		Kanji B. Rita	Kamlesh S. Limbachiya	Meet K. Rita	
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-taxAct,1961				
	(c)Profits in lieu of salary under section 17(3) Income-tax Act, 1961	39,00,000	26,00,000	26,00,000	91,00,000
2	Stock Option	Nil			Nil
3	Sweat Equity	Nil			Nil
4	Commission				
	-as % of profit				
	-others, specify...	Nil			Nil
5	Others, please specify	Nil			Nil
	Total(A)				91,00,000
	Ceiling as per the Act				

B. Remuneration to other Directors

Sr. no.	Particulars of Remuneration	Name of Directors					Total Amount
		Ajay Kherra	Deepak M. Vaishnav	Dilip C. Shah	Bharat P. Shah	Shilpa Solanki	
1.	Independent Directors						
	• Fee for attending board/committee meetings	275000	275000	25000	275000	150000	
	• Commission	-	-	-	-	-	
	• Others, please specify	-	-	-	-	-	
	Total(1)						1000000
4	. Other Non-Executive Directors		Harilal B. Rita		Lasha M. Rita		
	• Fee for attending board/ committee meetings		175000		75000		
	• Commission		-		-		
	• Others, please specify		-		-		
	Total(2)						250000
	Total(B)=(1+2)						1250000
	Total Managerial Remuneration						10350000

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

Sr. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Bhavi R. Gandhi (Company Secretary)	Arvind Gala (CFO)	Total
	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	0	6,71,352	12,07,946	18,79,298
	Stock Option	0	0	0	0
	Sweat Equity	0	0	0	0
	Commission				
	- as % of profit				
	- others, specify...	0	0	0	0
	Others, please Specify	0	0	0	0
	Total	0	6,71,352	12,07,946	18,79,298

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)
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. OTHER OFFICERS IN DEFAULT					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

For Inventure Growth & Securities Limited

sd/-
Kanji B. Rita
(Managing Director)

sd/-
Kamlesh S Limbachiya
(Whole -Time Director)

Place: Mumbai
Date: 12.09.2020

**ANNEXURE D
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIE**

1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects and programs.	Pursuant to Section 135(1) of the Companies Act, 2013 read with companies (Corporate Social Responsibility) Rules, 2014, the Board of Director has constituted a CSR Committee. The Board also framed a CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013. The said policy is placed on the website and is available on the following web link www.inventuregrowth.com
2	The Composition of the CSR Committee	1) Bharat P. Shah, Chairman 2) Kanji B. Rita, Member 3) Kamlesh S. limbachiya, Member
3	Average net profit of the Company (India - Standalone) for last three financial years.	
4	Prescribed CSR Expenditure spent (two - percent of the amount as in item 3 above)	
5	Details of CSR spent during the financial year: a) Total amount spent for the financial year;	NIL
	b) Amount unspent, if any;	NOT APPLICABLE
	c) Manner in which the amount spent during the financial year:	NOT APPLICABLE

The Company confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

For Inventure Growth & Securities Limited

**sd/-
Kanji B. Rita
(Managing Director)**

**sd/-
Kamlesh S Limbachiya
(Whole -Time Director)**

**Place: Mumbai
Date: 12.09.2020**

ANNEXURE E

Policy regarding Appointment of Directors and payment of remuneration to Managerial Personnel

REMUNERATION POLICY:

In accordance with the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee recommended the following remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel, Non-Executive Directors and other employees, which was approved and adopted by the Board.

I. PREAMBLE:

This Remuneration Policy is formulated in compliance with Section 178 of the Companies Act, 2013, read with the applicable Rules thereto and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy has been formulated by the Nomination and Remuneration Committee (NRC) and has been approved by the Board of Directors based on the recommendations of the NRC.

II. OBJECTIVE:

The objective of the Policy is to ensure that:

- (i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

III. COMPLIANCE WITH APPLICABLE LAWS:

The procedure and limits for payment of remuneration under this policy shall be in accordance with provisions of (a) the Companies Act, 2013 read with Rules framed there under, (b) Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (c) Articles of Association of the Company and (d) any other applicable law or regulations. In the absence of any of the above provisions, the procedure and limits shall be governed by the prevailing HR Policy of the Company.

IV. REMUNERATION OF MANAGING DIRECTOR/WHOLE TIME DIRECTOR:

The Board, on the recommendation of the Nomination and Remuneration Committee approves the remuneration payable to the Managing Director/Whole Time Director of the Company. The remuneration payable to the Managing Director/Whole Time Director shall be in accordance with the conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules framed there under. The remuneration payable to the Managing Director/Whole Time Director shall comprise of fixed pay, perquisites and a variable salary determined as a percentage of fixed salary & payable annually, linked to achievement against pre-agreed annual performance parameters. The Managing Director/Whole Time Director will be eligible for any bonus/commission linked to profits of the Company. Notwithstanding that in any financial year the Company has no profits or its profits are inadequate, the Company shall pay remuneration as aforesaid to its Managing Director/Whole Time Director in accordance with the provisions of Schedule V of the Companies Act, 2013, and with the prior approval of the Central Government, wherever necessary.

V. REMUNERATION TO NON-EXECUTIVE DIRECTORS:

Sitting fees within the limits prescribed under the Companies Act, 2013 and rules framed there under for attending meetings of the Board and Committees thereof (ii) Commission up to limit prescribed under the act of net profit as may be decided by the Board (iii) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.

VI. REMUNERATION TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

The Board, on the recommendation of the Nomination and Remuneration Committee approves the remuneration payable to the Key Managerial Personnel and Senior Management. The structure of remuneration payable to Key Managerial personnel and Senior Management Personnel will be in accordance with the compensation framework adopted for employees generally by

the Human Resource department of the Company. Such compensation framework adopted for the employees by the Human Resource department will be framed taking into account factors it deems relevant, including but not limited to market conditions, job description, business needs and practices in comparable companies and having regard to financial position of the Company as well as prevailing laws and government/other guidelines.

VII. REMUNERATION TO OTHER EMPLOYEES

Basic Salary, allowances, Retirement Benefits, such other perquisites and/or incentives and/or bonus and/or variable Pay based on factors as above, as may be decided by the Management from time to time as per HR Policy.

CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS DIRECTORS AND IN SENIOR MANAGEMENT:

In accordance with the provisions of Section 178(3) of the Act read with Clause 49 of the Listing Agreement, the Nomination and Remuneration Committee is required to formulate the criteria for determining qualifications, positive attributes and independence of a Director. The criteria adopted by the Nomination and Remuneration Committee for the aforesaid purposes are as under:

Criteria for determining qualifications, positive attributes and independence of a director:

I. QUALIFICATIONS:

- (a) He / She should possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.
- (b) Such qualifications as may be prescribed under the Companies Act, 2013 read with rules framed there under and the Listing Agreement with Stock Exchanges.

II. POSITIVE ATTRIBUTES:

- (a) He / She should be a person of integrity, with high ethical standard.
- (b) He / She should be able to commit to his/her responsibilities and devote sufficient time and attention to his/her professional obligation as a director.
- (c) He / She should be having courtesy, humility and positive thinking.
- (d) He / She should be knowledgeable and diligent in updating his/her knowledge.
- (e) He / She should have skills, experience and expertise by which the Company can benefit.
- (f) In respect of Executive/Whole time Director/ Managing Director, in addition to I (a) & (b) and II (a) to (e) above, he/she should have strong quality of leadership and team mentoring, recognition, management skills, vision, ability to steer the organization even in adverse conditions, innovative thinking, result oriented and ability to enhance reputation of the organization.

III. INDEPENDENCE:

In respect of an Independent director, in addition to I (a) & (b) and II (a) to (e) above, he/she should fulfill the criteria for being appointed as an Independent Director prescribed under Section 149 of the Companies Act, 2013 read with Schedule IV to the said Act and the provisions of Clause 49 of the Listing Agreement as amended from time to time.

For Inventure Growth & Securities Limited

sd/-
Kanji B. Rita
(Managing Director)
DIN:00727470

sd/-
Kamlesh S Limbachiya
(Whole -Time Director)
DIN:02774663

Place: Mumbai
Date: 12.09.2020

ANNEXURE F

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is as under:

Sr. No.	Disclosure Details	Disclosure Requirement		
		Director/ Employee	Title	Ratio
1	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	Kanji B. Rita	Managing Director	7.89
		Kamlesh S. Limbachiya	Whole Time Director	5.26
		Meet Rita	Whole Time Director	5.26
		Shankar Khandelwal	Vice President- Sales	2.56
		Arvind Gala	Chief Financial Officer	2.38
		Bhavi Gandhi	Company Secretary	1.55
		Dharmesh Shah	Accounts Head	1.99
		Avinash Bhosale	AVP DP	1.73
		Vishal Parekh	Compliance Manager	1.13

Sr. No.	Requirements	Disclosure		
		Directors/KMP's	Title	% increase in remuneration
1	Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Mr. Kanji B. Rita	Managing Director	-
		Mr. Kamlesh S. Limbachiya	Whole Time Director	-
		Mr. Meet K. Rita	Whole Time Director	-
		Mr. Arvind J. Gala	Chief Financial Officer	-
		Mr. Bhavi R. Gandhi	Company Secretary	-
2	The Number of permanent employees on the rolls of the Company	128 employees as on 31st March, 2020		
3	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 exception circumstance for increase in the managerial remuneration	There was/ was no exceptional circumstance or increase for managerial personnel in the last financial year. The percentile increase process and policy was same for them and all the other employees.		
	affirmation that the remuneration is as per the remuneration policy of the company	Yes		

For Inventure Growth & Securities Limited

sd/-
Kanji B. Rita
(Managing Director)
DIN:00727470

sd/-
Kamlesh S Limbachiya
(Whole -Time Director)
DIN:02774663

Place: Mumbai
Date: 12.09.2020

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Inventure Growth & Securities Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the standalone financial statements of Inventure Growth & Securities Limited ("the Company"), which comprise the Balance sheet as at 31st March 2020, the Statement of Profit and Loss (including other Comprehensive Income), Statement of Changes in Equity and 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 (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit, other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the key audit matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Transition to Ind AS accounting framework

In accordance with the roadmap for implementation of Indian Accounting Standards (Ind AS) for non-banking financial companies, as announced by the Ministry of Corporate Affairs, the Company has adopted Ind AS from April 1, 2019 with an effective date of April 1, 2018 for such transition. For periods up to and including the year ended March 31, 2019, the Company had prepared and presented its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "previous GAAP").

In order to give effect of the transition to Ind AS, these financial statements for the year ended March 31, 2020, together with the comparative financial information for the previous year ended March 31, 2019 and the transition date balance sheet as at April 1, 2018 have been prepared under Ind AS. The transition has involved significant changes in the Company's financial reporting policies and processes, including generation of reliable and supportable financial information. Further, the management has exercised significant judgement for giving an appropriate effect of the first-time adoption principles of Ind AS 101, as at transition date and to determine the impact of the new accounting framework on certain accounting and disclosure requirements prescribed under relevant accounting standards, to the extent applicable. In view of the material impact and complexities and significant judgement involved in implementing Ind AS, we have focused on this area in our audit.

How our audit addressed the key audit matter

Read the Ind AS impact assessment performed by the management and the resultant changes made to the accounting policies considering the requirements of the new framework.

- Assessed the judgement exercised by the management in applying the first-time adoption principles of Ind AS 101 especially in respect of fair valuation of assets and liabilities existing as at transition date.
- We understood the financial statement closure process and the additional controls established by the Company for transition to Ind AS.
- Assessed the judgement applied by the Company in determining its business model for classification of financial assets.
- Tested the accounting adjustments posted as at the transition date and in respect of the previous year to convert the financial information reported under erstwhile Indian GAAP to Ind AS.
- Assessed disclosures made by the management for compliance with IND AS.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises of the Annual Report but does not include the standalone Ind AS financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read such other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audited financial statements. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities;

selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended 31 March 2020 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 sub-section (11) of section 143 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, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure B**.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act
 - (h) 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 has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 45 to the said 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 PHD & Associates

Chartered Accountants
Firm Registration No.111236W

Paresh Vakharia

Partner
Membership No.: 38220
UDIN: 20038220AAAAAQ5452
Mumbai
15 July 2020

Annexure A

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditors' Report of even date to the members of Inventure Growth & Securities Limited on the standalone Ind AS financial statements for the year ended March 31, 2020:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the title deeds of immovable property disclosed in Note to standalone Ind AS financial statements, are held in the name of the Company.
- (ii) The inventory being stock-in-trade of securities held in dematerialized form has been verified during the year by the management with the holding certificates from the respective depository. In our opinion, the frequency of verification is reasonable. No discrepancies were noticed on verification between the depository certificates and the book records.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act') except loan to subsidiaries, the terms and conditions of grant thereof are not prejudicial to the Company's interest. The loans are repayable on demand and interest is received as per agreed terms. No amount of such loans is overdue.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction of granting of loans or making of investments or providing guarantees or security to any person except loans granted to, investments made in and security provided for, its subsidiary/wholly owned subsidiary, and in respect thereof, the Company has complied with provisions of Section 185 and Section 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits. Hence, the question of compliance with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder does not arise. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of Cost records under Section 148(1) of the Act for any of the products manufactured/ services rendered by the Company.
- (vii) In respect of statutory dues:
 - (a) According to the records of the Company, undisputed statutory dues including Income Tax, Service Tax, Goods and Service Tax (GST), Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues for a period of more than six months from the date of they becoming payable and outstanding on March 31, 2020.
 - (b) There are no dues of income tax, sales tax, service tax or duty of custom or duty of excise or value added tax or GST which have not been deposited as on March 31, 2020, on account of disputes, except the following dues relating to income tax which have not been deposited on account of dispute:

Name of Statute	Assessment Year	Dispute Forum	Amount (Rs)
Income Tax	2011-12	CIT-(A)	1,36,92,730
Income Tax	2014-15	CIT-(A)	94,28,320

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of borrowings to the banks. The Company does not have any loans or borrowings from financial institutions or government and has not issued any debentures.
- (ix) The Company did not have any term loans outstanding during the year. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanation given to us, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with sections 177 and 188 of the Act, where applicable, for all transactions with the related parties and details of related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For PHD & Associates

Chartered Accountants
Firm Registration No.111236W

Paresh Vakharia

Partner
Membership No.: 38220
UDIN: 20038220AAAAAQ5452
Mumbai
15 July 2020

Annexure B

Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditors' Report of even date to the members of Inventure Growth & Securities Limited on the standalone Ind AS financial statements for the year ended March 31, 2020.

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

1. We have audited the internal financial controls over financial reporting of Inventure Growth & Securities Limited ("the Company") as at March 31, 2020, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Meaning of Internal Financial Controls Over Financial Reporting

6. A Company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements 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 with reference to these standalone Ind AS financial statements includes those policies and procedures that:

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these standalone Ind AS financial statements.

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

Opinion

- 8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For PHD & Associates

Chartered Accountants
Firm Registration No.111236W

Paresh Vakharia

Partner
Membership No.: 38220
UDIN: 20038220AAAAAQ5452
Mumbai
15 July 2020

STANDALONE BALANCE SHEET AS AT 31 MARCH 2020

(Amount in ₹)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
ASSETS				
1 Financial Assets				
(a) Cash and cash equivalents	6	122,199,546	60,150,700	114,884,755
(b) Bank balance other than (a) above	7	438,303,923	667,524,299	473,123,653
(c) Stock in trade	8	9,760,780	11,372,104	12,259,499
(d) Receivables				
I Trade receivables	9	57,480,491	36,926,622	219,604,855
II Other receivables		-	-	-
(e) Loans	10	325,097,001	23,779,976	90,521,255
(f) Investments	11	643,207,349	643,471,718	643,493,705
(g) Other financial assets	12	32,904,220	39,940,916	46,048,175
		1,628,953,310	1,483,166,335	1,599,935,897
2 Non-Financial Assets				
(a) Current tax assets (net)	13	33,112,898	26,757,144	21,113,892
(b) Deferred tax assets (net)	14	27,880,396	27,072,861	15,813,603
(c) Investment property	15	25,335,483	25,335,483	25,335,483
(d) Property, plant and equipment	16	67,921,372	71,722,523	77,227,039
(e) Other intangible assets	16A	682,723	104,168	62,500
(f) Other non-financial assets	17	5,706,257	5,846,287	7,424,404
		160,639,129	156,838,466	146,976,921
Total Assets		1,789,592,439	1,640,004,801	1,746,912,818
LIABILITIES AND EQUITY				
Liabilities				
1 Financial Liabilities				
(a) Payables				
(I) Trade payables	18			
(i) total outstanding dues of Micro and Small enterprises		-	-	-
(ii) total outstanding dues of creditors other than Micro and Small enterprises		273,116,180	118,076,643	190,323,448
(II) Other Payables				
(i) total outstanding dues of Micro and Small enterprises		-	-	-
(ii) total outstanding dues of creditors other than Micro and Small enterprises		-	-	-
(b) Borrowings	19	307,407	31,156,095	13,835,890
(c) Deposits	20	12,388,353	11,594,461	15,028,218
(d) Other financial liabilities	21	2,305,746	2,950,608	2,520,325
		288,117,686	163,777,807	221,707,881
2 Non-Financial Liabilities				
(a) Current tax liabilities (net)		-	-	-
(b) Provisions	22	9,712,766	8,088,237	6,818,183
(c) Other non financial liabilities	23	2,100,000	-	-
		11,812,766	8,088,237	6,818,183
3 Equity				
(a) Equity share capital	24	840,000,000	840,000,000	840,000,000
(b) Other equity	25	649,661,987	628,138,757	678,386,754
		1,489,661,987	1,468,138,757	1,518,386,754
Total Liabilities and Equity		1,789,592,439	1,640,004,801	1,746,912,818

The accompanying notes are an integral part of the financial statements

As per our report of even date

For PHD & Associates

Chartered Accountants

Firm Registration No. 111236W

Paresh Vakharia

(Partner)

Membership No. 38220

Place : Mumbai

Date : 15 July 2020

For and on behalf of the Board of Directors

Kanji B. Rita

(DIN 00727470)

Managing Director

Kamlesh S. Limbachiya

(DIN 02774663)

Wholtime Director

Bhavi R. Gandhi

Company Secretary

Meet K. Rita

(DIN 06895249)

Wholtime Director

Arvind J. Gala

Chief Financial Officer

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹)

Particulars	Note No.	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from operations			
(i) Interest income	26	34,386,128	32,158,802
(ii) Dividend income	27	75,745	444,636
(ii) Fees and commission income	28	102,863,287	137,834,717
(iii) Sale of shares	29	-	632,996,897
(iv) Other operating income	30	9,670,388	20,014,418
(I) Total revenue from operations		146,995,548	823,449,470
(II) Other income	31	70,260,135	32,853,791
(III) Total income (I+II)		217,255,683	856,303,261
Expenses			
(i) Finance costs	32	12,011,499	4,745,740
(ii) Fees and commission expense	33	53,523,455	64,143,511
(iii) Impairment on financial instruments	34	1,511,719	109,579,332
(iv) Purchases of stock-in-trade	35	-	639,207,208
(v) Changes in stock-in-trade	36	1,611,324	887,395
(vi) Employee benefits expenses	37	57,095,662	50,791,512
(vii) Depreciation and amortization expense	16	4,227,585	6,210,111
(viii) Other expenses	38	40,725,402	41,917,980
(IV) Total expenses		170,706,646	917,482,789
(V) Profit/(loss) before exceptional item and tax (III-IV)		46,549,037	(61,179,528)
(VI) Exceptional items		-	-
(VII) Profit/(loss) before tax (V-VI)		46,549,037	(61,179,528)
(VIII) Tax expense			
(i) Current tax		4,385,620	313,690
(ii) MAT credit entitlement		-	(313,690)
(iii) Net current tax (i-ii)		4,385,620	-
(iv) Deferred tax		(1,085,164)	(11,433,503)
(v) Tax adjustment for earlier years		-	479,371
Total tax expenses (VIII)		3,300,456	(10,954,132)
(IX) Profit/(loss) after tax (VII -VIII)		43,248,581	(50,225,396)
(X) Other comprehensive income			
Items that will not be reclassified to Profit or Loss:			
(i) Change in fair value of financial assets		(264,368)	(121,987)
(ii) Remeasurements of net defined plans		(125,940)	137,692
(iii) Tax effect of above		35,037	(38,306)
Other comprehensive income/(loss) (X)		(355,271)	(22,601)
(XI) Total comprehensive income for the year (IX + X)		42,893,310	(50,247,997)
(XII) Earnings per equity share (Face value of ₹10/- per share)			
Basic (in ₹)		0.51	(0.60)
Diluted (in ₹)		0.51	(0.60)

Significant accounting policies

The accompanying notes are an integral part of the financial statements

As per our report of even date

For PHD & Associates

Chartered Accountants

Firm Registration No. 111236W

Paresh Vakharia

(Partner)

Membership No. 38220

Place : Mumbai

Date : 15 July 2020

For and on behalf of the Board of Directors

Kanji B. Rita

(DIN 00727470)

Managing Director

Meet K. Rita

(DIN 06895249)

Wholetime Director

Kamlesh S. Limbachiya

(DIN 02774663)

Wholetime Director

Arvind J. Gala

Chief Financial Officer

Bhavi R. Gandhi

Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(A) EQUITY SHARE CAPITAL

(Amount in ₹)

Particulars	As at	As at	As at
	31 March 2020	31 March 2019	1 April 2018
	₹	₹	₹
Balance at the beginning of the reporting year	840,000,000	840,000,000	840,000,000
Change in equity share capital during the year	-	-	-
Balance at the end of the reporting year	840,000,000	840,000,000	840,000,000

(B) OTHER EQUITY

(Amount in ₹)

Particulars	Reserves and Surplus					Equity Instruments through Other Comprehensive Income	Other items of Other Comprehensive Income	Total
	Capital Reserve	Securities Premium Reserve	Taxation Reserve	General Reserve	Retained Earnings			
Balances as on April 1, 2017 (A)	2,025,000	71,510,581	12,500,000	564,821,877	15,025,769	-	742,866	666,626,093
Addition during the year:								
Profit / (loss) for the year	-	-	-	-	13,037,561	-		13,037,561
Other comprehensive income : Remeasurment of defined benefit plans	-	-	-	-	-	-	(1,090,661)	(1,090,661)
Net change in fair value of investments	-	-	-	-	-	(186,239)	-	(186,239)
Total Comprehensive Income for the year 2017-18 (B)	-	-	-	-	13,037,561	(186,239)	(1,090,661)	11,760,661
Balances as on April 1, 2018 (A + B) = C	2,025,000	71,510,581	12,500,000	564,821,877	28,063,330	(186,239)	(347,795)	678,386,754
Addition during the year:								
Profit / (loss) for the year	-	-	-	-	(50,225,396)	-		(50,225,396)
Transfer from General Reserve to Retained Earnings (D)	-	-	-	(100,000,000)	100,000,000	-		-
Other comprehensive income : Remeasurment of defined benefit plans	-	-	-	-	-	-	99,386	99,386
Net change in fair value of investments	-	-	-	-	-	(121,987)	-	(121,987)
Total Comprehensive Income for the year 2018-19 (E)	-	-	-	-	(50,225,396)	(121,987)	99,386	(50,247,997)
Balance as at March 31, 2019 (C + D + E) = F	2,025,000	71,510,581	12,500,000	464,821,877	77,837,934	(308,226)	(248,409)	628,138,757
Addition during the year:								
Profit / (loss) for the year	-	-	-	-	43,248,581	-		43,248,581
Other comprehensive income : Remeasurment of defined benefit plans	-	-	-	-	-	-	(90,903)	(90,903)
Net change in fair value of investments	-	-	-	-	-	(264,368)	-	(264,368)
Total Comprehensive Income for the year 2019-20 (G)	-	-	-	-	43,248,581	(264,368)	(90,903)	42,893,310

Particulars	Reserves and Surplus					Equity Instruments through Other Comprehensive Income	Other items of Other Comprehensive Income	Total
	Capital Reserve	Securities Premium Reserve	Taxation Reserve	General Reserve	Retained Earnings			
Reductions during the year:								
Dividend	-	-	-	-	21,000,000	-	-	21,000,000
Dividend distribution tax	-	-	-	-	370,080	-	-	370,080
Total reduction during the year (H)	-	-	-	-	21,370,080	-	-	21,370,080
Balance as at March 31, 2020 (F + G - H)	2,025,000	71,510,581	12,500,000	464,821,877	99,716,435	(572,594)	(339,312)	649,661,987

As per our report of even date
For PHD & Associates
 Chartered Accountants
 Firm Registration No. 111236W

Paresh Vakharia
 (Partner)
 Membership No. 38220

Place : Mumbai
 Date : 15 July 2020

For and on behalf of the Board of Directors

Kanji B. Rita
 (DIN 00727470)
 Managing Director

Meet K. Rita
 (DIN 06895249)
 Wholetime Director

Kamlesh S. Limbachiya
 (DIN 02774663)
 Wholetime Director

Arvind J. Gala
 Chief Financial Officer

Bhavi R. Gandhi
 Company Secretary

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

Particulars	For the year ended 31 March 2020		For the year ended 31 March 2019	
	₹	₹	₹	₹
A. Cash Flow from Operating Activities				
Net Profit before tax, exceptional/extraordinary item		46,549,037		(61,179,528)
Adjustment for :				
Depreciation and amortisation	4,227,585		6,210,111	
Finance costs	12,011,499		6,184,911	
Interest income	(49,704,706)		(28,961,732)	
Dividend income	(19,200,000)		(444,636)	
Provision for employee benefits	1,498,589		1,407,746	
Impairment on financial instruments (net)	1,511,719		109,579,332	
		(49,655,314)		93,975,732
Operating profit before working capital changes		(3,106,277)		32,796,204
Adjustments for :				
(Increase)/decrease in trade receivables	(22,065,587)		73,098,902	
(Increase)/decrease in inventories (held as stock in trade)	1,611,324		887,395	
(Increase)/decrease in loans	7,057,341		(20,146,976)	
(Increase)/decrease in other financial assets	7,819,191		5,370,513	
(Increase)/decrease in other non financial assets	140,031		1,578,117	
Increase/(decrease) in trade payables	155,039,535		(72,246,804)	
Increase/(decrease) in other financial liabilities	149,030		(3,003,473)	
Increase/(decrease) in other non financial liability	2,100,000		-	
Term deposits with banks with original maturity of more than three months - placed	(337,109,274)		(421,739,195)	
Term deposits with banks with original maturity of more than three months - matured	323,675,987		288,206,500	
		138,417,578		(147,995,022)
Cash generated from operations		135,311,301		(115,198,818)
Direct Taxes paid (Net of refunds)		(10,428,708)		(5,986,683)
Net cash flow from/(used in) operating activities (A)		124,882,593		(121,185,501)
B. Cash Flow from Investing Activities				
Purchase of property plant and equipment	(1,004,989)		(747,263)	
Term deposits with banks with original maturity of more than three months - placed	-		(243,139,530)	
Term deposits with banks with original maturity of more than three months - matured	243,139,530		182,967,000	
Investment in subsidiary	-		(100,000)	
Dividend income	19,200,000		444,636	
Interest received	12,518,577		3,770,808	
Net cash flow from/(used in) investing activities (B)		273,853,118		(56,804,349)

Particulars	For the year ended 31 March 2020		For the year ended 31 March 2019	
	₹	₹	₹	₹
C. Cash Flow from Financing Activities				
Proceeds/(Repayment) of bank overdraft	(30,848,688)		17,320,205	
Finance costs	(12,011,499)		(6,184,911)	
Interest received on loans	36,700,263		24,495,502	
Loans/(repayment) to/from subsidiaries (net)	(309,156,862)		87,625,000	
Dividend and Dividend Distribution Tax paid	(21,370,080)		-	
Net cash flow from/(used in) financing activities (C)		(336,686,866)		123,255,796
Net increase/(decrease) in cash and cash equivalents (A+B+C)		62,048,845		(54,734,054)
Cash and cash equivalents at the beginning of the period		60,150,701		114,884,755
Cash and cash equivalents at the end of the year		122,199,546		60,150,701

Notes:

1 Cash and Cash Equivalents are as under:

Particulars	As at 31 March 2020	As at 31 March 2019
	₹	₹
Cash on hand	61,323	49,099
Balance with banks in current accounts	122,138,223	60,101,602
Term deposits with banks with less than three months maturity	-	-
	122,199,546	60,150,701

- 2 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard -7 on "Cash Flow Statements" as prescribed by the Central Government in the Companies (Accounting Standards) Rules, 2015, as amended
- 3 Previous year's figures have been regrouped/rearranged wherever necessary to conform to the current year's presentation.

As per our report of even date
For PHD & Associates
 Chartered Accountants
 Firm Registration No. 111236W

Paresh Vakharia
 (Partner)
 Membership No. 38220

Place : Mumbai
 Date : 15 July 2020

For and on behalf of the Board of Directors

Kanji B. Rita
 (DIN 00727470)
 Managing Director

Meet K. Rita
 (DIN 06895249)
 Wholetime Director

Kamlesh S. Limbachiya
 (DIN 02774663)
 Wholetime Director

Arvind J. Gala
 Chief Financial Officer

Bhavi R. Gandhi
 Company Secretary

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. Corporate information

Inventure Growth & Securities Limited. ('the Company', IGSL') is a company limited by shares, incorporated on 22 June 1995 and domiciled in India. IGSL is listed on BSE, NSE and MSEI. The Company is engaged in the business of providing stock broking services and depository participant services. The Company's registered office is at 201, Viraj Tower, Near Landmark Building, Western Express Highway, Andheri (E), Mumbai-400069.

2. Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act. The Company uses accrual basis of accounting. The financial statements are presented in Indian Rupee (INR) which is also the functional currency of the Company.

For all periods up to and including the year ended 31 March 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). These financial statements for the year ended 31 March 2020 are the first the Company has prepared in accordance with Ind AS. The financial statements have been prepared on a historical cost basis, except for financial assets which have been measured at fair value. The preparation of financial statements requires the management to make judgments, accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. The outbreak of COVID-19 has not affected the going concern assumption of the Company.

2.1 Presentation of financial statements

The Company presents its Balance Sheet in order of liquidity. The Company prepares and presents its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'. The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

Critical accounting estimates and judgments

The preparation of the Company's financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those based on Management's estimates. Accounting estimates and judgments are used in various items in the financial statements for e.g.:

- Business model assessment
- Fair value of financial instruments

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

- Effective interest rate (EIR)
- Impairment of financial assets
- Provisions and contingent liabilities
- Provision for tax expenses
- Residual value, useful life and indicators of recoverable value of property, plant and equipment

Estimation of impairment allowance on financial assets amidst COVID-19 pandemic

Estimates and associated assumptions, especially for determining the impairment allowance for Company's financial assets, are based on historical experience and other emerging factors on account of the pandemic which may also have an effect on the expected credit loss. The Company believes that the factors considered are reasonable under the current circumstances.

3. Statement of compliance

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

4. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 Income

Revenue recognition

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) based on Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at the fair value of the consideration received or receivable.

The revenue includes the following:

(i) Brokerage fee income

Revenue from contract with customer is recognised when performance obligation is completed i.e. when the trade is executed. These include brokerage fees charged per transaction executed on behalf of the clients as per the contractually agreed rate.

(ii) Interest income

The Company recognises interest income using effective interest rate (EIR) on all financial assets subsequently measured under amortised cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability. The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets, the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(iii) Dividend income

Dividend income on equity shares is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(iv) Fees and commission income

Fees and commission income includes:

- a) Income from depository operations is accounted when performance obligation is completed
- b) Advisory fees income is recognised when the performance obligation is satisfied by rendering the services to the client.
- c) Distribution income is earned by distribution of services and products of other entities under distribution arrangements. The income so earned is recognised on successful distribution on behalf of other entities subject to there being no significant uncertainty of its recovery.

(v) Net gain on fair value changes

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains on fair value change of financial assets measured at FVOCI and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

(vi) Recoveries of financial assets written off

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

(vii) Taxes

Incomes are recognised net of the goods and services tax, wherever applicable.

4.2 Expenditures

(i) Finance costs

Borrowing costs on financial liabilities are recognised using the EIR.

(ii) Fees and commission expenses

Fees and commission expenses which are not directly linked to the sourcing of financial assets, such as commission/incentive incurred on provision of services and products distribution, recovery charges etc., are recognised in the Statement of Profit and Loss on an accrual basis.

(iii) Taxes

Expenses are recognised net of the Goods and Services Tax/Service Tax, except where credit for the input tax is not statutorily permitted.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

4.3 Cash and cash equivalents

Cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value

4.4 Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments.

All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognises the financial instruments on trade date.

(i) Financial assets

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

Investment in subsidiaries

- Investment in subsidiaries is recognised at cost and is not adjusted to fair value at the end of each reporting period. Cost of investment represents amount paid for acquisition of the said investment.
- The Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

Financial Assets (other than investment in subsidiaries)

- Initial measurement

All financial assets are recognised initially at fair value including transaction costs that are attributable to the acquisition of financial assets except in the case of financial assets recorded at FVTPL where the transaction costs are charged to profit or loss.

- Subsequent measurement

All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value.

All fair value changes of the equity instruments designated as FVTPL are recognised in statement of profit and loss.

All fair value changes, excluding dividends, of the equity instruments designated as FVOCI are recognised in Other Comprehensive Income, and not available for reclassification to profit or loss, even on sale of investments. Equity instruments at FVOCI are not subject to an impairment assessment.

Derecognition of Financial Assets

The Company derecognises a financial asset (or, where applicable, a part of a financial asset) when:

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

- The right to receive cash flows from the asset have expired; or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement and the Company has transferred substantially all the risks and rewards of the asset. Once the asset is derecognised, the Company does not have any continuing involvement in the same.

On derecognition of a financial asset in its entirety, the difference between:

- the carrying amount (measured at the date of derecognition) and
- the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

Impairment of financial assets

Expected Credit Loss (ECL) principles

The Company recognises loss allowances (provisions) for expected credit losses on its financial assets (including non-fund exposures) that are measured at amortised costs.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The mechanics of ECL

The Company calculates ECLs based on probability weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive. The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of default (PD) - The probability of default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Exposure at default (EAD) - The exposure at default is an estimate of the exposure at a future default date.

Loss given default (LGD) - The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

Trade Receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**Collateral Valuation**

To mitigate its credit risks on financial assets, the Company seeks to use collateral, wherever possible. The collateral comes in various forms, such as equity shares, fixed deposits, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models.

Write-offs

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

Financial liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial assets to another entity, or a contract that may or will be settled in the entities own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings and subordinated debts.

Initial measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, other payables and other borrowings.

Subsequent measurement

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR. Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

Derecognition

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

Offsetting of financial instruments

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

4.5 TaxesCurrent tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity.

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

Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, 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.

4.6 Property, plant and equipment

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, consistent with the criteria specified in Ind AS 16 'Property, Plant and Equipment'.

Depreciation on property, plant and equipment

- (a) Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets.
- (b) Useful lives of assets are determined by the Management by an internal technical assessment.
- (c) Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.
- (d) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other income in the Statement of Profit and Loss when the asset is derecognised.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

- (e) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Particulars	Useful life prescribed by Schedule II of the Companies Act,2013 (in years)	Useful life estimated by Company (in years)
Office Premises	60	60
Computer & Data Processing		
• Servers and networks	6	6
• End user devices(laptop,desktop etc.)	3	3
Furniture & Fixtures	10	10
Office Equipments	5	5
Air Conditioners	5	5

4.7 Intangible assets and amortisation thereof

Intangible assets are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment. The intangible assets are amortised using the straight line method over a period of their useful lives estimated by the management. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

4.8 Impairment of non-financial assets

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

4.9 Provisions and contingent liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

4.10 Retirement and other employee benefits

(i) Gratuity

The employees of the Company are eligible for gratuity in accordance with the Payment of Gratuity Act, and is a Defined Employee Benefit. The above benefit is not funded but provision is made in accounts as per actuarial valuation method. The valuation has been carried out using the project Unit Credit Method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

(ii) Provident fund

The Company contributes to a recognized provident fund which is a Defined Contribution Scheme. The contributions are accounted for on an accrual basis and recognized in the Statement of Profit and Loss.

(iii) Compensated absences

Unutilized leave of staff lapses as at the year end and is not encashable. Accordingly, no provision is made for compensated absences.

4.11 Fair value measurement

The Company measures its qualifying financial instruments at fair value on each Balance Sheet date.

Fair value is the price that would be received against sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the accessible principal market or the most advantageous accessible market as applicable.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into Level I, Level II and Level III based on the lowest level input that is significant to the fair value measurement as a whole.

For assets and liabilities that are fair valued in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

5. DISCLOSURE PURSUANT TO IND AS 101

“FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS”

For reporting periods up to and including the year ended March 31, 2019, the Company prepared its financial statements in accordance with Indian GAAP (IGAAP or previous GAAP). The Company has prepared its financial statements in accordance with Ind AS prescribed under section 133 of the Act and other accounting principles generally accepted in India and as notified by Ministry of Corporate Affairs with the transition date being April 1, 2018. The impact of transition has been provided in the opening reserves as at April 1, 2018.

In preparing these financial statements, the Company has opted to avail the choices available for certain transitional provisions with Ind AS 101, 'First time adoption of Indian Accounting Standards', which offers exemption from applying specified Ind AS retrospectively. The most significant of these provisions are in the following areas:

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**5.1 Cost for property, plant and equipment and intangible assets**

The Company has elected to continue with the carrying value for all of its property, plant and equipment and intangible assets as measured as per the previous GAAP and used that as its deemed cost as at the date of transition.

5.2 Classification and measurement of financial assets

At the transition date, the Company assessed the conditions for classification of financial assets and accordingly classified its financial assets at either amortized cost, fair value through other comprehensive income or fair value through profit and loss account, as appropriate, under the provisions of Ind AS 109, 'Financial Instruments'.

5.3 De-recognition of financial assets and liabilities

The Company has elected not to recognize financial assets or financial liabilities which were derecognized in accordance with previous GAAP as a result of transactions that occurred before the transition date.

5.4 Investment in subsidiaries and associates

The financial statements prepared are separate financial statements. Ind AS 101 provides a one-time option to a first time adopter either to measure its investment in subsidiaries and associate as per previous GAAP carrying value or at fair value on the date of transition. The Company has elected to measure its investment in subsidiaries and associate as per previous GAAP carrying value.

5.5 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies, if any).

5.6 Fair value measurement of financial assets or financial liabilities at initial recognition

Under Ind AS 109, if an entity measures a financial instrument on initial recognition based on valuation techniques that only use observable market data or current market transactions in the same instrument, and the fair value at initial recognition is different from the transaction price, then it is required to recognize the 'day one' gain or loss at initial recognition of this financial instrument. Ind AS 101 allows an entity to apply the 'day one' gain or loss recognition requirement of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind AS. The Company has opted for this exemption to recognize the 'day one' gain or loss on initial recognition arising due to difference in transaction cost and fair value prospectively for transactions entered into on or after the date of transition to IndAS.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 6 Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Cash on hand	61,323	49,098	20,357
Balance with banks in current accounts	122,138,223	60,101,602	114,189,398
Term deposits with banks with less than three months maturity	-	-	675,000
Total	122,199,546	60,150,700	114,884,755

Note 7 Bank balance other than cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Term deposits with banks with more than three months maturity under lien:			
<u>With stock exchanges towards:</u>			
- Base Capital	206,688,966	181,302,695	4,600,000
- Collateral security towards bank guarantees	-	42,649,000	164,187,500
- Client fixed deposit margin	68,387,745	75,492,466	
<u>With Banks</u>			
- Collateral security against bank overdraft facility	134,095,771	355,684,564	301,386,000
<u>Others</u>	26,000,000	9,750,000	1,000,000
Interest accrued on term deposits with banks	3,131,441	2,645,574	1,950,153
Total	438,303,923	667,524,299	473,123,653

Note 8 Stock in trade

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
At fair value through profit and loss			
Shares and Securities held for trading	9,760,780	11,372,104	12,259,499
Total	9,760,780	11,372,104	12,259,499

Note 9 Trade Receivables

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Receivables considered good - Unsecured*	57,480,491	36,926,622	219,604,855
Receivables - Credit impaired	77,908,907	76,260,992	14,774,889
	135,389,398	113,187,614	234,379,744
Less: Impairment loss allowance	(77,908,907)	(76,260,992)	(14,774,889)
Total	57,480,491	36,926,622	219,604,855
*Includes amount due from directors	1,171	1,352,347	345

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 10 Loans

Particulars	As at	As at	As at
	31 March 2020	31 March 2019	1 April 2018
	₹	₹	₹
(A) At Amortised cost			
Margin trade funding (MTF)	15,831,731	23,025,266	2,517,567
Loan to related parties (subsidiaries) repayable on demand	309,156,862	-	87,625,000
Loan to employees	363,000	1,145,496	408,750
Less: Impairment loss allowance	254,592	390,786	30,062
Total (A) Net	325,097,001	23,779,976	90,521,255
(B) Secured/Unsecured			
Secured	15,831,731	23,025,266	2,517,567
Unsecured	309,519,862	1,145,496	88,033,750
Less: Impairment loss allowance	254,592	390,786	30,062
Total (B) Net	325,097,001	23,779,976	90,521,255
(C) Loans in India			
Loans granted	325,351,593	24,170,762	90,551,317
Less: Impairment loss allowance	254,592	390,786	30,062
Total (C) Net	325,097,001	23,779,976	90,521,255

Note 11 Investments

Particulars	As at	As at	As at
	31 March 2020	31 March 2019	1 April 2018
	₹	₹	₹
(A1) At Amortised cost			
In Equity Instruments of subsidiary companies			
Inventure Finance Private Limited	551,129,000	551,129,000	551,129,000
Equity Shares of Inventure Commodities Limited	21,901,000	21,901,000	21,901,000
Equity Shares of Inventure Wealth Management Limited	5,727,740	5,727,740	5,727,740
Equity Shares of Inventure Insurance Broking Private Limited	4,000,000	4,000,000	4,000,000
Equity Shares of Inventure Merchant Banker Services Private Limited	60,100,000	60,100,000	60,100,000
Inventure Developers Private Limited	100,000	100,000	-
Total investments in equity instruments of subsidiary companies (I)	642,957,740	642,957,740	642,857,740
(A2) At Amortised cost			
In Equity instrument of other company	15,145,067	15,145,067	15,145,067
Less: Impairment loss allowance	(15,145,067)	(15,145,067)	(15,145,067)
Total investment in equity instrument of other companies (II)	-	-	-
(B) At Fair value through Other Comprehensive Income			
In quoted equity instruments	249,609	513,978	635,965
Total investments in quoted equity instruments (III)	249,609	513,978	635,965
Total investments in equity instruments (I +II+ III)	643,207,349	643,471,718	643,493,705

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 12 Other financial assets

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Deposits with stock exchanges	28,578,821	29,584,821	35,480,469
Deposit with professional clearing member	2,500,000	8,500,344	8,500,344
Deposit with depository	250,000	250,000	250,000
Other deposits	1,575,399	1,605,751	1,817,362
Total	32,904,220	39,940,916	46,048,175

Note 13 Current tax assets (Net)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Advance income tax (net of provision for tax)	33,112,898	26,757,144	21,113,892
Total	33,112,898	26,757,144	21,113,892

Note 14 Deferred tax Assets (Net)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Deferred tax liabilities:			
Fixed Asset : Impact of difference between tax depreciation and depreciation/ammortization charged for financial reporting period	12,814,482	13,062,179	13,685,500
Total	12,814,482	13,062,179	13,685,500
Deferred tax assets:			
Provision for gratuity	2,253,624	1,836,717	1,403,355
Expected credit loss/provisions	21,745,085	21,324,525	4,641,065
Unabsorbed business loss	-	-	6,818,969
Remeasurements of net defined benefit expenses	962,975	927,938	453,914
MAT credit entitlement	15,733,194	16,045,860	16,181,800
Total	40,694,878	40,135,040	29,499,103
Net Deferred tax asset	27,880,396	27,072,861	15,813,603

Note 15 Investment property

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
At Amortised cost			
Investment Property	25,335,483	25,335,483	25,335,483
Total	25,335,483	25,335,483	25,335,483

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 16 Property, Plant and Equipment (Current Year)

Particulars	Gross Block		Accumulated Depreciation / Amortisation		Net Block		
	As at 1 April 2019	Additions	Deductions	As at 1 April 2019	On disposal/ Adjustments	As at 31 March 2020	As at 31 March 2019
Property, plant and equipment							
Own Assets:							
Office Premises	77,671,209	-	-	14,830,732	1,294,520	61,545,957	62,840,477
Furniture and Fixtures	34,453,487	71,500	-	28,281,444	1,522,270	4,721,273	6,172,043
Vehicles	8,986,476	-	-	8,986,476	-	-	-
Office Equipment	10,605,028	34,488	-	9,750,640	399,451	489,425	854,388
Air Conditioners	4,421,433	198,865	-	4,048,308	203,952	368,038	373,125
Computers	22,262,345	30,424	-	20,779,855	716,235	796,679	1,482,490
Total	158,399,978	335,277	-	86,677,455	4,136,428	67,921,372	71,722,523
Note 16A Intangible assets							
Own Assets:							
Computer Software	10,198,201	669,712	-	10,094,033	91,157	682,723	104,168
Membership of Bombay Stock Exchange Limited	18,100,000	-	-	18,100,000	-	-	-
Membership of Multi Commodity Exchange Limited	1,060,000	-	-	1,060,000	-	-	-
Total	29,358,201	669,712	-	29,254,033	91,157	682,723	104,168

Note 16 Property, Plant and Equipment (Previous Year)

Particulars	Gross Block		Accumulated Depreciation / Amortisation		Net Block		
	As at 1 April 2018	Additions	Deductions	As at 1 April 2018	On disposal/ Adjustments	As at 31 March 2019	As at 31 March 2018
Property, plant and equipment							
Own Assets:							
Office Premises	77,671,209	-	-	13,536,212	1,294,520	62,840,477	64,134,997
Furniture and Fixtures	34,179,556	273,931	-	25,629,712	2,651,732	6,172,043	8,549,844
Vehicles	8,986,476	-	-	8,986,476	-	8,986,476	-
Office Equipment	10,566,596	38,432	-	9,088,192	662,448	854,388	1,478,404
Air Conditioners	4,352,604	68,829	-	3,599,810	448,498	373,125	752,794
Computers	21,958,774	303,571	-	19,647,774	1,132,081	1,482,490	2,311,000
Total	157,715,215	684,763	-	80,488,176	6,189,279	71,722,523	77,227,039
Note 16A Intangible assets							
Own Assets:							
Computer Software	10,135,701	62,500	-	10,073,201	20,832	104,168	62,500
Membership of Bombay Stock Exchange Limited	18,100,000	-	-	18,100,000	-	-	-
Membership of Multi Commodity Exchange Limited	1,060,000	-	-	1,060,000	-	1,060,000	-
Total	29,295,701	62,500	-	29,233,201	20,832	104,168	62,500

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 17 Other non-financial assets

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Prepaid expenses	3,048,040	3,729,533	3,651,023
Advances to suppliers and others	1,097,480	897,539	2,769,569
Indirect tax input credits	1,053,987	333,225	26,778
Accrued income	506,750	885,990	977,034
Total	5,706,257	5,846,287	7,424,404

Note 18 Trade Payables

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
(i) Total outstanding dues of micro enterprise and small enterprises	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	273,116,180	118,076,643	190,323,448
Total	273,116,180	118,076,643	190,323,448

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

Particulars	As at	As at	As at
	31 March 2020	31 March 2019	1 April 2018
	₹	₹	₹
Principal amount due and remaining unpaid	-	-	-
Interest due on above and the unpaid interest	-	-	-
Interest paid	-	-	-
Payment made beyond the appointed day during the year	-	-	-
Interest due and payable for the period of delay	-	-	-
Interest accrued and remaining unpaid	-	-	-
Amount of further interest remaining due and payable in succeeding years	-	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 19 Borrowings

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
At Amortised cost			
Secured			
Overdraft facility from banks (secured against lien of term deposits with banks)	307,407	31,156,095	13,835,890
Total	307,407	31,156,095	13,835,890
Borrowings in India	307,407	31,156,095	13,835,890
Borrowings outside India	-	-	-
Total	307,407	31,156,095	13,835,890

Note 20 Deposits

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
At Ammortised cost			
Security deposits from clients and sub brokers	12,388,353	11,594,461	15,028,218
Total	12,388,353	11,594,461	15,028,218

Note 21 Other Financial Liabilities

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Statutory dues	2,305,746	2,950,608	2,520,325
Total	2,305,746	2,950,608	2,520,325

Note 22 Provisions

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Provision for employee benefits			
Gratuity	9,712,766	8,088,237	6,818,183
Total	9,712,766	8,088,237	6,818,183

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 23 Other non financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
At Amortised cost			
Advance received in respect of sale of investment property	2,100,000	-	-
Total	2,100,000	-	-

Note 24 Equity share capital

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Authorised			
100,000,000 (100,000,000) Equity Shares of ₹ 10/- each	1,000,000,000	1,000,000,000	1,000,000,000
Issued			
84,000,000 (84,000,000) Equity Shares of ₹ 10/- each	840,000,000	840,000,000	840,000,000
Subscribed and fully paid up			
84,000,000 (84,000,000) Equity Shares of ₹ 10/- each	840,000,000	840,000,000	840,000,000
Total	840,000,000	840,000,000	840,000,000

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

	No of shares	₹
Equity share capital issued, subscribed and fully paid up at the beginning of the year	84,000,000	840,000,000
Add: Issued during the year	-	-
As at 1 April 2018	84,000,000	840,000,000
Equity share capital issued, subscribed and fully paid up at the beginning of the year	84,000,000	840,000,000
Add: Issued during the year	-	-
As at 31 March 2019	84,000,000	840,000,000
Equity share capital issued, subscribed and fully paid up at the beginning of the year	84,000,000	840,000,000
Add: Issued during the year	-	-
As at 31 March 2020	84,000,000	840,000,000

(b) The Company has one class of Equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for 1 vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In event of liquidation the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholdings.

(c) During the year ended 31 March, 2020, dividend recognized as distribution to equity shareholders was ₹0.25 Per share being final dividend for the year ended 31 March, 2019. The total dividend appropriated amounts to ₹ 210.00 Lacs and dividend distribution tax of ₹ 3.70 Lacs .

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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

Name of Shareholder	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	No. of Shares	% holding	No. of Shares	% holding	No. of Shares	% holding
Equity shares of ₹ 10/- each fully paid						
Kanji B. Rita	22,164,327	26.39	22,164,327	26.39	22,164,327	26.39
Harilal Bhachubhai Rita	5,000,000	5.95	5,000,000	5.95	5,000,000	5.95

Note 25 Other equity

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Reserves and Surplus			
Capital Reserve			
Balance at the beginning of the year	2,025,000	2,025,000	2,025,000
Addition during the year	-	-	-
Balance at the end of the year	2,025,000	2,025,000	2,025,000
Security premium			
Balance at the beginning of the year	71,510,581	71,510,581	71,510,581
Addition during the year	-	-	-
Balance at the end of the year	71,510,581	71,510,581	71,510,581
Taxation Reserve			
Balance at the beginning of the year	12,500,000	12,500,000	12,500,000
Addition during the year	-	-	-
Balance at the end of the year	12,500,000	12,500,000	12,500,000
Retained Earnings			
Balance at the beginning of the year	77,837,934	28,063,330	15,025,768
Profit/(Loss) for the year	43,248,581	(50,225,396)	13,037,562
Transfer From General Reserve	-	100,000,000	-
Dividend paid to Equity Shareholders	(21,000,000)	-	-
Dividend distribution tax	(370,080)	-	-
Balance at the end of the year	99,716,435	77,837,934	28,063,330
General Reserve			
Balance at the beginning of the year	464,821,877	564,821,877	564,821,877
Transferred to Retained Earnings	-	(100,000,000)	-
Balance at the end of the year	464,821,877	464,821,877	564,821,877
Other Comprehensive Income			
Balance at the beginning of the year	(556,635)	(534,034)	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
IND AS Adjustments	-	-	(534,034)
Movement in other comprehensive income (net)	(355,271)	(22,601)	-
Balance at the end of the year	(911,906)	(556,635)	(534,034)
Total Other Equity	649,661,987	628,138,757	678,386,754

Nature and purpose of reserve

(a) Capital Reserve

Capital reserve represents amount paid up on partly paid equity shares forfeited due to non-payment of call money.

(b) Securities premium

Securities Premium reserves is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of the Companies Act, 2013.

(c) Taxation Reserve

Amount set aside to meet with substantial tax litigation if any.

(d) Retained earnings

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

(e) General reserve

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

(f) Other comprehensive income

Other comprehensive income consist of remeasurement gains/losses on employees defined benefit expenses and change in fair value of investments

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 26 Interest income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Interest on margin trading funding	3,061,360	5,347,622
Interest on term deposits with banks	31,324,768	26,811,180
Total	34,386,128	32,158,802

Note 27 Dividend income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Dividend received on shares held as stock in trade	75,745	444,636
Total	75,745	444,636

Note 28 Fees and commission income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Brokerage	96,174,965	131,120,188
Research and advisory fees	917,858	-
Depository operations	5,770,464	6,714,529
Total	102,863,287	137,834,717

Note 29 Sale of shares

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Sale of shares held as stock - in-trade	-	632,996,897
Total	-	632,996,897

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 30 Other operating income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Derivatives and intraday securities trading (net)	-	5,001,085
Delayed payment charges from clients	9,670,388	15,013,333
Total	9,670,388	20,014,418

Note 31 Other Income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Dividend received from subsidiary	19,200,000	-
Interest on loan to subsidiaries	36,700,262	24,490,477
Interest income on term deposits with bank	13,004,444	4,655,445
Other interest income	139,077	28,351
Miscellaneous income	1,216,352	3,679,518
Total	70,260,135	32,853,791

Note 32 Finance Costs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
On instruments measured at amortized cost		
Interest on borrowings	10,946,409	4,550,234
Other interest expense	1,065,090	195,506
Total	12,011,499	4,745,740

Note 33 Fees and commission expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Sub- brokerage	53,523,455	62,894,867
Arbitrage commission	-	1,248,644
Total	53,523,455	64,143,511

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 34 Impairment on Financial Instruments

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
On financial instruments measured at amortised cost		
Impairment loss on receivables	-	47,732,504
Impairment loss allowance:		
On receivables	1,257,127	61,456,042
On Loans (MTF)	254,592	390,786
Total	1,511,719	109,579,332

Note 35 Purchases of stock-in-trade

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Purchase of shares	-	639,207,208
Total	-	639,207,208

Note 36 Changes in stock-in-trade

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Closing stock-in-trade	9,760,780	11,372,104
Opening stock-in-trade	(11,372,104)	(12,259,499)
Total	(1,611,324)	(887,395)

Note 37 Employee benefits expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Salaries	50,129,967	44,379,884
Contributions to Provident and Other Funds	2,649,336	2,189,406
Employees' gratuity expenses	1,754,121	1,515,025
Staff welfare expenses	2,562,238	2,707,197
Total	57,095,662	50,791,512

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 38 Other expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Payment to franchisees	250,000	1,100,000
Stock exchange expenses	182,266	132,495
SEBI fees	633,842	704,960
Depository charges	2,227,850	2,485,403
Rent, taxes and energy costs	5,910,593	5,732,450
Repairs and maintenance	5,356,146	5,239,562
Printing & stationery	735,722	739,342
Communication cost	3,637,247	6,511,077
Computer & software expenses	1,370,529	1,362,165
Legal and professional fees (#)	9,702,734	8,275,059
Directors sitting fees	1,225,000	1,302,500
Insurance	158,736	382,714
Travelling & conveyance expenses	561,350	452,372
Rates and taxes	1,140,730	770,719
Advertisement and business promotion	1,598,537	1,392,122
Membership & subscription	2,106,436	2,057,221
Client compensation	452,564	61,546
Donations	676,900	1,001
Miscellaneous expenses	2,798,220	3,215,272
Total	40,725,402	41,917,980

includes auditor's fees towards:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Statutory audit fees	235,000	235,000
Limited review reports	225,000	135,000
Taxation services	115,000	43,500
Certification services	62,000	-
Total	637,000	413,500

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

39. RECONCILIATION OF NET WORTH AND NET INCOME BETWEEN INDIAN GAAP AND IND AS FINANCIAL STATEMENTS

39.1 Reconciliation of shareholder’s equity as per Indian GAAP and Ind AS financial statements

Particulars	Note	As at 31.03.2019	As at 01.04.2018
Equity as reported under Indian GAAP		1,46,84,20,157	1,52,42,82,590
Adjustments under IND AS:			
Change in fair value of investments	40.1	5,13,849	6,35,836
Expected Credit Loss on Trade receivables	40.2	(9,32,243)	(85,54,357)
Deferred Tax effect	40.3	10,19,320	32,30,282
Defined employee benefit expenses (other than remeasurement expenses)	40.4	(1,87,580)	(88,872)
Remeasurement of defined employee benefit expenses	40.4	(6,94,744)	(11,18,725)
Equity as per Ind AS		1,46,81,38,757	1,51,83,86,754

39.2 Reconciliation of total comprehensive income as per Ind AS with profit reported under previous GAAP:

Particulars	Note	For the year ended 31.03.2019
Net Profit/(Loss) after Tax under previous GAAP		(5,58,62,433)
Expected Credit Loss on Trade receivables	40.2	(76,22,114)
Deferred Tax effect	40.3	21,72,657
Defined employee benefit expenses	40.4	(1,87,580)
Total Effect of Ind AS adjustments		(56,37,037)
Net Profit/(Loss) after tax before Other Comprehensive Income		(5,02,25,396)
Other Comprehensive Income as per Ind AS		
Change in fair value of investments		(1,21,987)
Remeasurement of net defined employee benefit expenses		1,37,692
Income tax relating to net defined employee benefit expenses		(38,306)
Total		(22,601)
Total Comprehensive Income/(loss) as per Ind AS		(5,02,47,997)

39.3 RECONCILIATION OF STATEMENT OF CASH FLOWS

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

40 NOTES TO THE RECONCILIATION OF NETWORTH AND NET INCOME BETWEEN INDIAN GAAP AND IND AS FINANCIAL STATEMENTS AND RECONCILIATION OF TOTAL COMPREHENSIVE INCOME AS PER IND AS WITH PROFIT REPORTED UNDER PREVIOUS GAAP

40.1 Fair valuation of Investments

Under the previous Indian GAAP, investments in equity instruments, were classified as long-term investments or current investments based on intended holding period and realizability. Long- term investments were carried at cost less provision

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognized in other equity as at the date of transition and subsequently in the statement of profit or loss for the year ended March 31, 2019.

This has resulted in an increase in “Other Comprehensive Income” component of Other Equity in April 2018 and March 2019 by Rs 6,35,836 and Rs 5,13,849 respectively and decrease of Rs 1,21,987 in the “Other Comprehensive Income” component of Total Comprehensive Income for the year ended March 31, 2019.

40.2 Impairment of financial assets

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

This has resulted in a decrease in the retained earnings by Rs. 85,54,357 and Rs.9,32,243 in April 2018 and March 2019 respectively and credit in the statement of profit and loss of Rs 76,22,114 for the year ended March 31, 2019.

40.3 Deferred tax

Indian GAAP required deferred tax accounting using profit and loss approach, which focused on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which were not required under Indian GAAP.

In addition, the various transitional adjustments have led to temporary differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or a separate component of equity.

This has resulted in an increase in retained earnings by Rs 32,30,282 and Rs 10,19,320 in April 2018 March 2019 respectively and increase of Rs 21,72,657 in profit and loss for the year ended March 2019 and decrease of Rs 38,306 through other comprehensive income for the year ended March 31, 2019.

40.4 Remeasurement of post-employment benefit obligations

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

Retained earnings have decreased by Rs 88,872 and Rs 1,87,580 in April 2018 & March 2019 respectively and other comprehensive income has reduced by Rs 11,18,725 and Rs 6,94,745 in April 2018 & March 2019 respectively and there is a decrease of profit & loss by Rs 1,87,580 and increase of other comprehensive income by Rs 99,386 (net of tax) for year ended March 2019.

41 EARNINGS PER SHARE

Basic Earnings per share

The calculations of profit attributable to equity shareholders and number of equity shares outstanding for purposes of basic earnings per share calculations are as follows:

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

	PARTICULARS	For the year ended 31 March 2020	For the year ended 31 March 2019
a	Equity shares of face value of Rs 10 each outstanding during the year	8,40,00,000	8,40,00,000
b	Net (loss)/profit after tax available for equity shareholders	4,32,48,581	(5,02,25,396)
c	Basic earnings per share of Rs 10 each (=b/a)	0.51	(0.60)

Diluted earnings per share

The calculations of diluted earnings per share is based on profit attributable to shareholders and number of equity shares outstanding after adjustment for the effects of all dilutive potential equity shares. In the absence of any dilutive potential equity shares, the dilutive earnings per share is same as the basic earnings per share calculated herein above.

42 SEGMENT INFORMATION

The Company's operations predominantly consist of "Securities broking and incidental activities". Hence there are no reportable segments under Indian Accounting Standard- 108. During the year under report the Company was engaged in its business only within India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

43 RELATED PARTY DISCLOSURES

The following details give information pursuant to Indian Accounting Standard 24 "Related party disclosures"

(a) Name of the Related Parties and the Nature of Relationship

Nature of Relationship	Name of Company
Director and Key Management Personnel	Kanji B. Rita
	Kamlesh S Limbachiya
	Harilal B. Rita
	Meet Kanji Rita
Key Management Personnel (KMP)	Arvind Jethalal Gala
	Bhavi R Gandhi
Relative of Director	Lasha Meet Rita
	Shantiben K. Rita
	Neeta Mukesh Gada
	Kalavati K. Limbachiya
	Manjulaben Shankarlal Limbachiya
	Sagar K. Limbachiya
	Mitaxi Vinod Limbachiya
	Heena Harilal Rita
	Jinisha Harilal Rita
	Parth Harilal Rita
	Parvati Lalji Chheda
	Romil Shantilal Rita
	Kamla Harilal Rita
	Shantilal B Rita
	Padma Shantilal Rita

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Nature of Relationship	Name of Company
Relative of Key Management Personnel(KMP)	Kunjal A. Gala
Enterprises significantly influenced by the KMP	Arvind J. Gala HUF
	Dhairya Management Service Private Limited
	Kanji B Rita HUF
	Shantilal B Rita HUF
	Harilal B Rita HUF
	Kamlesh S Limbachiya HUF
	Kenorita Realty LLP
	Pioneer Securities Private Limited

(b) Details of Related Party transactions during the year ended 31 March 2020

(Amount in Rupees)

Particulars	Subsidiaries	Directors and key managerial personnel	Relatives of Directors and key managerial personnel	Enterprises significantly influenced by the Directors/Relatives/KMP	Total
Remuneration paid	-	91,00,000	-	-	91,00,000
	(-)	(78,43,750)	(-)	(-)	(78,43,750)
Salary Paid	-	18,79,298	-	-	18,79,298
	(-)	(-)	(8,62,500)	(-)	(8,62,500)
Loans & Advances given	47,66,28,000	-	-	-	47,66,28,000
	(32,37,42,500)	(-)	(-)	(-)	(32,37,42,500)
Loans & Advances received back	16,75,00,000	-	-	-	16,75,00,000
	(41,13,67,500)	(-)	(-)	(-)	(41,13,67,500)
Interest received on Loan	3,67,00,262	-	-	-	3,67,00,262
	(2,44,90,477)	(-)	(-)	(-)	(2,44,90,477)
Investments in subsidiary	-	-	-	-	-
	(1,00,000)	(-)	(-)	(-)	(1,00,000)
Dividend Received	1,92,00,000	-	-	-	1,92,00,000
		(-)	(-)	(-)	
Rent Paid	12,00,000	-	-	1,00,000	13,00,000
	(-)	(-)	(-)	(11,00,000)	(11,00,000)
Director Sitting fees- Other than Independent Directors	-	1,97,500	-	-	1,97,500
	(-)	(1,75,000)	(-)	(-)	(1,75,000)
Brokerage & DP charges Received	2,291	9,399	28,742	29,842	70,274
	(10,404)	(89,346)	(1,64,745)	(46,069)	(3,10,564)
Sub-brokerage Paid	-	-	91,325	-	91,325
	(-)	(-)	(1,29,328)	(-)	(1,29,328)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Particulars	Subsidiaries	Directors and key managerial personnel	Relatives of Directors and key managerial personnel	Enterprises significantly influenced by the Directors/Relatives/KMP	Total
Delayed payment charges	-	3,63,819	10,48,347	8,974	14,21,141
	(-)	(3,91,060)	(8,11,725)	(1,140)	(12,03,925)
Outstanding Balance	(30,91,56,862)	3,411	33,784	2,574	(30,91,17,093)

Figures in brackets relate to previous year.

44 DISCLOSURES UNDER SECTION 186 OF COMPANIES ACT 2013

Loans given during the financial year ended 31 March 2020

Name of the Company	Nature of relationship	Amount given during the year	Balance outstanding on 31 March 2020	Purpose of the loan
Inventure Finance Pvt. Ltd.	Wholly Owned Subsidiary	45,77,50,000	30,82,50,000	Expansion of business
Inventure Wealth Management Ltd	Wholly Owned Subsidiary	2,00,000	2,00,000	General business purpose
Inventure Developers Private Ltd	Wholly Owned Subsidiary	6,78,000	6,78,000	General business purpose
Inventure Commodities Limited	Subsidiary (99.97%)	1,80,00,000	NIL	Business funding

Securities (term deposits with banks) provided for Subsidiary's borrowings during the financial year ended 31 March 2020

Name of the Company	Nature of relationship	Amount given during the year	Purpose of the security
Inventure Finance Private Limited	Wholly Owned Subsidiary	24,30,00,000	Expansion of business

Loans given during the financial year ended 31 March 2019

Particulars	Amount given during the year	Balance outstanding on 31 March 2019	Purpose of the loan
a) Inventure Finance Private Limited	8,75,00,000	-	Expansion of business
b) Inventure Merchant Banker Services Private Limited	50,000	-	General business purpose
c) Inventure Wealth Management Limited	75,000	-	General business purpose

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Securities (term deposits with banks) provided for Subsidiary's borrowings during the financial year ended 31 March 2019

Name of the Company	Nature of relationship	Amount given during the year	Balance outstanding on 31 March 2020	Purpose of the security
Inventure Finance Private Limited	Wholly Owned Subsidiary	24,30,00,000	NIL	Expansion of business

All the loans above bear interest at a rate of 18%.

45 CONTINGENT LIABILITIES

(Amount in Rupees)

	Particulars	As at 31 March 2020	As at 31 March 2019
1.	Income tax demands in appeal before the first appellate authority.	2,24,97,706	1,95,48,331
2.	SEBI Whole Time Member (WTM) passed an order against the Company and its directors (including independent directors and a non executive director) and officers for violation of SEBI ICDR Regulations. The said order was challenged before the Securities Appellate Tribunal (SAT), by an appeal by the Company and others. The SAT, by its order dated 10.10.2019 gave full relief to the independent directors & non executive directors and partial relief to the Company and its directors & officers. However, before disposal of the appeals by SAT, SEBI's Adjudication Officer (AO) passed an order dated 30.08.2019 to levy penalty of Rs. 75 lakhs on the Company and various penalties on Others, u/s 15HA & 15HB of the SEBI Act. On an appeal to SAT, the said penalty orders on the Company & Others have been set aside vide an order dated 26.02.2020 and the matter has been remitted to the AO to decide them afresh.	Not ascertainable	Not ascertainable

46 EMPLOYEE BENEFITS

Gratuity

The employees of the Company are eligible for gratuity in accordance with the Payment of Gratuity Act, and is a Defined Employee Benefit. The above benefit is not funded but provision is made in accounts as per actuarial valuation method. The valuation has been carried out using the project Unit Credit Method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability, are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

a) Movement in defined benefit obligation

(Amount in Rupees)

PARTICULARS	As at 31 March	
	2020	2019
Present value of obligation as at the beginning	8,088,237	68,18,183
Current service cost	1,154,318	9,93,805
Interest expense or cost	5,99,803	5,21,220
Re measurements due to :		

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

PARTICULARS	As at 31 March	
	2020	2019
- Actuarial loss / (gain) arising from change in financial assumptions	5,29,459	1,38,428
- Actuarial loss / (gain) arising from change in demographic assumptions	304	10,661
- Actuarial loss / (gain) arising on account of experience changes	(4,03,823)	(2,86,781)
Benefits paid	(2,55,532)	(1,07,279)
Acquisition adjustment	-	-
Present value of obligation as at the end	97,12,766	80,88,237

(b) Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013.

(Amount in Rupees)

PARTICULARS	As at 31 March	
	2020	2019
Current Liability (Short term)	11,65,674	9,47,117
Non-Current Liability (Long term)	85,47,092	71,41,120
Present value of obligation as at the end	97,12,766	80,88,237

(c) Expenses charged to the Statement of Profit & Loss

(Amount in Rupees)

PARTICULARS	As at 31 March	
	2020	2019
Current service cost	11,54,318	9,33,805
Net Interest Cost/(Income) on the Net Defined Benefit Liability /(Asset)	5,99,803	5,21,220
Expenses recognised in the income statement	17,54,121	15,15,025

(d) Key actuarial assumptions

PARTICULARS	As at 31 March	
	2020	2019
Discount Rate (p.a.)	6.55%	7.40%
Salary growth rate (p.a.)	7.00%	7.00%

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields/ rates available bonds as on the current validation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

(e) Projected plan cash flow:

Weighted average duration (based on discounted cashflows) periods	7 years
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NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in Rupees)

Expected cash flows over the next (valued on undiscounted basis)	As at 31 March 2020
1 year	11,65,674
2 to 5 years	44,86,827
6 to 10 years	42,57,011
More than 10 years	64,71,299

47 FINANCIAL RISK MANAGEMENT

The company has established a comprehensive system for risk management and internal controls for all its businesses to manage the risks that it is exposed. The objective of its risk management framework is to ensure that various risks are identified, measured and mitigated and also that policies, procedures and standards are established to address these risks and ensure a systematic response in the case of crystallization of such risks.

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

- Credit risk
- Liquidity risk
- Market risk

The risk management system features 'three lines of defence' approach.

The first line of defence comprises its operational departments, which assume primary responsibility for their own risks and operate within the limits stipulated in various policies approved by the Board or by committees constituted by the Board.

The second line of defence comprises specialized department such as risk management and compliance. They employ specialized methods to identify and assess risks faced by the operational departments and provide them with specialized risk management tools and methods, facilitate and monitor the implementation of effective risk management practices, develop monitoring tools for risk management, internal controls and compliances, report risk related information and promote the adoption of appropriate risk prevention measures.

The third line of defence comprise the internal audit and external audit functions. They monitor and conduct periodic evaluations of the risk management, internal controls and compliance activities to ensure the adequacy of risk controls and appropriate risk governance and provide the Board with comprehensive feedback.

(a) Credit risk

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

The Company's financial assets comprises of cash and bank balances, trade receivables, loans, investments and other financial assets which comprise mainly of deposits.

The maximum exposure to credit risk at the reporting date is primarily from Company's trade receivables.

Trade receivables

The Company applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are calculated based on actual historic credit loss experience

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

over the preceding three to five years on the total balance of non-credit impaired trade receivables. The Company considers a trade receivable to be credit impaired when one or more detrimental events have occurred, such as significant financial difficulty of the client or it becoming probable that the client will enter bankruptcy or other financial reorganization. When a trade receivable is credit impaired, it is written off against trade receivables and the amount of the loss is recognized in the income statement. Subsequent recoveries of amounts previously written off are credited to the income statement.

(Amount in Rupees)

PARTICULARS	As at		
	31 March 2020	31 March 2019	1 April 2018
Trade receivables	13,53,89,398	11,31,87,614	23,43,79,744
Less : Expected credit loss	7,79,08,907	7,62,60,992	1,47,74,889
Trade receivables(net)	5,74,80,491	3,69,26,622	21,96,04,855

Loans

Loans comprise of margin trade funding (MTF), loan to subsidiaries and loan to employees.

MTF are secured loans. The Company applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for MTF at an amount equal to lifetime ECLs. The ECLs on MTF are calculated based on actual historic credit loss experience over the preceding years on the total balance of non-credit impaired MTF. There has been no credit impaired MTF observed by the Company as at the balance sheet date.

(Amount in Rupees)

PARTICULARS	As at		
	31 March 2020	31 March 2019	1 April 2018
Margin trade funding	1,58,31,731	2,30,25,266	25,17,567
Less : Expected credit loss	2,54,592	3,90,786	30,062
Margin trade funding (net)	1,55,77,139	2,26,34,480	24,87,505

Loan to subsidiaries are regularly monitored for receipt of interest and recovery of principal amount as per agreed terms or on demand, as the case may be. Having regard to the financial strength of the subsidiaries and the regularity of payment of interest and principal, the management has not considered the necessity of ECLs in respect thereof as at the balance sheet date. Loan to employees is a nominal amount and is recovered regularly.

Movement in the allowances for impairment in respect of trade receivables and loans is as follows:

(Amount in Rupees)

Particulars	As at	As at
	31 March 2020	31 March 2019
Opening Balance	7,66,51,778	1,48,04,951
Net re-measurement of loss allowance	15,11,721	6,18,46,827
Closing Balance	7,81,63,499	7,66,51,778

Other financial assets considered to have a low credit risk:

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments comprise of quoted equity instruments, which are market tradeable. Other financial assets include deposits for assets acquired on lease and with qualified clearing counterparties and exchanges as per the prescribed statutory limits.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

In addition to the historical pattern of credit loss, the Company has considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. This can be reflected in the increased haircuts taken on collateral held against such receivables and loans.

(b) Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to entity's reputation.

Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and close out market positions.

The Company has a view of maintaining liquidity with minimal risks while making investments. The Company invests its surplus funds in short term liquid assets in bank deposits. The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

(c) Market Risk

Market risk arises when movements in market factors (foreign exchange rates, interest rates, credit spreads and equity prices) impact the Company's income or market value of its portfolios. The Company, in its course of business, is exposed to market risk due to change in equity prices, interest rates and foreign exchange rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns.

(i) Equity Price

The Company's exposure to equity price risk arises primarily on account of its proprietary positions and on account of margin bases positions of its clients in equity cash and derivative segments.

The Company's equity price risk is managed in accordance with its Risk Policy approved by Board.

(ii) Interest rate risk

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

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

48 INCOME TAX

(A) The major components of income tax expense for the year are as under

(Amount in Rupees)

PARTICULARS	For the year ended	
	31 March 2020	31 March 2019
Current Income tax	43,85,620	3,13,690
MAT credit entitlement	-	(3,13,690)
Deferred tax [(credit)/charge]	(10,85,164)	(1,14,33,503)
Tax adjustment for earlier years	-	4,79,371
Tax expense for the year	33,00,456	(1,09,54,132)
Amounts recognized in other comprehensive income		
- Income tax relating to remeasurements of net defined benefit expenses that will not be reclassified to profit or loss	35,037	(38,306)
Total Tax expenses	33,35,493	(1,09,92,438)

(B) Reconciliation of tax expenses and the accounting profit for the year is as under

(Amount in Rupees)

PARTICULARS	For the year ended	
	31 March 2020	31 March 2019
Profit/(Loss) before tax	4,65,49,037	(6,11,79,528)
Indian statutory income tax rate (%)	27.82%	19.24%
Expected income tax expenses	1,29,49,942	(1,17,70,941)
Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses		
Expenses allowable	(71,089)	(20,641)
Expenses not deductible	15,46,788	1,36,93,406
Exempt income	(53,62,512)	(85,548)
Losses carried forward	4,48,270	-
Losses set off	(51,25,779)	-
Others	-	(15,02,586)
Current tax (A)	43,85,620	3,13,690
MAT credit entitlement (B)	-	(3,13,690)
Deferred tax [(credit)/charge] (C)	(10,85,164)	(1,14,33,503)
Tax adjustment related to earlier years (D)	-	4,79,371
Total income tax expenses (A+B+C+D)	33,00,456	(1,09,54,132)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(C) Deferred tax disclosure

Movement of deferred tax assets and liabilities

(Amount in Rupees)

PARTICULARS	As at 1 April 2019	Credit/ (Charge) in the statement of profit and loss	As at 31 March 2020
Impairment allowance for financial assets	2,13,24,525	4,20,560	2,17,45,085
Difference between book and tax depreciation	(1,30,62,179)	2,47,697	(1,28,14,482)
Provision for expense allowed for tax when actually paid	18,36,717	4,16,907	22,53,624
Remeasurement of net defined benefit expenses	9,27,938	35,037	9,62,975
MAT credit entitlement	1,60,45,860	(3,12,666)	1,57,33,194
Net deferred tax assets/ (liabilities)	2,70,72,861	8,07,535	2,78,80,396

PARTICULARS	As at 1 April 2018	Credit/ (Charge) in the statement of profit and loss	As at 31 March 2019
Impairment allowance for financial assets	46,41,065	1,66,83,460	2,13,24,525
Difference between book and tax depreciation	(1,36,85,500)	6,23,321	(1,30,62,179)
Unabsorbed business loss	68,18,969	(68,18,969)	-
Provision for expense allowed for tax when actually paid	14,03,355	4,33,362	18,36,717
Remeasurement of net defined benefit expenses	4,53,914	5,12,330	9,66,244
Tax on remeasurement of defined benefit expenses shown separately in other comprehensive income	-	(38,306)	(38,306)
MAT credit entitlement	1,61,81,800	(1,35,940)	1,60,45,860
Net deferred tax assets/ (liabilities)	1,58,13,603	1,12,59,258	2,70,72,861

49 MATURITY ANALYSIS

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

(Amount in Rupees)

PARTICULARS	As at 31 March 2020		
	Total	Within 12 months	After 12 Months
Assets			
Financial Assets			
Cash and cash equivalents	12,21,99,546	12,21,99,546	-
Bank balance other than above	43,83,03,923	14,26,45,408	29,56,58,515
Stock in trade (Securities held for trading)	97,60,780	97,60,780	-
Trade receivables	5,74,80,491	5,74,80,491	-
Loans	32,50,97,001	32,50,97,001	-
Investments	64,32,07,349	-	64,32,07,349
Other financial assets	3,29,04,220	56,00,000	2,73,04,220

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in Rupees)

PARTICULARS	As at 31 March 2020		
	Total	Within 12 months	After 12 Months
Non Financial Assets			
Current tax assets (net)	3,31,12,898	-	3,31,12,898
Deferred tax assets (net)	2,78,80,396	-	2,78,80,396
Property, plant and equipment	6,79,21,372	-	6,79,21,372
Other intangible assets	6,82,723	-	6,82,723
Investment property	2,53,35,483	-	2,53,35,483
Other non-financial assets	57,06,257	57,06,257	-
Total Assets	1,78,95,92,439	66,84,89,483	1,12,11,02,956
Liabilities			
Financial Liabilities			
Trade payables	27,31,16,180	27,31,16,180	-
Borrowings	3,07,407	3,07,407	-
Deposits	1,23,88,353	1,23,88,353	-
Other financial liabilities	23,05,746	23,05,746	-
Non-financial Liabilities			
Current tax liabilities (net)	-	-	-
Provisions	97,12,766	11,65,674	85,47,092
Other non-financial liabilities	21,00,000	21,00,000	-
Total Liabilities	29,99,30,452	29,13,83,360	85,47,092
Net Assets	1,48,96,61,987	37,71,06,123	1,11,25,55,864

(Amount in Rupees)

PARTICULARS	As at 31 March 2019		
	Total	Within 12 months	After 12 Months
Assets			
Financial Assets			
Cash and cash equivalents	6,01,50,700	6,01,50,700	-
Bank balance other than above	66,75,24,299	56,94,61,091	9,80,63,208
Stock in trade (Securities held for trading)	1,13,72,104	1,13,72,104	-
Trade receivables	3,69,26,622	3,69,26,622	-
Loans	2,37,79,976	2,37,79,976	-
Investments	64,34,71,718	-	64,34,71,718
Other financial assets	3,99,40,916	1,24,06,344	2,75,34,572
Non Financial Assets			
Current tax assets (net)	2,67,57,144	-	2,67,57,144
Deferred tax assets (net)	2,70,72,861	-	2,70,72,861
Property, plant and equipment	7,17,22,523	-	7,17,22,523
Other intangible assets	1,04,168	-	1,04,168
Investment property	2,53,35,483	-	2,53,35,483
Other non-financial assets	58,46,287	58,46,287	-
Total Assets	1,64,00,04,801	71,99,43,124	92,00,61,677

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in Rupees)

PARTICULARS	As at 31 March 2019		
	Total	Within 12 months	After 12 Months
Liabilities			
Financial Liabilities			
Trade payables	11,80,76,643	11,80,76,643	-
Borrowings	3,11,56,095	3,11,56,095	-
Deposits	1,15,94,461	1,15,94,461	-
Other financial liabilities	29,50,608	29,50,608	-
Non-financial Liabilities			
Current tax liabilities (net)	-	-	-
Provisions	80,88,237	9,47,117	71,41,120
Other non-financial liabilities	-	-	-
Total Liabilities	17,18,66,044	16,47,24,924	71,41,120
Net Assets	1,46,81,38,757	55,52,18,200	91,29,20,557

(Amount in Rupees)

PARTICULARS	As at 1 April 2018		
	Total	Within 12 months	After 12 Months
Assets			
Financial Assets			
Cash and cash equivalents	11,48,84,755	11,48,84,755	-
Bank balance other than above	47,31,23,653	47,31,23,653	-
Stock in trade (Securities held for trading)	1,22,59,499	1,22,59,499	-
Trade receivables	21,96,04,855	21,96,04,855	-
Loans	9,05,21,255	9,05,21,255	-
Investments	64,34,93,705	-	64,34,93,705
Other financial assets	4,60,48,175	1,69,06,344	2,91,41,831
Non financial assets			
Current tax assets (net)	2,11,13,892	-	2,11,13,892
Deferred tax assets (net)	1,58,13,603	-	1,58,13,603
Property, plant and equipment	7,72,27,039	-	7,72,27,039
Other intangible assets	62,500	-	62,500
Investment property	2,53,35,483	-	2,53,35,483
Other non-financial assets	74,24,404	74,24,404	-
Total Assets	1,74,69,12,818	93,47,24,765	81,21,88,053
Liabilities			
Financial liabilities			
Trade payables	19,03,23,448	19,03,23,448	-
Borrowings	1,38,35,890	1,38,35,890	-
Deposits	1,50,28,218	1,50,28,218	-
Other financial liabilities	25,20,325	25,20,325	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in Rupees)

PARTICULARS	As at 1 April 2018		
	Total	Within 12 months	After 12 Months
Non-financial liabilities			
Current tax liabilities (net)	-	-	-
Provisions	68,18,183	7,43,929	60,74,254
Other non-financial liabilities	-	-	-
Total Liabilities	22,85,26,064	22,24,51,808	60,74,254
Net Assets	1,51,83,86,754	71,22,72,956	80,61,13,799

50 FINANCIAL INSTRUMENTS

Refer to financial instruments by category table below for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximate fair value due to short maturity of these instruments.

The carrying value and financial instruments by categories as of 31 March 2020 is as follows:

(Amount in Rupees)

	Particulars	As at 31.03.2020			
		Amortised cost	Fair Value through P&L	Fair Value through OCI	Total Carrying Value
1	ASSETS				
	Financial Assets				
(a)	Cash and cash equivalents	12,21,99,546	-	-	12,21,99,546
(b)	Bank balance other than (a) above	43,83,03,923	-	-	43,83,03,923
(c)	Stock in trade	-	97,60,780	-	97,60,780
(d)	Trade Receivables	5,74,80,491	-	-	5,74,80,491
(e)	Loans	32,50,97,001	-	-	32,50,97,001
(f)	Investments	-	-	2,49,609	2,49,609
(g)	Investment in equity instruments of subsidiary companies	64,29,57,740	-	-	64,29,57,740
(h)	Other financial assets	3,29,04,220	-	-	3,29,04,220
	Total Assets	1,61,89,42,291	97,60,780	2,49,609	1,62,89,53,310
	LIABILITIES				
1	Financial Liabilities				
(a)	Trade Payables	27,31,16,180	-	-	27,31,16,180
(b)	Borrowings	3,07,407	-	-	3,07,407
(c)	Deposits	1,23,88,353	-	-	1,23,88,353
(d)	Other financial liabilities	23,05,746	-	-	23,05,746
	Total Liabilities	28,81,17,686	-	-	28,81,17,686

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

The carrying value and financial instruments by categories as of 31 March 2019 is as follows:

(Amount in Rupees)

	Particulars	As at 31.03.2019			
		Amortised cost	Fair Value through P&L	Fair Value through OCI	Total Carrying Value
	ASSETS				
1	Financial Assets				
(a)	Cash and cash equivalents	6,01,50,700	-	-	6,01,50,700
(b)	Bank balance other than (a) above	66,75,24,299	-	-	66,75,24,299
(c)	Stock in trade	-	1,13,72,104	-	1,13,72,104
(d)	Trade Receivables	3,69,26,622	-	-	3,69,26,622
(e)	Loans	2,37,79,976	-	-	2,37,79,976
(f)	Investments	-	-	5,13,978	5,13,978
(g)	Investment in equity instruments of subsidiary companies	64,29,57,740	-	-	64,29,57,740
(h)	Other financial assets	3,99,40,916	-	-	3,99,40,916
	Total Assets	1,47,12,80,253	1,13,72,104	5,13,978	1,48,31,66,335
	LIABILITIES				
1	Financial Liabilities				
(a)	Trade Payables	11,80,76,643	-	-	11,80,76,643
(b)	Borrowings	3,11,56,095	-	-	3,11,56,095
(c)	Deposits	1,15,94,461	-	-	1,15,94,461
(d)	Other financial liabilities	29,50,608	-	-	29,50,608
	Total Liabilities	16,37,77,807	-	-	16,37,77,807

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

(Amount in Rupees)

	Particulars	As at 01.04.2018			
		Amortised cost	Fair Value through P&L	Fair Value through OCI	Total Carrying Value
	ASSETS				
1	Financial Assets				
(a)	Cash and cash equivalents	11,48,84,755	-	-	11,48,84,755
(b)	Bank balance other than (a) above	47,31,23,653	-	-	47,31,23,653
(c)	Stock in trade	-	1,22,59,499	-	1,22,59,499
(d)	Trade Receivables	21,96,04,855	-	-	21,96,04,855
(e)	Loans	9,05,21,255	-	-	9,05,21,255
(f)	Investments	-	-	6,35,965	6,35,965
(g)	Investment in equity instruments of subsidiary companies	64,28,57,740	-	-	64,28,57,740
(h)	Other financial assets	4,60,48,175	-	-	4,60,48,175
	Total Assets	1,58,70,40,433	1,22,59,499	6,35,965	1,59,99,35,897

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in Rupees)

	Particulars	As at 01.04.2018			Total Carrying Value
		Amortised cost	Fair Value through P&L	Fair Value through OCI	
	ASSETS				
	LIABILITIES				
1	Financial Liabilities				
(a)	Trade Payables	19,03,23,448	-	-	19,03,23,448
(b)	Borrowings	1,38,35,890	-	-	1,38,35,890
(c)	Deposits	1,50,28,218	-	-	1,50,28,218
(d)	Other financial liabilities	25,20,325	-	-	25,20,325
	Total Liabilities	22,17,07,881	-	-	22,17,07,881

51 FAIR VALUES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Valuation framework

The Company's valuation framework includes:

- Benchmarking prices against observable market prices or other independent sources;
- Development and validation of fair valuation models using model logic, inputs, outputs and adjustments.

Finance function is responsible for establishing procedures, governing valuation and ensuring fair values are in compliance with accounting standards.

FAIR VALUE HIERARCHY

The Company determines fair values of its financial instruments according to the following hierarchy:

Level 1: valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2: valuation using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3: valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

Valuation methodologies adopted

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

- Fair values of inventories held for trading under FVTPL have been determined under level 1 using quoted market prices of the underlying instruments;
- Fair values of investment in quoted equity instruments designated under FVOCI have been determined under level 1 using quoted market prices of the underlying instruments;

The Company has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, short term loans, investments in equity instruments designated under FVOCI, trade payables, borrowings, bank overdrafts and other current liabilities are a reasonable approximation of their fair value and hence their carrying values are deemed to be fair values.

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2020

(Amount in Rupees)

Particulars	Date of Valuation	Fair Value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Stock in trade held for trading under FVTPL	31-Mar-2020	97,60,780	-	-	97,60,780
Equity instrument classified under FVOCI	31-Mar-2020	2,49,609	-	-	2,49,609
		1,00,10,389	-	-	1,00,10,389

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2019

(Amount in Rupees)

Particulars	Date of Valuation	Fair Value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Stock in trade held for trading under FVTPL	31-Mar-2019	1,13,72,104	-	-	1,13,72,104
Equity instrument classified under FVOCI	31-Mar-2019	5,13,978	-	-	5,13,978
		1,18,86,082	-	-	1,18,86,082

Quantitative disclosures of fair value measurement hierarchy for assets as at 01 April 2018

(Amount in Rupees)

Particulars	Date of Valuation	Fair Value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Stock in trade held for trading under FVTPL	1-Apr-2018	1,22,59,499	-	-	1,22,59,499
Equity instrument classified under FVOCI	1-Apr-2018	6,35,965	-	-	6,35,965
		1,28,95,464	-	-	1,28,95,464

52 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company derives revenue primarily from share broking business. Its other major revenue sources are depository operations.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Disaggregate revenue information

(Amount in Rupees)

PARTICULARS	For the year ended	
	31 March 2020	31 March 2019
Brokerage fees	9,61,74,965	13,11,20,188
Research and advisory fees	9,17,858	-
Depository operations	57,70,464	67,14,529
Total	10,28,63,287	13,78,34,717
India	10,28,63,287	13,78,34,717
Outside India	-	-
Total	10,28,63,287	13,78,34,717
Timing of revenue recognition		
Services transferred at a point in time	9,61,74,965	13,11,20,188
Services transferred over time	66,88,322	67,14,529
Total	10,28,63,287	13,78,34,717

53 The accounts of the trade receivables, and trade payables who have not responded to the Company's request for confirmation of balances, are subject to reconciliation, if any, required.

54 Figures have been rounded off to nearest rupees. Previous year figures have been regrouped / reclassified / recasted / rearranged wherever necessary, to conform to this year's classification.

55 COVID-19 outbreak was declared a pandemic by the World Health Organization on 11 March, 2020. The Indian Government on 24 March, 2020, announced a 21- day complete lockdown across the country, to contain the spread of the virus. The lockdown has since been extended with gradual relaxations. Stock Broking services, being part of Capital Market operations have been declared as essential services and accordingly, the Company faced no business interruption on account of lockdown. There has been no material change in the controls or processes followed in the closing of the financial statements of the Company.

As at 31 March, 2020, based on facts and circumstances existing as of that date, the Company does not anticipate any material uncertainties, which affect its liquidity position; and its ability to continue as a going concern. The ongoing COVID-19 situation may result in some changes in the overall economic and market conditions, which may in turn have an impact on the operations of the Company.

56 EVENTS AFTER REPORTING DATE

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

57 The financial statements of the Company for the year ended 31 March, 2020 were approved for issue by the Board of Directors at their meeting held on 15 July,2020.

As per our report of even date
For PHD & Associates
 Chartered Accountants
 Firm Registration No. 111236W

Paresh Vakharia
 (Partner)
 Membership No. 38220

Place : Mumbai
 Date : 15 July 2020

For and on behalf of the Board of Directors

Kanji B. Rita
 (DIN 00727470)
 Managing Director

Meet K. Rita
 (DIN 06895249)
 Wholtime Director

Kamlesh S. Limbachiya
 (DIN 02774663)
 Wholtime Director

Arvind J. Gala
 Chief Financial Officer

Bhavi R. Gandhi
 Company Secretary

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF INVENTURE GROWTH & SECURITIES LIMITED****REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS****Opinion**

We have audited the accompanying consolidated Ind AS financial statements of Inventure Growth & Securities Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2020, and the consolidated statement of Profit and Loss, including Other Comprehensive Income, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2020, of consolidated profit, consolidated other comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

For key audit matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Transition to Ind AS accounting framework

In accordance with the roadmap for implementation of Indian Accounting Standards (Ind AS) for non-banking financial companies, as announced by the Ministry of Corporate Affairs, the Group has adopted Ind AS from April 1, 2019 with an effective date of April 1, 2018 for such transition.

For periods up to and including the year ended March 31, 2019, the Group had prepared and presented its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "previous GAAP").

In order to give effect of the transition to Ind AS, these financial statements for the year ended March 31, 2020, together with the comparative financial information for the previous year ended March 31, 2019 and the transition date balance sheet as at April 1, 2018 have been prepared under Ind AS.

The transition has involved significant changes in the Group's financial reporting policies and processes, including generation of reliable and supportable financial information. Further, the management has exercised significant judgement for giving an appropriate effect of the first-time adoption principles of Ind AS 101, as at transition date and to determine the impact of the new accounting framework on certain accounting and disclosure requirements prescribed under relevant accounting standards, to the extent applicable.

In view of the material impact and complexities and significant judgement involved in implementing Ind AS, we have focused on this area in our audit.

How our audit addressed the key audit matter

Read the Ind AS impact assessment performed by the management and the resultant changes made to the accounting policies considering the requirements of the new framework.

1. Assessed the judgement exercised by the management in applying the first-time adoption principles of Ind AS 101 especially in respect of fair valuation of assets and liabilities existing as at transition date.
2. We understood the financial statement closure process and the additional controls established by the Group for transition to Ind AS. Assessed the judgement applied by the Group in determining its business model for classification of financial assets.
3. Tested the accounting adjustments posted as at the transition date and in respect of the previous year to convert the financial information reported under erstwhile Indian GAAP to Ind AS.
4. Assessed disclosures made by the management for compliance with IND AS.

Other Information

The Group's Board of Directors is responsible for the other information. The other information comprises of the Annual Report but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated Ind AS 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 consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read such other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audited Ind AS financial statements. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 consolidated Ind AS 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 consolidated Ind AS 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 Group 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 ability of the Group 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 consolidated Ind AS 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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 consolidated Ind AS 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

As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Amendment Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors of the Group, none of the directors of the Group companies, is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **"Annexure"** to this report .

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated Ind AS financial statements as referred to in Note 46 to the said financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For PHD & Associates

Chartered Accountants
Firm Registration No.111236W

Paresh Vakharia

Partner
Membership No.: 38220
UDIN: 20038220AAAAAR6276
Mumbai
15 July 2020

Annexure - Referred to in our Independent Auditors' Report of even date to the members of Inventure Growth & Securities Limited on the consolidated Ind AS financial statements for the year ended March 31, 2020.

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

1. In conjunction with our audit of the consolidated Ind AS financial statements of the Group as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of the Group.

Management's Responsibility for Internal Financial Controls

2. The Board of Directors of the Group are responsible for establishing and maintaining internal financial controls 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 Group'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

3. Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting with reference to these consolidated IND AS financial statement 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") issued by ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 with reference to these consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Ind AS Financial Statements

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that :
 - a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

- c. 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 with reference to these Consolidated Ind AS Financial Statements

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

Opinion

8. In our opinion, to the best of our information and according to the explanations given to us, the Group has, in all material respects, an adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For PHD & Associates

Chartered Accountants
Firm Registration No.111236W

Paresh Vakharia

Partner
Membership No.: 38220
UDIN: 20038220AAAAAR6276
Mumbai
15 July 2020

CONSOLIDATED AUDITED BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note No.	As at	As at	As at
		March 31, 2020	March 31, 2019	April 1, 2018
		₹	₹	₹
ASSETS				
(1) Financial Assets				
(a) Cash and cash equivalents	6	126,236,906	61,110,640	118,782,875
(b) Bank balance other than (a) above	7	568,375,512	817,715,169	679,445,676
(c) Stock in trade	8	9,760,929	11,372,426	29,655,658
(d) Receivables				
(I) Trade receivables	9	59,857,949	37,286,785	229,604,556
(II) Other receivables	10	423,108	7,005,713	7,604,707
(e) Loans	11	941,963,744	888,257,474	852,683,447
(f) Investments	12	10,291,609	17,069,978	19,941,815
(g) Other financial assets	13	40,605,882	52,271,737	57,359,505
		1,757,515,639	1,892,089,922	1,995,078,239
(2) Non-Financial Assets				
(a) Current tax assets (Net)	14	59,727,675	35,845,289	29,430,232
(b) Deferred tax assets (Net)	15	69,244,125	66,512,975	39,398,239
(c) Investment property	16	73,964,985	95,214,497	97,432,738
(d) Property, plant and equipment	17	97,479,556	102,797,179	82,868,809
(e) Other intangible assets	17A	984,285	649,480	775,000
(f) Goodwill on consolidation		14,915,864	14,915,864	14,915,864
(g) Other non-financial assets	18	21,208,559	6,383,047	8,307,530
		337,525,049	322,318,331	273,128,412
Total Assets		2,095,040,688	2,214,408,253	2,268,206,651
LIABILITIES AND EQUITY				
(1) Financial Liabilities				
(a) Payables				
(I) Trade payables	19			
(i) total outstanding dues of Micro and Small enterprises		-	-	-
(ii) total outstanding dues of creditors other than Micro and Small enterprises		279,348,011	122,606,141	198,638,871
(II) Other payables				
(i) total outstanding dues of Micro and Small enterprises		-	-	-
(ii) total outstanding dues of creditors other than Micro and Small enterprises		-	-	-
(b) Borrowings	20	74,206,579	312,138,685	258,782,681
(c) Deposits	21	12,388,353	11,925,888	15,359,645
(d) Other financial liabilities	22	2,907,202	13,291,639	2,976,010
		368,850,145	459,962,353	475,757,207
(2) Non-Financial Liabilities				
(a) Current tax liabilities (Net)		-	-	-
(b) Provisions	23	10,081,484	8,270,769	6,875,876
(c) Other non financial liabilities	24	2,978,000	1,334,588	-
		13,059,484	9,605,357	6,875,876
(3) EQUITY				
(a) Equity share capital	25	840,000,000	840,000,000	840,000,000
(b) Other equity	26	873,105,330	904,813,105	945,544,752
(c) Non controlling interest		25,729	27,439	28,816
		1,713,131,059	1,744,840,544	1,785,573,568
Total Liabilities and Equity		2,095,040,688	2,214,408,253	2,268,206,651

The accompanying notes are an integral part of the financial statements

As per our report of even date

For PHD & Associates

Chartered Accountants

Firm Registration No. 111236W

Paresh Vakharia

(Partner)

Membership No. 38220

Place : Mumbai

Date : 15 July 2020

For and on behalf of the Board of Directors

Kanji B. Rita

(DIN 00727470)

Managing Director

Kamlesh S. Limbachiya

(DIN 02774663)

Wholetime Director

Bhavi R. Gandhi

Company Secretary

Meet K. Rita

(DIN 06895249)

Wholetime Director

Arvind J. Gala

Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Note No.	For the Year Ended	For the Year Ended
		31 March 2020	31 March 2019
		₹	₹
Revenue From Operations			
(i) Interest income	27	152,399,944	143,832,991
(ii) Dividend income	28	75,745	444,636
(iii) Fees and commission income	29	106,319,120	142,767,852
(iv) Sale of shares	30	-	632,996,897
(iv) Other operating income	31	12,496,172	20,060,612
(I) Total revenue from operations		271,290,981	940,102,988
(II) Other income	32	35,020,366	13,232,877
(III) Total income (I+II)		306,311,347	953,335,865
Expenses			
(i) Finance Costs	33	23,541,614	14,609,838
(ii) Fees and commission expense	34	54,721,859	66,574,557
(iii) Impairment on financial instruments	35	104,975,198	159,670,793
(iii) Purchases of stock-in-trade	36	-	639,207,208
(iv) Changes in stock-in-trade	37	1,611,497	887,395
(v) Employee benefits expense	38	65,847,320	62,161,790
(vi) Depreciation and amortization expense	17	5,987,807	7,612,082
(vii) Other expenses	39	50,166,580	49,361,023
(IV) Total Expenses		306,851,875	1,000,084,686
(V) Profit/(loss) before exceptional item and tax (III-IV)		(540,528)	(46,748,821)
(VI) Exceptional Items		-	-
(VII) Profit/(Loss) before tax (V-VI)		(540,528)	(46,748,821)
(VIII) Tax expense			
Current Tax		15,248,836	17,354,220
Less: MAT Credit Entitlement		-	(16,711,865)
Net Current Tax		15,248,836	642,355
Deferred Tax		(19,425,389)	(11,038,839)
Tax provision for earlier years		3,150,381	443,614
Total tax expenses (VIII)		(1,026,172)	(9,952,870)
(IX) Profit/(Loss) for the year before non controlling interest (VII - VIII)		485,644	(36,795,951)
(X) Less: Share of Profit/(Loss) of non controlling interest		(1,714)	(1,377)
XI Profit/(Loss) for the year after non controlling interest (XI - X)		487,358	(36,794,574)
XII Other comprehensive income			
Items that will not be reclassified to Profit or Loss:			
Change in fair value of financial assets		(6,778,368)	(4,031,152)
Remeasurements of net defined benefit plans		(135,053)	130,340
Tax effect of above		35,892	(36,261)
Total other comprehensive income/(loss) before non controlling interest (XII)		(6,877,529)	(3,937,073)
XIII Less: Share of Profit/(Loss) of non controlling Interest		4	-
XIV Total comprehensive income/(loss) for the year (XI +XII - XIII)		(6,390,175)	(40,731,647)
Earning per equity share (Face value of Rs. 10/- per share)			
Basic		0.01	(0.44)
Diluted		0.01	(0.44)

The accompanying notes are an integral part of the financial statements

As per our report of even date

For PHD & Associates

Chartered Accountants

Firm Registration No. 111236W

Paresh Vakharia

(Partner)

Membership No. 38220

Place : Mumbai

Date : 15 July 2020

For and on behalf of the Board of Directors

Kanji B. Rita

(DIN 00727470)

Managing Director

Kamlesh S. Limbachiya

(DIN 02774663)

Wholtime Director

Bhavi R. Gandhi

Company Secretary

Meet K. Rita

(DIN 06895249)

Wholtime Director

Arvind J. Gala

Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31,2020

(A) EQUITY SHARE CAPITAL

RUPEES

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Balance at the beginning of the reporting year	840,000,000	840,000,000	840,000,000
Change in Equity Share capital during the year	-	-	-
Balance at the end of the reporting year	840,000,000	840,000,000	840,000,000

(B) OTHER EQUITY

RUPEES

Particulars	Reserves and Surplus						Equity Instruments through Other Comprehensive Income	Other items of Other Comprehensive Income	Total
	Capital Reserve	Securities Premium Reserve	Taxation Reserve	Statutory Reserve	General Reserve	Retained Earnings			
Balances as on April 1, 2017 (A)	2,025,000	81,163,081	12,500,000	39,192,625	574,821,877	194,350,898	725,617	-	904,779,098
Addition during the year:									-
Profit/(Loss) for the year (B)	-	-	-	4,900,000	-	41,676,659	-	-	46,576,659
Other comprehensive income :									
“ Remeasurment of defined benefit plans”	-	-	-	-	-	-	-	(1,064,114)	(1,064,114)
Net change in fair value of invesments	-	-	-	-	-	-	(4,746,891)	-	(4,746,891)
Other Comprehensive Income for the year (C)	-	-	-	-	-	-	(4,746,891)	(1,064,114)	(5,811,005)
Total Comprehensive Income for the year (B+C) =D	-	-	-	4,900,000	-	41,676,659	-4,746,891	-1,064,114	40,765,654
Balances as on April 1, 2018 (A+D)= E	2,025,000	81,163,081	12,500,000	44,092,625	574,821,877	236,027,557	-4,021,274	-1,064,114	945,544,752
Addition during the year:									
Profit / (Loss) for the year (F)	-	-	-	-	-	(36,795,951)	-	-	(36,795,951)
Transfer from General Reserve (G)	-	-	-	-	(100,000,000)	100,000,000	-	-	-
Transfer to Statutory reserve (H)	-	-	-	3,600,000	-	(3,600,000)	-	-	-
“Other comprehensive income : Remeasurment of defined benefit plans”	-	-	-	-	-	-	-	94,079	94,079
Net change in fair value of invesments	-	-	-	-	-	-	(4,031,152)	-	(4,031,152)
Other Comprehensive Income for the year 2018-19 (I)	-	-	-	-	-	-	(4,031,152)	94,079	(3,937,073)

INVENTURE GROWTH & SECURITIES LIMITED



Particulars	Reserves and Surplus						Equity Instruments through Other Comprehensive Income	Other items of Other Comprehensive Income	Total
	Capital Reserve	Securities Premium Reserve	Taxation Reserve	Statutory Reserve	General Reserve	Retained Earnings			
Total Comprehensive Income for the year (F+I)=J	-	-	-	-	-	-36,795,951	-4,031,152	94,079	-40,733,024
Non Controlling Interest (K)						(1,377)			(1,377)
Balance as at March 31, 2019 (E+G-H+J-K) =L	2,025,000	81,163,081	12,500,000	4,76,92,625	474,821,877	29,56,32,983	-8,052,426	-970,035	904,813,105
Addition during the year:									
Profit/(Loss) for the year (M)	-	-	-	-	-	485,644	-	-	485,644
Other comprehensive income :	-	-	-	-	-	-	-	-	-
Remeasurement of defined benefit plans	-	-	-	-	-	-	-	(99,161)	(99,161)
Net change in fair value of investments	-	-	-	-	-	-	(6,778,368)	-	(6,778,368)
Other Comprehensive Income for the year (N)	-	-	-	-	-	-	(6,778,368)	(99,161)	(6,877,529)
Total Comprehensive Income (M+N)= O	-	-	-	-	-	485,644	-6,778,368	-99,161	-6,391,885
Reductions during the year:									
Dividend	-	-	-	-	-	21,000,000	-	-	21,000,000
Dividend distribution tax	-	-	-	-	-	4,317,600	-	-	4,317,600
Total reduction during the year (P)	-	-	-	-	-	25,317,600	-	-	25,317,600
Non Controlling Interest (Q)						(1,714)		4	(1,710)
Balance as at March 31, 2020 (L+O-P-Q)	2,025,000	81,163,081	12,500,000	4,76,92,625	474,821,877	27,08,02,741	-14,830,794	-1,069,200	873,105,330

As per our report of even date
For PHD & Associates
 Chartered Accountants
 Firm Registration No. 111236W

Paresh Vakharia
 (Partner)
 Membership No. 38220

Place : Mumbai
 Date : 15 July 2020

For and on behalf of the Board of Directors

Kanji B. Rita
 (DIN 00727470)
 Managing Director

Kamlesh S. Limbachiya
 (DIN 02774663)
 Wholtime Director

Bhavi R. Gandhi
 Company Secretary

Meet K. Rita
 (DIN 06895249)
 Wholtime Director

Arvind J. Gala
 Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

Particulars	For the year ended 31 March 2020		For the year ended 31 March 2019	
	₹	₹	₹	₹
A. Cash Flow from Operating Activities				
Net Profit before exceptional item and tax		(540,528)		(46,748,822)
Adjustment for :				
Depreciation and amortisation	5,987,807		7,612,082	
Finance costs	15,541,726		6,605,663	
Interest income	(15,161,465)		(6,326,022)	
Interest on IT Refund	(1,181,207)		-	
Preliminary expenses written off	296		295	
Dividend income	(252,250)		(690,761)	
Provision for defined employee benefits	1,661,031		1,503,323	
Impairment on financial instruments (net)	104,975,193		159,692,703	
(Profit)/Loss on sale of investments (net)	(11,600,880)		1,791,788	
		99,970,251		170,189,071
Operating profit before working capital changes		99,429,723		123,440,249
Adjustments for :				
(Increase)/decrease in trade receivables	(41,021,574)		74,796,099	
(Increase)/decrease in inventories (held as stock in trade)	1,611,497		18,283,232	
Increase/(decrease) in loans	(124,027,488)		(74,485,630)	
(Increase)/decrease in other financial assets	16,710,270		2,433,563	
(Increase)/decrease in other non financial assets	(14,912,780)		1,932,801	
Increase/(decrease) in trade payables	156,730,567		(73,008,601)	
Increase/(decrease) in other financial liabilities	(9,854,277)		5,192,333	
Increase/(decrease) in other non financial liability	1,933,079		-	
Term deposits with banks with original maturity of more than three months - placed	(380,992,880)		(488,222,801)	
Term deposits with banks with original maturity of more than three months - matured	390,159,593	(3,663,993)	414,355,301	(118,723,703)
Cash generated from operations		95,765,730		4,716,546
Direct Taxes paid (Net of refunds)		(25,551,471)		(23,613,183)
Net cash flow from operating activities (A)		70,214,259		(18,896,637)
B. Cash Flow from Investing Activities				
Purchase of property plant and equipment	(1,004,989)		(27,414,932)	
Investment in property	(6,423,607)		-	
Proceeds from sale of investment in property	36,652,122		2,034,323	
Investment in shares and securities	-		(25,046,646)	
Proceeds from sale of investments in shares and securities	-		22,279,460	
Term deposits with banks with original maturity of more than three months - placed	(66,645,977)		(326,116,592)	
Term deposits with banks with original maturity of more than three months - matured	296,536,704		262,291,000	
Dividend income	252,250		690,761	
Interest received	14,329,407		5,657,426	

INVENTURE GROWTH & SECURITIES LIMITED



Particulars	For the year ended 31 March 2020		For the year ended 31 March 2019	
	₹	₹	₹	₹
Net cash flow from investing activities (B)		273,695,910		(85,625,200)
C. Cash Flow from Financing Activities				
Repayment of long term borrowings	(82,074)		(542,336)	
Proceeds/(Repayment) of bank overdrafts	(237,924,576)		53,898,340	
Preliminary expenses incurred	-		(1,475)	
Finance costs	(15,459,652)		(6,509,954)	
Interest received on loans	-		5,025	
Dividend and Dividend Distribution Tax paid	(25,317,600)		-	
Net cash flow from financing activities (C)		(278,783,902)		46,849,600
Net increase/(decrease) in cash and cash equivalents (A+B+C)		65,126,267		(57,672,237)
Cash and cash equivalents at the beginning of the year		61,110,639		118,782,876
Cash and cash equivalents at the end of the year		126,236,906		61,110,639

Notes:

1 Cash and Cash Equivalents are as under:

Particulars	As at 31 March 2020	As at 31 March 2019
	₹	₹
Cash on hand	94,274	72,464
Balance in Current Accounts	123,186,132	61,038,175
Fixed Deposit (Maturity Less than 3 months)	2,956,500	-
	126,236,906	61,110,639

- 2 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard -7 on "Cash Flow Statements" as prescribed by the Central Government in the Companies (Accounting Standards) Rules, 2015, as amended
- 3 Previous year's figures have been regrouped/rearranged wherever necessary to conform to the current year's presentation.

As per our report of even date

For PHD & Associates

Chartered Accountants
Firm Registration No. 111236W

Paresh Vakharia

(Partner)
Membership No. 38220

Place : Mumbai
Date : 15 July 2020

For and on behalf of the Board of Directors

Kanji B. Rita
(DIN 00727470)
Managing Director

Meet K. Rita
(DIN 06895249)
Wholtime Director

Kamlesh S. Limbachiya
(DIN 02774663)
Wholtime Director

Arvind J. Gala
Chief Financial Officer

Bhavi R. Gandhi
Company Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. Corporate information

Inventure Growth & Securities Limited ('the Company') was incorporated in on 22 June 1995 and got listed on 04th August 2011. The Company together with its subsidiaries, (collectively, the Group) is engaged in the business of providing stock broking services, depository participant services, commodity broking services, financing/fund based services, wealth management, merchant banking services. The Group's registered office is at 201, Viraj Tower, Near Landmark Building, Western Express Highway, Andheri (E), Mumbai-400069.

2. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. The Group uses accrual basis of accounting. The financial statements are presented in Indian Rupee (INR) which is also the functional currency of the group, For all periods up to and including the year ended 31 March 2019, the Group has prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). These financial statements for the year ended 31 March 2020 are the first the Group has prepared in accordance with Ind AS.

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets measured at fair value. The preparation of financial statements requires the management to make judgments, accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of asset or liabilities in future periods, the consolidated financial statements are prepared on a going concern basis, as the Management is satisfied that the Group shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. The outbreak of COVID-19 has not affected the going concern assumption of the Group.

Basis of consolidation

The Consolidated financial statements have been prepared by applying the principles laid down in the Indian Accounting Standard : Ind As 110 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India for the purpose of these Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Cash Flow together referred to in as "Consolidated Financial Statements". Reference in these notes to the Parent Company means Inventure Growth and Securities Limited, reference to Subsidiary Companies means subsidiaries of Inventure Growth and Securities Limited, i.e. Inventure Finance Private Limited, Inventure Merchant Banker Services Private Limited, Inventure Commodities Limited, Inventure Wealth Management Limited, Inventure Insurance Broking Private Limited and reference to Group means the Parent Company, and Subsidiary Companies of the Parent Company.

Principles of Consolidation:

- The Consolidated Financial Statements comprises of the Financial Statements of the Parent Company and its subsidiaries and have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting profits/ loss in full.
- The Consolidated Financial Statements are presented, to the extent possible in the same format as that adopted by the Parent Company for its separate financial statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**Presentation of financial statements**

The financial statements of the Group are presented in order of liquidity and in accordance with Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'. The Group generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Group offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

Critical accounting estimates and judgments

The preparation of the Group's financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those based on Management's estimates. Accounting estimates and judgments are used in various line items in the financial statements for e.g.:

- Business model assessment
- Fair value of financial instruments
- Effective interest rate (EIR)
- Impairment of financial assets
- Provisions and contingent liabilities
- Provision for tax expenses
- Residual value, useful life and indicators of impairment and recoverable value of property, plant and equipment

Estimation of impairment allowance on financial assets amidst COVID-19 pandemic

Estimates and associated assumptions, especially for determining the impairment allowance for Group's financial assets, are based on historical experience and other emerging factors on account of the pandemic which may also have an effect on the expected credit loss. The Group believes that the factors considered are reasonable under the current circumstances.

3. Statement of compliance

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

4. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 IncomeRevenue Recognition

The Group recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Group identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at the fair value of the consideration received or receivable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

The Group recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

The revenue includes the following:

(i) Brokerage fee income

Revenue from contract with customer is recognized at a point in time when performance obligation is completed i.e. when the trade is executed. These include brokerage fees charged per transaction executed on behalf of the clients as per the contractually agreed rate.

(ii) Interest income

The Group recognises interest income using effective interest rate (EIR) on all financial assets subsequently measured under amortised cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest income is calculated by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets, interest income is recognized on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest.

(iii) Dividend income

Dividend income on equity shares is recognised

- when the right to receive the payment is established, which is generally when shareholders approve the dividend.
- it is probable that the economic benefits associated with the dividend will flow
- the amount of the dividend can be measured reliably

(iv) Fees and commission income

Fees and commission income includes:

- a) Income from depository operations is accounted when performance obligation is completed
- b) Advisory fees income is recognised when the performance obligation is satisfied by rendering the services to the client.
- c) Distribution income is earned by distribution of services and products of other entities under distribution arrangements. The income so earned is recognised on successful distribution on behalf of other entities subject to there being no significant uncertainty of its recovery.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(v) Net gain on fair value changes

The Group designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Group recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

(vi) Recoveries of financial assets written off

Income on recoveries of financial assets written off is recognized on realisation or when the right to receive the same without any uncertainties of recovery is established.

(vii) Taxes

Incomes are recognised net of the goods and services tax, wherever applicable.

4.2 Expenditures

(i) Finance costs

Borrowing costs on financial liabilities are recognised using the EIR .

(ii) Fees and commission expenses

Fees and commission expenses which are not directly linked to the sourcing of financial assets, are recognised in the Statement of Profit and Loss on an accrual basis.

(iii) Taxes

Expenses are recognised net of the Goods and Services Tax/Service Tax, except where credit for the input tax is not statutorily permitted.

4.3 Cash and cash equivalents

Cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value

4.4 Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments.

The Group classifies its financial assets into the following measurement categories:

- Financial assets to be measured at amortised cost
- Financial assets to be measured at fair value through other comprehensive income
- Financial assets to be measured at fair value through profit or loss account.

The classification depends on the contractual terms of the financial assets' cash flows and the Group's business model for managing financial assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset) is derecognized when:

- The right to receive cash flows from the asset have expired; or
- Transfer of right to receive cash flows from the asset or assumption of an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement and when there has been substantial transfer of all the risks and rewards of the asset.

On derecognition of a financial asset in its entirety, the difference between:

- the carrying amount (measured at the date of derecognition) and
- the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

Impairment of financial assets

Expected Credit Loss (ECL) principles

The Group recognises loss allowances (provisions) for expected credit losses on its financial assets (including non-fund exposures) that are measured at amortised costs.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The mechanics of ECL

ECLs is calculated based on probability weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive. The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of default (PD) - The probability of default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Exposure at default (EAD) - The exposure at default is an estimate of the exposure at a future default date.

Loss given default (LGD) - The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

Trade Receivables

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**Collateral Valuation**

To mitigate its credit risks on financial assets, the Group seeks to use collateral, wherever possible. The collateral comes in various forms, such as equity shares, fixed deposits, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Group uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models.

Write-offs

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

Financial liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial assets to another entity, or a contract that may or will be settled in the entities own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings and subordinated debts.

Initial measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade payables, other payables, and other borrowings.

Subsequent measurement

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR. Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

Derecognition

The Group derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

Offsetting of financial instruments

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

4.5 TaxesCurrent tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity.

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

Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that it is probable that the Group 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 Group 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 Group reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

4.6 Property, plant and equipment

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, consistent with the criteria specified in Ind AS 16 'Property, Plant and Equipment'.

Depreciation on property, plant and equipment

- (a) Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets.
- (b) Useful lives of assets are determined by the Management by an internal technical assessment.
- (c) Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.
- (d) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other income in the Statement of Profit and Loss when the asset is derecognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

- (e) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Particulars	Useful life prescribed by Schedule II of the Companies Act,2013 (in years)	Useful life estimated by Company (in years)
Office Building	60	60
Computer & Data Processing		
• Servers and networks	6	6
• End user devices (laptop, desktop etc.)	3	3
Furniture & Fixtures	10	10
Vehicles	8	8
Office Equipments	5	5
Air Conditioners	5	5

4.7 Intangible assets and amortisation thereof

Intangible assets are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment. The intangible assets are amortised using the straight line method over a period of their useful lives estimated by the management. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

4.8 Impairment of non-financial assets

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

4.9 Provisions and contingent liabilities

The Group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Group also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

4.10 Retirement and other employee benefits

- (i) Gratuity

The employees of the Group are eligible for gratuity in accordance with the Payment of Gratuity Act, and is a Defined Employee Benefit. The above benefit is not funded but provision is made in accounts as per actuarial valuation method. The valuation has been carried out using the project Unit Credit Method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

(ii) Provident fund

The Group contributes to a recognized provident fund which is a Defined Contribution Scheme. The contributions are accounted for on an accrual basis and recognized in the Statement of Profit and Loss.

(iii) Compensated absences

Unutilized leave of staff lapses as at the year end and is not encashable. Accordingly, no provision is made for compensated absences.

4.11 Fair value measurement

The Group measures its qualifying financial instruments at fair value on each Balance Sheet date.

Fair value is the price that would be received against sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the accessible principal market or the most advantageous accessible market as applicable.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into Level I, Level II and Level III based on the lowest level input that is significant to the fair value measurement as a whole.

For assets and liabilities that are fair valued in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy

5. DISCLOSURE PURSUANT TO IND AS 101

“FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS”

For reporting periods up to and including the year ended March 31, 2019, the Group prepared its financial statements in accordance with Indian GAAP (IGAAP or previous GAAP). The Group has prepared its financial statements in accordance with Ind AS prescribed under section 133 of the Act and other accounting principles generally accepted in India and as notified by Ministry of Corporate Affairs with the transition date being April 1, 2018. The impact of transition has been provided in the opening reserves as at April 1, 2018.

In preparing these financial statements, the Group has opted to avail the choices available for certain transitional provisions with Ind AS 101, 'First time adoption of Indian Accounting Standards', which offers exemption from applying specified Ind AS retrospectively. The most significant of these provisions are in the following areas:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**5.1 Cost for property, plant and equipment and intangible assets**

The Group has elected to continue with the carrying value for all of its property, plant and equipment and intangible assets as measured as per the previous GAAP and used that as its deemed cost as at the date of transition.

5.2 Classification and measurement of financial assets

At the transition date, the Group assessed the conditions for classification of financial assets and accordingly classified its financial assets at either amortized cost, fair value through other comprehensive income or fair value through profit and loss account, as appropriate, under the provisions of Ind AS 109, 'Financial Instruments'.

5.3 De-recognition of financial assets and liabilities

The Group has elected not to recognize financial assets or financial liabilities which were derecognized in accordance with previous GAAP as a result of transactions that occurred before the transition date.

5.4 Investment in subsidiaries and associates

The financial statements prepared are separate financial statements. Ind AS 101 provides a one-time option to a first time adopter either to measure its investment in subsidiaries per previous GAAP carrying value or at fair value on the date of transition. The Parent Company has elected to measure its investment in subsidiaries as per previous GAAP carrying value.

5.5 Estimates

The Group estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies, if any).

5.6 Fair value measurement of financial assets or financial liabilities at initial recognition

Under Ind AS 109, if an entity measures a financial instrument on initial recognition based on valuation techniques that only use observable market data or current market transactions in the same instrument, and the fair value at initial recognition is different from the transaction price, then it is required to recognize the 'day one' gain or loss at initial recognition of this financial instrument. Ind AS 101 allows an entity to apply the 'day one' gain or loss recognition requirement of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind AS. The Group has opted for this exemption to recognize the 'day one' gain or loss on initial recognition arising due to difference in transaction cost and fair value prospectively for transactions entered into on or after the date of transition to Ind AS.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 6 Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Cash on hand	94,274	72,464	59,448
Cheque in hand	2,956,500	-	-
Balances with banks in current accounts	123,186,132	61,038,175	118,048,426
Term Deposits with less than three months maturity	-	-	675,000
Total	126,236,906	61,110,639	118,782,874

Note 7 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Term deposits with banks with more than three months maturity under lien:			
<u>With stock exchanges towards:</u>	-	-	-
- Base Capital	206,688,966	181,302,695	4,600,000
- Collateral security towards bank guarantees	-	42,649,000	164,187,500
- Client FD margin	68,387,745	75,492,466	-
<u>With Banks</u>	-	-	-
- Collateral security against bank overdraft facility	263,021,636	505,145,232	506,858,803
<u>Others</u>	26,000,000	9,750,000	1,000,000
Interest accrued on term deposits with banks	4,277,165	3,375,776	2,799,373
Total	568,375,512	817,715,169	679,445,676

Note 8 Stock in trade

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
At fair value through profit and loss			
Shares and Securities held for trading	9,760,929	11,372,426	12,259,821
Gold	-	-	17,395,837
Total	9,760,929	11,372,426	29,655,658

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 9 Trade Receivables

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Receivables considered good - Unsecured*	59,857,949	37,286,785	229,604,556
Receivables - Credit impaired	99,984,016	84,073,224	15,217,748
	159,841,965	121,360,009	244,822,304
Less: Impairment loss allowance	(99,984,016)	(84,073,224)	(15,217,748)
Total	59,857,949	37,286,785	229,604,556
*Includes amount due from directors	1,171	1,352,347	345

Note 10 Other Receivables

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Receivables Considered Good	-		
i. Secured	-	-	-
ii. Unsecured	423,108	7,005,713	7,604,707
Total	423,108	7,005,713	7,604,707

Note 11 Loans

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
(A) At Amortised cost			
Margin trade funding (MTF)	15,831,731	23,025,266	2,517,567
Loan to employees	365,000	1,145,496	467,082
Loans repayable on demand	1,067,757,587	937,053,774	931,645,815
Less: Impairment loss allowance	141,990,574	72,967,062	81,947,017
Total (A) Net	941,963,744	888,257,474	852,683,447
(B) Secured/Unsecured			
Secured	35,419,913	64,259,352	90,536,498
Unsecured	1,048,534,405	896,965,184	844,093,966
Less: Impairment loss allowance	141,990,574	72,967,062	81,947,017
Total (B) Net	941,963,744	888,257,474	852,683,447
(C) Loans in India			
Loans granted	1,083,954,318	961,224,536	934,630,464
Less: Impairment loss allowance	141,990,574	72,967,062	81,947,017
Total (C) Net	941,963,744	888,257,474	852,683,447

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 12 Investment

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
(A) At Amortised cost			
In Equity instrument of other company	33,175,627	33,175,627	33,175,627
Impairment loss allowance	(33,175,627)	(33,175,627)	(33,175,627)
Total investment in equity instrument of other companies (I)	-	-	-
(B) At Fair value through Other Comprehensive Income			
In quoted equity instruments	10,291,609	17,069,978	19,941,815
Total investments in quoted equity instruments (II)	10,291,609	17,069,978	19,941,815
Total investments in equity instruments (I + II)	10,291,609	17,069,978	19,941,815

Note 13 Other Financial Assets

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Deposits with stock exchanges	31,467,262	37,359,821	43,255,469
Deposit with professional clearing member	2,501,211	12,308,187	11,301,472
Deposit with depository	260,000	260,000	260,000
Other deposits	2,260,712	2,343,729	2,542,564
Receivable against sale of property	2,935,490	-	-
Interest receivable on IT refund	1,181,207	-	-
Total	40,605,882	52,271,737	57,359,505

Note 14 Current tax assets (Net)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Advance Income Tax (Net of Provisions)	59,727,675	35,845,289	29,430,232
Total	59,727,675	35,845,289	29,430,232

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 15 Deferred Tax Assets (Net)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Deferred tax liabilities:			
Fixed Asset : Impact of difference between tax depreciation and depreciation/ammortization charged	13,388,231	13,157,963	13,889,103
Total	13,388,231	13,157,963	13,889,103
Deferred tax assets:			
Fixed Asset : Impact of difference between tax depreciation and depreciation/ammortization charged	97,340	63,809	64,221
Provision for gratuity	2,344,253	1,836,717	1,403,355
Impairment allowance for financial assets	62,644,056	43,529,466	27,348,077
Unabsorbed business loss	-	-	6,818,969
Remeasurements of net defined benefit plans	964,299	928,407	452,338
MAT credit entitlement	16,582,408	33,312,539	17,200,382
Total	82,632,356	79,670,938	53,287,342
Net Deferred tax asset	69,244,125	66,512,975	39,398,239
Provision for Standard Assets	409,849	414,584	527,445
Total	82,632,356	79,670,938	53,287,342
Net Deferred tax asset	69,244,125	66,512,975	39,398,239

Note 16 Investment in Properties

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
At Amortised cost			
Investment properties	73,964,985	95,214,497	97,432,738
Total	73,964,985	95,214,497	97,432,738

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020
Note 17 Property, Plant & Equipment (Current Year)

(Amount in ₹)

Particulars	Gross Block		Accumulated Depreciation / Amortisation	Net Block	
	As at 1 April 2019	As at 31 March 2020		As at 1 April 2019	As at 31 March 2020
Property, Plant and Equipment					
Own Assets:					
Office Premises	104,202,649	104,202,649	1,736,711	16,567,444	89,371,916
Furniture and Fixtures	34,548,378	34,619,878	1,528,893	29,889,778	6,187,493
Vehicles	18,578,513	18,578,513	1,047,249	15,140,490	4,485,272
Office Equipment	10,775,780	10,810,268	399,451	10,320,842	854,389
Air Conditioners	4,421,433	4,620,298	203,952	4,252,259	373,126
Computers	23,497,973	23,528,397	736,644	22,709,634	1,524,983
Total	196,024,726	196,360,003	5,652,900	98,880,447	102,797,179
Note 17A Intangible Assets					
Own Assets:					
Computer Software	11,088,326	11,758,038	109,907	11,036,253	161,980
Membership of Bombay Stock Exchange Limited	18,100,000	18,100,000	-	18,100,000	-
Membership of Multi Commodity Exchange Limited	1,060,000	1,060,000	-	1,060,000	-
Merchant Banking Licence *	2,233,300	2,233,300	225,000	1,970,800	262,500
Total	32,481,626	33,151,338	334,907	32,167,053	649,480

Note 17 Property, Plant & Equipment (Previous Year)

Particulars	Gross Block		Accumulated Depreciation / Amortisation	Net Block	
	As at 1 April 2018	As at 31 March 2019		As at 1 April 2018	As at 31 March 2019
Property, Plant and Equipment					
Own Assets:					
Office Premises	77,671,209	104,202,649	1,294,520	14,830,733	89,371,916
Furniture and Fixtures	34,274,447	34,548,378	2,663,320	28,360,885	6,187,493
Vehicles	18,578,513	18,578,513	1,047,249	14,093,241	4,485,272
Office Equipment	10,737,348	10,775,780	662,448	9,921,391	854,389
Air Conditioners	4,352,604	4,421,433	448,498	4,048,307	373,126
Computers	23,133,173	23,497,973	1,233,027	21,972,990	1,524,983
Total	168,747,294	196,024,726	7,349,062	93,227,547	102,797,179
Note 17A Intangible assets					
Own Assets:					
Computer Software	10,950,826	11,088,326	38,020	10,926,346	161,980
Membership of Bombay Stock Exchange Limited	18,100,000	18,100,000	-	18,100,000	-
Membership of Multi Commodity Exchange Limited	1,060,000	1,060,000	-	1,060,000	-
Merchant Banking Licence	2,233,300	2,233,300	225,000	1,745,800	262,500
Total	32,344,126	32,481,626	263,020	31,832,146	775,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 18 Other Non-Financial Assets

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Prepaid expenses	3,096,745	3,867,768	3,861,165
Advances to suppliers and others	16,263,158	910,540	3,325,519
Indirect tax input credits	1,341,022	717,569	143,812
Preliminary expenses to be written off	884	1,180	-
Accrued income	506,750	885,990	977,034
Total	21,208,559	6,383,047	8,307,530

Note 19 Trade Payables

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
(i) Total outstanding dues of Micro and Small enterprises	-	-	-
(ii) Total outstanding dues of creditors other than Micro and Small enterprises	279,348,011	122,606,141	198,638,871
Total	279,348,011	122,606,141	198,638,871

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

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Principal amount due and remaining unpaid	-	-	-
Interest due on above and the unpaid interest	-	-	-
Interest paid	-	-	-
Payment made beyond the appointed day during the year	-	-	-
Interest due and payable for the period of delay	-	-	-
Interest accrued and remaining unpaid	-	-	-
Amount of further interest remaining due and payable in succeeding years	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 20 Borrowings

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
At Amortised cost			
Secured			
Overdraft facility from banks (secured against lien of term deposits with banks)	70,880,823	308,812,929	254,652,334
Others	3,325,756		4,130,347
Loan from related party (Holding company)	-		-
Total	74,206,579	308,812,929	258,782,681
Borrowings in India	74,206,579	308,812,929	258,782,681
Borrowings outside India	-	-	-
Total	74,206,579	308,812,929	258,782,681

Particulars of security for borrowings:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Loans repayable on demand			
<u>From Bank:</u>			
HDFC Bank Limited - Secured against Term Deposits	62,359,126	56,654,780	32,823,717
Punjab National Bank - Secured against Term Deposits	7,871,275	251,183,926	203,543,754
ICICI Bank - Secured against Term Deposits	-		105,581
Bank of India - Secured against Term Deposits	274,512	-	12,515,333
Indusland Bank- Secured against Term deposits	-	-	4,148,472

Note 21 Deposits

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
At Amortised cost			
Security Deposits from clients and sub brokers	12,388,353	11,925,888	15,359,645
Total	12,388,353	11,925,888	15,359,645

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 22 Other Financial Liabilities

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Statutory dues	2,907,202	3,541,639	2,976,010
Advance in respect of purchase of property	-	9,750,000	
Total	2,907,202	13,291,639	2,976,010

Note 23 Provisions

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Provision for employee benefits		-	-
Gratuity	10,075,893	8,274,291	6,886,750
Remeasurement of defined benefit plan	5,591	(3,522)	(10,874)
Total	10,081,484	8,270,769	6,875,876

Note 24 Other non financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
At Amortised cost			
Advance received in respect of sale of investment property	2,978,000	1,334,588	-
Total	2,978,000	1,334,588	-

Note 25 Equity share capital

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	₹	₹	₹
Authorised			
100,000,000 (100,000,000) Equity Shares of ₹ 10/- each	1,000,000,000	1,000,000,000	1,000,000,000
Issued			
84,000,000 (84,000,000) Equity Shares of ₹ 10/- each	840,000,000	840,000,000	840,000,000
Subscribed and fully paid up			
84,000,000 (84,000,000) Equity Shares of ₹ 10/- each	840,000,000	840,000,000	840,000,000
Total	840,000,000	840,000,000	840,000,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

	No of shares	₹
Equity share capital issued, subscribed and fully paid up at the beginning of the year	84,000,000	840,000,000
Add: Issued during the year	-	-
As at 1 April 2018	84,000,000	840,000,000
Equity share capital issued, subscribed and fully paid up at the beginning of the year	84,000,000	840,000,000
Add: Issued during the year	-	-
As at 31 March 2019	84,000,000	840,000,000
Equity share capital issued, subscribed and fully paid up at the beginning of the year	84,000,000	840,000,000
Add: Issued during the year	-	-
As at 31 March 2020	84,000,000	840,000,000

(b) The Company has one class of Equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for 1 vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In event of liquidation the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholdings.

(c) Details of shareholders holding more than 5% shares in the company:

Name of Shareholder	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	No. of Shares	% holding	No. of Shares	% holding	No. of Shares	% holding
Equity shares of ₹ 10/- each fully paid						
Kanji B. Rita	22,164,327	26.39	22,164,327	26.39	22,164,327	26.39
Harilal Bhachubhai Rita	5,000,000	5.95	5,000,000	5.95	5,000,000	5.95

Note 26 Other equity

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Reserves and Surplus			
Capital Reserve			
Balance at the beginning of the year	2,025,000	2,025,000	2,025,000
Addition during the year	-	-	-
Balance at the end of the year	2,025,000	2,025,000	2,025,000
Security premium			
Balance at the beginning of the year	81,163,081	81,163,081	81,163,081
Addition during the year	-	-	-
Balance at the end of the year	81,163,081	81,163,081	81,163,081
Taxation Reserve			
Balance at the beginning of the year	12,500,000	12,500,000	12,500,000
Addition during the year	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Balance at the end of the year	12,500,000	12,500,000	12,500,000
Statutory Reserve			
Balance at the beginning of the year	47,692,625	44,092,625	39,192,625
Addition during the year	-	3,600,000	4,900,000
Balance at the end of the year	47,692,625	47,692,625	44,092,625
Retained Earnings			
Balance at the beginning of the year	295,632,983	236,027,557	194,350,898
Profit/(Loss) for the year	485,644	(40,395,951)	41,677,101
Transfer from General Reserve	-	100,000,000	-
Non Controlling Interest	1,714	1,377	(442)
Dividend paid to Equity Shareholders	(21,000,000)	-	-
Dividend distribution tax	(4,317,600)	-	-
Balance at the end of the year	270,802,741	295,632,983	236,027,557
General Reserve			
Balance at the beginning of the year	474,821,877	574,821,877	574,821,877
Transferred to Retained Earnings	-	(100,000,000)	-
Balance at the end of the year	474,821,877	474,821,877	574,821,877
Other Comprehensive Income			
Balance at the beginning of the year	(9,022,461)	(5,085,388)	725,617
IND AS Adjustments	-	-	(5,811,005)
Non controlling interest	(4)	-	-
Movement in other comprehensive income(net) during the year	(6,877,529)	(3,937,073)	-
Balance at the end of the year	(15,899,994)	(9,022,461)	(5,085,388)
Total other equity	873,105,330	904,813,105	945,544,752

Nature and purpose of reserve

(a) Capital reserve

Capital reserve represents amount paid up on partly paid equity shares forfeited due to non-payment of call money.

(b) Securities premium

Securities Premium reserves is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of the Companies Act, 2013.

(c) Taxation reserve

Amount set aside to meet with substantial tax litigation if any.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(d) Statutory reserve

In case of a subsidiary company carrying on Non-banking financial business, the Group creates a statutory reserve in accordance with the provisions of section 45 -IC of the Reserve Bank of India Act, 1934.

(e) Retained earnings

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

(f) General reserve

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

(g) Other comprehensive income

Other comprehensive income consist of remeasurement gains/losses on employees defined benefit expenses and change in fair value of investments

Note 27 Interest Income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Interest on margin trade funding	3,061,360	5,347,622
Interest from Financing activities	108,482,412	99,117,870
Interest on term deposit with banks	40,856,172	39,367,499
Total	152,399,944	143,832,991

Note 28 Dividend income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Dividend received on shares held as stock in trade	75,745	444,636
Total	75,745	444,636

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 29 Fees and commission Income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Brokerage	97,738,425	134,024,215
Research and advisory fees	2,767,858	1,574,500
Depository operations	5,770,464	6,714,529
Income from loan processing	42,373	454,608
Total	106,319,120	142,767,852

Note 30 Sale of Products

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Sale of shares/securities	-	632,996,897
Total	-	632,996,897

Note 31 Other Operating Income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Derivatives and Intraday Securities Trading (net)	-	5,033,658
Delayed payment charges from clients	10,742,265	15,026,954
Short margin penalty recovery from clients	1,753,907	
Total	12,496,172	20,060,612

Note 32 Other Income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Dividend income :		
From investments	252,250	246,125
		-
Net gain/(loss) on sale of investments	14,619,452	74,563
Others:		-
(a) Interest on loan to subsidiaries	-	-
(b) Interest Income on term deposits with bank	15,161,465	6,414,503
(c) Other Interest Income	3,651,654	2,353,334
(d) Miscellaneous income	1,335,545	4,144,352
Total	35,020,366	13,232,877

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 33 Finance Costs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
On instruments measured at amortized cost		
Interest on borrowings	22,476,524	14,414,332
Other interest expense	1,065,090	195,506
Total	23,541,614	14,609,838

Note 34 Fees and commission expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Sub- brokerage	54,296,859	64,575,913
Advisory fees paid	425,000	1,998,644
Total	54,721,859	66,574,557

Note 35 Impairment on Financial Instruments

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
On financial instruments measured at amortised cost		
Impairment loss on loans / receivables	154,248	65,375,698
Impairment loss allowance:		
On receivables	15,520,004	68,825,415
On Loans (MTF)	254,592	390,786
On credit risk and credit impaired loans	89,046,354	25,078,894
Total	104,975,198	159,670,793

Note 36 Purchases of stock-in-trade

Note 37 Changes in Inventories of Stock-in -Trade

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Closing stock-in -trade	9,760,780	11,372,104
Opening stock-in -trade	(11,372,104)	(12,259,499)
Total	(1,611,324)	(887,395)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 38 Employee Benefit Expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Salaries	58,881,625	55,750,162
Contributions to Provident and Other Funds	2,649,336	2,189,406
Employees' gratuity expenses	1,754,121	1,515,025
Staff welfare expenses	2,562,238	2,707,197
Total	65,847,320	62,161,790

Note 39 Other Expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Payment to franchisees	250,000	1,100,000
Stock exchange expenses	384,892	402,543
SEBI fees	633,842	704,960
Fees for increase in authorised share capital	604,000	-
ROC fees	21,495	12,120
Depository charges	2,227,918	2,555,783
Rent, taxes and energy costs	4,710,593	5,732,450
Repairs and maintenance	5,361,146	5,239,562
Printing & stationery	735,722	739,342
CSR Expenditure	450,000	707,000
Communication cost	4,008,529	6,821,396
Computer & software expenses	1,391,429	1,362,165
Legal and stamping charges	5,000	1,000
Legal and professional fees #	12,259,163	10,298,559
Directors sitting fees	1,320,000	1,405,000
Insurance	158,736	382,714
Travelling & Conveyance expenses	561,350	497,176
Rates and Taxes	1,530,813	770,719
Advertisement and business promotion	1,598,536	1,392,122
Membership & subscription	2,111,436	2,062,221
Loss on sale of investment property	3,018,572	434,241
Loss on sale of investment shares	-	1,352,089
Securities Transaction Tax for investment securities	-	25,993

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Preliminary expenses written off	296	295
Client compensation	452,564	61,546
Donations	726,900	1,001
Miscellaneous expenses	5,643,648	5,299,026
Total	50,166,580	49,361,023

#includes auditors fees towards:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	₹	₹
Statutory audit fees	520,000	485,000
Limited review reports	225,000	135,000
Taxation services	275,000	136,000
Certification services	102,000	-
Total	1,122,000	756,000

40. RECONCILIATION OF NET WORTH AND NET INCOME BETWEEN INDIAN GAAP AND IND AS FINANCIAL STATEMENTS

40.1 Reconciliation of shareholder's equity as per Indian GAAP and Ind AS financial statements

Particulars	As at 31.03.2019	As at 01.04.2018
Equity as reported under Indian GAAP	1,76,37,49,559	1,80,63,66,525
Adjustments under IND AS:		
Change in fair value of investments	(1,79,55,968)	(1,39,24,816)
Expected credit loss on Trade receivables	(9,36,533)	(89,97,216)
Deferred tax effect	10,20,904	33,65,549
Defined employee benefit expenses (other than remeasurement expenses)	(70,093)	(1,28,721)
Remeasurement of defined employee benefit expenses	(9,94,842)	(11,36,569)
Add: Non Controlling Interest	27,439	28,816
Equity as per Ind AS	1,74,48,40,544	1,78,55,73,568

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

40.2 Reconciliation of total comprehensive income as per Ind AS with profit reported under previous GAAP:

Particulars	For the year ended 31.03.2019
Net Profit after Tax under previous GAAP	(4,26,18,342)
Add/(Less):	
Expected Credit Loss on Trade receivables	80,60,683
Deferred Tax effect	(23,08,385)
Defined employee benefit expenses	70,093
Total Effect of Ind AS adjustments	58,22,391
Net Profit after tax before Other Comprehensive Income	(3,67,95,951)
Other Comprehensive Income as per Ind AS	
Change in fair value of investments	(40,31,152)
Remeasurement of net defined benefit expenses	1,30,340
Income tax relating to net defined benefit expenses	(36,261)
Total	(39,37,073)
Total Comprehensive Income as per Ind AS before Non Controlling Interest	(4,07,33,024)
Less: Share of Profit/(Loss) of Non Controlling Interest	(1,377)
Total Comprehensive Income/(Loss) as per Ind AS	(4,07,31,647)

40.3 RECONCILIATION OF STATEMENT OF CASH FLOWS

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

41. NOTES TO THE RECONCILIATION

Fair valuation of Investments

Under the previous Indian GAAP, investments in equity instruments, were classified as long-term investments or current investments based on intended holding period and realizability. Long- term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognized in other equity as at the date of transition and subsequently in the statement of profit or loss for the year ended March 31,2019

This has resulted in an decrease in “Other Comprehensive Income” component of Other Equity in April 2018 and March 2019 by Rs 1,39,24,816 and Rs 1,79,55,968 respectively and decrease of Rs 40,31,152 in the “Other Comprehensive Income” component of Total Comprehensive Income for the year ended March 31, 2019.

Impairment of financial assets

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

This has resulted in an decrease in the retained earnings by Rs. 89,97,216 in April 2018 and increase by Rs.9,36,533 in March 2019 respectively and credit in the statement of profit and loss of Rs 80,60,683 for the year ended March 31, 2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Deferred tax

Indian GAAP required deferred tax accounting using profit and loss approach, which focused on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which were not required under Indian GAAP.

In addition, the various transitional adjustments have led to temporary differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or a separate component of equity.

This has resulted in an increase in retained earnings by Rs 33,65,549 and Rs 10,20,904 in April 2018 & March 2019 respectively and decrease of Rs 23,08,385 in profit and loss for the year ended March 2019 and decrease of Rs 36,261 through other comprehensive income for the year ended March 31, 2019.

Remeasurement of post-employment benefit obligations

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

Retained earnings have decreased by Rs 1,28,721 and Rs 70,093 in April 2018 & March 2019 respectively and other comprehensive income has reduced by Rs 11,36,569 and Rs 9,94,842 in April 2018 & March 2019 respectively and there is a decrease of profit & loss by Rs 23,08,385 and increase of other comprehensive income by Rs 94,079 (net of tax) for year ended March 2019.

42. EARNINGS PER SHARE

Basic Earnings per share

The calculations of profit attributable to equity shareholders and number of equity shares outstanding for purposes of basic earnings per share calculations are as follows:

(Amount in Rupees)

	PARTICULARS	For the year ended 31 March 2020	For the year ended 31 March 2019
a	Equity shares of face value of Rs 10 each outstanding during the year	8,40,00,000	8,40,00,000
b	Net (loss)/profit after tax available for equity shareholders	4,87,358	(3,67,94,574)
c	Basic earnings per share of Rs10 each (b/a)	0.01	(0.44)

Diluted earnings per share

The calculations of diluted earnings per share is based on profit attributable to shareholders and number of equity shares outstanding after adjustment for the effects of all dilutive potential equity shares. In the absence of any dilutive potential equity shares, the dilutive earnings per share is same as the basic earnings per share calculated herein above.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020
43. SEGMENT INFORMATION

The Group's operations predominantly relate to Equity Broking, Commodity Broking, Financing and other related activities. In accordance with Ind AS - 108 on segment reporting, the Group has identified (i) Equity/Commodity Broking and (ii) Financing activities as reportable segments. During the year under report the Group was engaged in its business only within India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

	Particulars	Consolidated	
		Year ended	
		31.03.2020	31.03.2019
1	Segment Revenue		
	a) Equity/Commodity Broking	14,41,75,531	19,38,47,083
	b) Financing activities	12,82,41,996	10,86,87,044
	c) Others	9,09,96,373	67,61,98,545
	Total	36,34,13,900	97,87,32,672
	Less: Inter Segment Revenue	5,71,02,553	2,53,96,807
	Income from Operations, Other Operating Income & Other Income	30,63,11,347	95,33,35,865
2	Segment Results: Profit before tax and interest from Each segment		
	a) Equity/Commodity Broking	(4,57,780)	(8,50,31,851)
	b) Financing activities	1,65,69,866	2,04,02,176
	c) Others	(15,35,579)	(16,19,412)
	Total	1,45,76,507	(6,62,49,087)
	Less: Interest	1,51,17,035	1,95,00,266
	Profit/(Loss) from Ordinary Activities before tax	(5,40,528)	(4,67,48,821)
3	Capital Employed		
	Segment Assets		
	a) Equity/Commodity Broking	93,89,06,187	1,05,22,39,299
	b) Financing activities	1,06,21,16,979	1,03,85,12,052
	c) Others	9,40,17,523	12,36,56,901
	Total Segment Assets – A	2,09,50,40,689	2,21,44,08,252
	Segment Liabilities		
	a) Equity/Commodity Broking	3,87,53,512	19,02,76,519
	b) Financing activities	34,31,56,118	27,92,91,191
	c) Others	-	-
	Total Segment Liabilities – B	38,19,09,630	46,95,67,710
	Capital Employed A – B	1,71,31,31,059	1,74,48,40,542

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

44. (A) RELATED PARTY DISCLOSURES

Nature of Relationship	Name of Company
Director and Key Management Personnel	Kanji B. Rita
	Kamlesh S Limbachiya
	Harilal B. Rita
	Meet Kanji Rita
Key Management Personnel (KMP)	Arvind Jethalal Gala
	Bhavi R Gandhi
Relative of Director	Lasha Meet Rita
	Shantiben K. Rita
	Neeta Mukesh Gada
	Kalavati K. Limbachiya
	Manjulaben Shankarlal Limbachiya
	Sagar K. Limbachiya
	Mitaxi Vinod Limbachiya
	Heena Harilal Rita
	Jinisha Harilal Rita
	Parth Harilal Rita
	Parvati Lalji Chheda
	Romil Shantilal Rita
	Kamla Harilal Rita
	Shantilal B Rita
	Padma Shantilal Rita
Relative of Key Management Personnel(KMP)	Kunjali A. Gala
Enterprises significantly influenced by the KMP	Arvind J. Gala HUF
	Dhairya Management Service Private Limited
	Kanji B Rita HUF
	Shantilal B Rita HUF
	Harilal B Rita HUF
	Kamlesh S Limbachiya HUF
	Kenorita Realty LLP
	Pioneer Securities Private Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(B) Related party transactions for the year ended 31 March 2020

(Amount in Rupees)

Particulars	Directors and key managerial personnel	Relatives of Directors and key managerial personnel	Enterprises significantly influenced by the Directors/Relatives/KMP	Total
Remuneration paid	91,00,000	-	-	91,00,000
	(78,43,750)	(-)	(-)	(78,43,750)
Salary Paid	37,17,298	-	-	37,17,298
	(27,12,500)	(-)	(-)	(27,12,500)
Rent Paid	-	-	-	-
	(-)	(-)	(11,00,000)	(11,00,000)
Director Sitting fees (other than Independent Directors)	1,97,500	-	-	1,97,500
	(1,75,000)	(-)	(-)	(1,75,000)
Brokerage & DP charges Received	9,399	28,742	29,842	67,983
	(89,346)	(1,64,745)	(46,069)	(3,00,160)
Sub-brokerage Paid	-	91,325	-	91,325
	(-)	(1,29,328)	(-)	(1,29,238)
Delayed payment charges				
	3,63,819	10,48,347	8,974	14,21,140
	(3,91,060)	(8,11,725)	(1,140)	(12,03,925)
Outstanding Balance	3,411	33,784	2,574	39,769

Figures in brackets relates to previous year

45. STATEMENT OF CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities.

Details of CSR Expenditure of the Group for the year ended 31 March 2020:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Gross amount required to be spent by the Group	NIL	14,47,000
Amount spent during the year		
1. Construction / acquisition of any asset	-	-
2. On purpose other than above	4,50,000	7,07,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

46. CONTINGENT LIABILITIES

(Amount in Rupees)

Particulars		As at 31 March 2020	As at 31 March 2019
1.	Income tax demands in appeal before the first appellate authority.	2,24,97,706	1,95,48,331
2.	SEBI Whole Time Member (WTM) passed an order against the Group's Parent Company and its directors (including independent directors and a non executive director) and officers for violation of SEBI ICDR regulations. The said order was challenged before the Securities Appellate Tribunal (SAT), by an appeal by the Parent Company and others. The SAT, by its order dated 10.10.2019 gave full relief to the independent directors & non executive directors and partial relief to the Group's Parent Company and its directors & officers. However, before disposal of the appeals by SAT, SEBI's Adjudication Officer (AO) passed an order dated 30.08.2019 to levy penalty of Rs. 75 lakhs on the Group's Parent Company and various penalties on Others, u/s 15HA & 15HB of the SEBI Act. On an appeal to SAT, the said penalty orders on the Group's Parent Company & Others have been set aside vide an order dated 26.02.2020 and the matter has been remitted to the AO to decide them afresh.	Not ascertainable	Not ascertainable

47. EMPLOYEE BENEFITS

Gratuity

The employees of the Group are eligible for gratuity in accordance with the Payment of Gratuity Act, and is a Defined Employee Benefit. The above benefit is not funded but provision is made in accounts as per actuarial valuation method. The valuation has been carried out using the project Unit Credit Method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability, are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

a) Movement in defined benefit obligation

(Amount in Rupees)

PARTICULARS	As at 31 March	
	2020	2019
Present value of obligation as at the beginning	82,70,769	68,75,874
Current service cost	13,17,856	11,06,883
Interest expense or cost	6,13,339	5,25,630
Re measurements due to :		
- Actuarial loss / (gain) arising from change in financial assumptions	5,56,005	1,42,649
- Actuarial loss / (gain) arising from change in demographic assumptions	309	10,732
- Actuarial loss / (gain) arising on account of experience changes	(4,21,261)	(2,83,720)
Benefits paid	(2,55,532)	(1,07,279)
Acquisition adjustment		
Present value of obligation as at the end	1,00,81,484	82,70,769

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(b) **Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013.**

(Amount in Rupees)

PARTICULARS	As at 31 March	
	2020	2019
Current Liability (Short term)	11,81,422	9,47,608
Non-Current Liability (Long term)	89,00,062	73,23,161
Present value of obligation as at the end	1,00,81,484	82,70,769

(c) **Expenses charged to the Statement of Profit & Loss**

(Amount in Rupees)

PARTICULARS	As at 31 March	
	2020	2019
Current service cost	13,17,856	11,06,883
Net Interest Cost/(Income) on the Net Defined Benefit Liability /(Asset)	6,13,339	5,25,630
Expenses recognised in the income statement	19,31,195	16,32,513

(d) **Key actuarial assumptions**

PARTICULARS	As at 31 March	
	2020	2019
Discount Rate (p.a.)	6.55%	7.40%
Salary growth rate (p.a.)	7.00%	7.00%

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields/rates available bonds as on the current validation date.

The salary growth rate indicated above is the Group's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

(e) **Projected plan cash flow:**

Weighted average duration (based on discounted cashflows)	7 years
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(Amount in Rupees)

Expected cash flows over the next (valued on undiscounted basis) periods	As at 31 March 2020
1 year	11,81,421
2 to 5 years	46,21,048
6 to 10 years	44,55,870
More than 10 years	68,90,123

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

48. FINANCIAL RISK MANAGEMENT

The Group has established a comprehensive system for risk management and internal controls for all its businesses to manage the risks that it is exposed. The objective of its risk management framework is to ensure that various risks are identified, measured and mitigated and also that policies, procedures and standards are established to address these risks and ensure a systematic response in the case of crystallization of such risks.

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

- Credit risk
- Liquidity risk
- Market risk

The risk management system features 'three lines of defence' approach.

1. The first line of defence comprises its operational departments, which assume primary responsibility for their own risks and operate within the limits stipulated in various policies approved by the Board or by committees constituted by the Board.
2. The second line of defence comprises specialized department such as risk management and compliance. They employ specialized methods to identify and assess risks faced by the operational departments and provide them with specialized risk management tools and methods, facilitate and monitor the implementation of effective risk management practices, develop monitoring tools for risk management, internal controls and compliances, report risk related information and promote the adoption of appropriate risk prevention measures.
3. The third line of defence comprise the internal audit and external audit functions. They monitor and conduct periodic evaluations of the risk management, internal controls and compliance activities to ensure the adequacy of risk controls and appropriate risk governance and provide the Board with comprehensive feedback.

(a) Credit risk

It is risk of financial loss that the Group will incur a loss because its customers or counter parties to financial instruments fails to meet its contractual obligation.

The Group's financial assets comprises of cash and bank balances, trade receivables, loans, investments and other financial assets which comprise mainly of deposits.

The maximum exposure to credit risk at the reporting date is primarily from Group's trade receivable and loans.

Following provides exposure to credit risks for trade receivables and loans:

Trade receivables

The Group applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are calculated based on actual historic credit loss experience over the preceding three to five years on the total balance of non-credit impaired trade receivables. The Group considers a trade receivable to be credit impaired when one or more detrimental events have occurred, such as significant financial difficulty of the client or it becoming probable that the client will enter bankruptcy or other financial reorganization. When a trade receivable is credit impaired, it is written off against trade receivables and the amount of the loss is recognized in the income statement. Subsequent recoveries of amounts previously written off are credited to the income statement.

(Amount in Rupees)

PARTICULARS	As at		
	31 March 2020	31 March 2019	1 April 2018
Trade receivables	15,98,41,965	12,13,60,009	24,48,22,304
Less : Expected credit loss	9,99,84,016	8,40,73,224	1,52,17,748
Trade receivables (net)	5,98,57,949	3,72,86,785	22,96,04,556

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Loans

Loans comprise of margin trade funding (MTF) and loan to employees.

MTF are secured loans. The Group applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for MTF at an amount equal to lifetime ECLs. The ECLs on MTF are calculated based on actual historic credit loss experience over the preceding years on the total balance of non-credit impaired MTF. There has been no credit impaired MTF observed as at the balance sheet date.

(Amount in Rupees)

PARTICULARS	As at		
	31 March 2020	31 March 2019	1 April 2018
Margin trade funding	1,58,31,731	2,30,25,266	25,17,567
Less : Expected credit loss	2,54,592	3,90,786	30,062
Margin trade funding (net)	1,55,77,139	2,26,34,480	24,87,505

Loan to employees is a nominal amount and is recovered regularly.

The Group includes Inventure Finance Private Limited, a wholly owned subsidiary of the Company, which is a Non Banking Financial Company registered under the RBI Act. It is required to follow guidelines as applicable to Non-Systemically Important Non-Deposit taking Company. Accordingly it follows the following model for ECL recognition on loans assets:

ECL on Standard Assets (Stage 1) – 0.25 per cent on the amount of loan given.

ECL on Sub-standard assets (Stage 2) – Provision of 10 per cent of total outstanding shall be made.

ECL on Non- performing assets (Stage 3) – Provision of 100 per cent of total outstanding shall be made.

Following table provides information about exposure to credit risk and ECL on Loan:

Particulars	As at March 31 2020			
	Amortised Cost	Impairment Stage		
		Low credit risk (Stage 1)	Significant increase in credit risk (Stage 2)	Credit impaired (Stage 3)
	(1)	(2)	(3)	(4)
(A) Loans				
(i) Loans repayable on demand	1,05,01,20,852	65,13,81,181	28,73,69,046	11,13,70,625
(ii) Term loans	-	-	-	-
(iii) Others (to be specified)	-	-	-	-
Total (Gross)	1,05,01,20,852	65,13,81,181	28,73,69,046	11,13,70,625
Impairment loss allowance	(16,21,76,307)	(25,81,245)	(4,82,24,437)	(11,13,70,625)
Reversal of impairment allowances of earlier years	2,04,40,324	-	-	-
Total (Net)	90,83,84,870	64,87,99,936	23,91,44,609	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Particulars	As at March 31 2019			
	Amortised Cost	Impairment Stage		
		Low credit risk (Stage 1)	Significant increase in credit risk (Stage 2)	Credit impaired (Stage 3)
	(1)	(2)	(3)	(4)
(A) Loans				
(i) Loans repayable on demand	91,91,90,272	59,60,94,525	28,00,10,788	4,30,84,959
(ii) Term loans	-	-	-	-
(iii) Others (to be specified)	-	-	-	-
Total (Gross)	91,91,90,272	59,60,94,525	28,00,10,788	4,30,84,959
Impairment loss allowance	(7,65,63,832)	(14,90,236)	(2,80,01,081)	(4,30,84,959)
Reversal of impairment allowances of earlier years	39,87,556			
Total (Net)	84,66,13,996	59,46,04,289	25,20,09,707	-

Particulars	As at April 01 2018			
	Amortised Cost	Impairment Stage		
		Low credit risk (Stage 1)	Significant increase in credit risk (Stage 2)	Credit impaired (Stage 3)
	(1)	(2)	(3)	(4)
(A) Loans				
(i) Loans repayable on demand	91,59,58,187	76,57,30,738	7,80,27,578	7,21,99,871
(ii) Term loans	-	-	-	-
(iii) Others (to be specified)	-	-	-	-
Total (Gross)	91,59,58,187	76,57,30,738	7,80,27,578	7,21,99,871
Impairment loss allowance	(8,19,16,955)	(19,14,327)	(78,02,757)	(7,21,99,871)
Reversal of impairment allowances of earlier years	-			
Total (Net)	83,40,41,232	76,38,16,411	7,02,24,821	-

Movement in the allowances for impairment in respect of trade receivables and loans of the Group is as follows:

(Amount in Rupees)

Particulars	As at 31 March 2020	As at 31 March 2019
Opening Balance	15,70,40,286	9,71,64,765
Net re-measurement of loss allowance	8,49,34,304	5,98,75,521
Closing Balance	24,19,74,590	15,70,40,286

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020Other financial assets considered to have a low credit risk:

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments comprise of quoted equity instruments, which are market tradeable. Other financial assets include deposits for assets acquired on lease and with qualified clearing counterparties and exchanges as per the prescribed statutory limits.

In addition to the historical pattern of credit loss, the Group has considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. This can be reflected in the increased haircuts taken on collateral held against such receivables and loans.

(b) Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to entity's reputation.

Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and close out market positions.

The Group has a view of maintaining liquidity with minimal risks while making investments. The Group invests its surplus funds in short term liquid assets in bank deposits. The Group monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

(c) Market Risk

Market risk arises when movements in market factors (interest rates, credit spreads and equity prices) impact the Group's income or market value of its portfolios. The Group, in its course of business, is exposed to market risk due to change in equity prices, interest rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns.

i. Equity Price

The Group's exposure to equity price risk arises primarily on account of its proprietary positions and on account of margin bases positions of its clients in equity cash and derivative segments.

The Group's equity price risk is managed in accordance with its Risk Policy approved by Board.

ii. Interest rate risk

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

49. INCOME TAX

(A) The major components of income tax expense for the year are as under

(Amount in Rupees)

PARTICULARS	For the year ended	
	31 March 2020	31 March 2019
Current income tax	1,52,48,836	1,73,54,220
MAT credit entitlement	-	(1,67,11,865)
Deferred tax [(credit)/charge]	(1,94,25,389)	(1,10,38,839)
Tax adjustment for earlier years	31,50,381	4,43,614
Tax expense for the year	(10,26,172)	(99,52,870)
Income Tax recognized in other comprehensive income		
-Income tax relating to remeasurements of net defined benefit expenses that will not be reclassified to profit or loss	35,892	(36,261)
Total Tax Expenses	(9,90,280)	(99,89,131)

(B) Reconciliation of tax expenses and the accounting profit for the year is as under

(Amount in Rupees)

PARTICULARS	For the year ended	
	31 March 2020	31 March 2019
Profit/(Loss) before tax	(5,40,528)	(4,67,48,821)
Indian statutory income tax rate (%)	27.82%	19.24%
Expected income tax expenses	(1,50,375)	(89,94,473)
Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses		
Expenses allowable	(1,13,13,543)	(8,43,118)
Expenses not deductible	3,42,26,775	2,91,69,658
Exempt income	(54,28,105)	(1,45,469)
Losses carried forward	4,48,270	-
Losses set off	(51,25,779)	-
Others	(36,79,424)	(16,14,671)
Impact of differential tax rate	62,71,017	(2,17,707)
Current tax (A)	1,52,48,836	1,73,54,220
MAT credit entitlement (B)	-	(1,67,11,865)
Deferred tax [(credit)/charge] (C)	(1,94,25,389)	(1,10,38,839)
Tax adjustment related to earlier years (D)	31,50,381	4,43,614
Total income tax expenses = (A + B + C + D)	(10,26,172)	(99,52,870)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(C) Deferred tax disclosure

Movement of deferred tax assets and liabilities

(Amount in Rupees)

PARTICULARS	As at 1 April 2019	Credit/ (Charge) in the statement of profit and loss	As at 31 March 2020
Deferred tax asset / (liability)			
Impairment allowance for financial assets	4,35,29,466	1,91,14,590	6,26,44,056
Difference between book and tax depreciation	(1,30,94,154)	(1,96,737)	(1,32,90,891)
Provision for expense allowed for tax when actually paid	18,36,717	5,07,536	23,44,253
Remeasurement of net defined benefit expenses	9,28,407	35,892	9,64,299
MAT credit entitlement	3,33,12,539	(1,67,30,131)	1,65,82,408
Net deferred tax assets/ (liabilities)	6,65,12,975	27,31,150	6,92,44,125

(Amount in Rupees)

PARTICULARS	As at 1 April 2018	Credit/ (Charge) in the statement of profit and loss	As at 31 March 2019
Deferred tax asset / (liability)			
Impairment allowance for financial assets	2,73,48,077	1,61,81,389	4,35,29,466
Difference between book and tax depreciation	(1,38,24,882)	7,30,728	(1,30,94,154)
Unabsorbed business loss	68,18,969	(68,18,969)	-
Provision for expense allowed for tax when actually paid	14,03,355	4,33,361	18,36,717
Remeasurement of net defined benefit expenses	4,52,338	4,76,069	9,28,407
MAT credit entitlement	1,72,00,382	1,61,12,157	3,33,12,539
Net deferred tax assets/ (liabilities)	3,93,98,239	2,71,14,736	6,65,12,975

50. MATURITY ANALYSIS

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

(Amount in Rupees)

Particulars		As at 31.03.2020		
		Total	Within 12 months	After 12 months
ASSETS				
1	Financial Assets			
(a)	Cash and cash equivalents	12,62,36,906	12,62,36,906	-
(b)	Bank balance other than (a) above	56,83,75,512	16,03,52,550	40,80,22,962
(c)	Stock in trade	97,60,929	97,60,929	-
(d)	Trade Receivables	5,98,57,949	5,98,57,949	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in Rupees)

Particulars		As at 31.03.2020		
		Total	Within 12 months	After 12 months
ASSETS				
(e)	Other receivables	4,23,108	4,23,108	-
(f)	Loans	94,19,63,744	51,48,31,569	42,71,32,175
(g)	Investments	1,02,91,609	-	1,02,91,609
(h)	Other financial assets	4,06,05,882	96,66,697	3,09,39,185
2	Non Financial Assets			
(a)	Current tax assets (net)	5,97,27,675	-	5,97,27,675
(b)	Deferred tax assets (net)	6,92,44,125	-	6,92,44,125
(c)	Property, plant and equipment	9,74,79,556	-	9,74,79,556
(d)	Other Intangible assets	9,84,285	-	9,84,285
(e)	Goodwill on consolidation	1,49,15,864	-	1,49,15,864
(f)	Investment property	7,39,64,985	-	7,39,64,985
(h)	Other non-financial assets	2,12,08,559	2,12,07,675	884
	Total Assets	2,09,50,40,688	90,23,37,383	1,19,27,03,305
LIABILITIES				
1	Financial Liabilities			
(a)	Trade Payables	27,93,48,011	27,93,48,011	-
(b)	Borrowings	7,42,06,579	7,08,80,823	33,25,756
(c)	Deposits	1,23,88,353	1,23,88,353	-
(d)	Other financial liabilities	29,07,202	29,07,202	-
2	Non-financial Liabilities			
(a)	Current tax liabilities (net)	-	-	-
(b)	Provisions	1,00,81,484	11,81,421	89,00,063
(c)	Other non-financial liabilities	29,78,000	29,78,000	-
	Total Liabilities	38,19,09,629	36,96,83,820	1,22,25,819

(Amount in Rupees)

Particulars		As at 31.03.2019		
		Total	Within 12 months	After 12 months
ASSETS				
1	Financial Assets			
(a)	Cash and cash equivalents	6,11,10,640	6,11,10,640	-
(b)	Bank balance other than (a) above	81,77,15,169	68,62,27,961	13,14,87,208
(c)	Stock in trade	1,13,72,426	1,13,72,426	-
(d)	Trade Receivables	3,72,86,785	3,72,86,785	-
(e)	Other receivables	70,05,713	70,05,713	-
(f)	Loans	88,82,57,474	38,57,91,849	50,24,65,625
(g)	Investments	1,70,69,978	-	1,70,69,978
(h)	Other financial assets	5,22,71,737	1,24,06,344	3,98,65,393

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in Rupees)

Particulars		As at 31.03.2019		
		Total	Within 12 months	After 12 months
ASSETS				
2	Non Financial Assets			
(a)	Current tax assets (net)	3,58,45,289	(2,728)	3,58,48,017
(b)	Deferred tax assets (net)	6,65,12,975	-	6,65,12,975
(c)	Property, plant and equipment	10,27,97,179	-	10,27,97,179
(d)	Other Intangible assets	6,49,480	-	6,49,480
(e)	Goodwill on consolidation	1,49,15,864	-	1,49,15,864
(f)	Investment property	9,52,14,497	-	9,52,14,497
(h)	Other non-financial assets	63,83,047	63,81,867	1,180
	Total Assets	2,21,44,08,253	1,20,75,80,857	1,00,68,27,396
LIABILITIES				
1	Financial Liabilities			
(a)	Trade Payables	12,26,06,141	12,26,06,141	-
(b)	Borrowings	31,21,38,685	30,88,12,929	33,25,756
(c)	Deposits	1,19,25,888	1,19,25,888	-
(d)	Other financial liabilities	1,32,91,639	1,32,91,639	-
2	Non-financial Liabilities			
(a)	Current tax liabilities (net)	-	-	-
(b)	Provisions	82,70,769	9,47,607	73,23,162
(c)	Other non-financial liabilities	13,34,588	13,34,588	-
	Total Liabilities	46,95,67,710	45,89,18,792	1,06,48,918

(Amount in Rupees)

Particulars		As at 01.04.2018		
		Total	Within 12 months	After 12 months
ASSETS				
1	Financial Assets			
(a)	Cash and cash equivalents	11,87,82,875	11,87,82,875	-
(b)	Bank balance other than (a) above	67,94,45,676	67,94,45,676	-
(c)	Stock in trade	2,96,55,658	2,96,55,658	-
(d)	Trade Receivables	22,96,04,556	22,96,04,556	-
(e)	Other receivables	76,04,707	76,04,707	-
(f)	Loans	85,26,83,447	78,24,58,626	7,02,24,821
(g)	Investments	1,99,41,815	-	1,99,41,815
(h)	Other financial assets	5,73,59,505	1,69,06,344	4,04,53,161
2	Non Financial Assets			
(a)	Current tax assets (net)	2,94,30,232	(3,949)	2,94,34,181
(b)	Deferred tax assets (net)	3,93,98,239	-	3,93,98,239
(c)	Property, plant and equipment	8,28,68,809	-	8,28,68,809

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in Rupees)

Particulars		As at 01.04.2018		
		Total	Within 12 months	After 12 months
ASSETS				
(d)	Other Intangible assets	7,75,000	-	7,75,000
(e)	Goodwill on consolidation	1,49,15,864	-	1,49,15,864
(f)	Investment property	9,74,32,738	-	9,74,32,738
(h)	Other non-financial assets	83,07,530	83,07,530	-
	Total Assets	2,26,82,06,651	1,87,27,62,023	39,54,44,628
LIABILITIES				
1	Financial Liabilities			
(a)	Trade Payables	19,86,38,871	19,86,38,871	-
(b)	Borrowings	25,87,82,681	25,46,52,334	41,30,347
(c)	Deposits	1,53,59,645	1,50,28,218	3,31,427
(d)	Other financial liabilities	29,76,010	29,76,010	-
2	Non-financial Liabilities	-		
(a)	Current tax liabilities (net)	-	-	-
(b)	Provisions	68,75,876	7,76,368	60,99,508
(c)	Other non-financial liabilities	-	-	-
	Total Liabilities	48,26,33,083	47,20,71,801	1,05,61,282

51. FINANCIAL INSTRUMENTS

Refer to financial instruments by category table below for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximate fair value due to short maturity of these instruments.

The carrying value and financial instruments by categories as of 31 March 2020 is as follows:

(Amount in Rupees)

Particulars		As at 31.03.2020			
		Amortised cost	Fair Value through P&L	Fair Value through OCI	Total Carrying Value
ASSETS					
1	Financial Assets				
(a)	Cash and cash equivalents	12,62,36,906	-	-	12,62,36,906
(b)	Bank balance other than (a) above	56,83,75,512	-	-	56,83,75,512
(c)	Stock in trade	-	97,60,929	-	97,60,929
(d)	Trade Receivables	5,98,57,949	-	-	5,98,57,949
(e)	Other receivables	4,23,108	-	-	4,23,108
(f)	Loans	94,19,63,744	-	-	94,19,63,744
(g)	Investments	-	-	1,02,91,609	1,02,91,609
(h)	Other financial assets	4,06,55,882	-	-	4,06,05,882
	Total Assets	1,73,74,63,101	97,60,929	1,02,91,609	1,75,75,15,639

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in Rupees)

Particulars		As at 31.03.2020			
		Amortised cost	Fair Value through P&L	Fair Value through OCI	Total Carrying Value
ASSETS					
LIABILITIES					
1	Financial Liabilities				
(a)	Trade Payables	27,93,48,011	-	-	27,93,48,011
(b)	Borrowings	7,42,06,579	-	-	7,42,06,579
(c)	Deposits	1,23,88,353	-	-	1,23,88,353
(d)	Other financial liabilities	29,07,202	-	-	29,07,202
	Total Liabilities	36,88,50,145	-	-	36,88,50,145

The carrying value and financial instruments by categories as of 31 March 2019 is as follows:

(Amount in Rupees)

Particulars		As at 31.03.2019			
		Amortised cost	Fair Value through P&L	Fair Value through OCI	Total Carrying Value
ASSETS					
LIABILITIES					
1	Financial Assets				
(a)	Cash and cash equivalents	6,11,10,640	-	-	6,11,10,640
(b)	Bank balance other than (a) above	81,77,15,169	-	-	81,77,15,169
(c)	Stock in trade	-	1,13,72,426	-	1,13,72,426
(d)	Trade Receivables	3,72,86,785	-	-	3,72,86,785
(e)	Other receivables	70,05,713	-	-	70,05,713
(f)	Loans	88,82,57,474	-	-	88,82,57,474
(g)	Investments	-	-	1,70,69,978	1,70,69,978
(h)	Other financial assets	5,22,71,737	-	-	5,22,71,737
	Total Assets	1,86,36,47,518	1,13,72,426	1,70,69,978	1,89,20,89,922
LIABILITIES					
1	Financial Liabilities				
(a)	Trade Payables	12,26,06,141	-	-	12,26,06,141
(b)	Borrowings	31,21,38,685	-	-	31,21,38,685
(c)	Deposits	1,19,25,888	-	-	1,19,25,888
(d)	Other financial liabilities	1,32,91,639	-	-	1,32,91,639
	Total Liabilities	45,99,62,353	-	-	45,99,62,353

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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

(Amount in Rupees)

Particulars		As at 01.04.2018			
		Amortised cost	Fair Value through P&L	Fair Value through OCI	Total Carrying Value
ASSETS					
1	Financial Assets				
(a)	Cash and cash equivalents	11,87,82,875	-	-	11,87,82,873
(b)	Bank balance other than (a) above	67,94,45,676	-	-	67,94,45,676
(c)	Stock in trade	-	2,96,55,658	-	2,96,55,658
(d)	Trade Receivables	22,96,04,556	-	-	22,96,04,556
(e)	Other receivables	76,04,707	-	-	76,04,707
(f)	Loans	85,26,83,447	-	-	85,26,83,447
(g)	Investments	-	-	1,99,41,815	1,99,41,815
(h)	Other financial assets	5,73,59,505	-	-	5,73,59,505
	Total Assets	1,94,54,80,766	2,96,55,658	1,99,41,815	1,99,50,78,239
LIABILITIES					
1	Financial Liabilities				
(a)	Trade Payables	19,86,38,871	-	-	19,86,38,871
(b)	Borrowings	25,87,82,681	-	-	25,87,82,681
(c)	Deposits	1,53,59,645	-	-	1,53,59,645
(d)	Other financial liabilities	29,76,010	-	-	29,76,010
	Total Liabilities	47,57,57,207	-	-	47,57,57,207

52. FAIR VALUES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Valuation framework

The Group's valuation framework includes:

- Benchmarking prices against observable market prices or other independent sources;
- Development and validation of fair valuation models using model logic, inputs, outputs and adjustments.

Finance function is responsible for establishing procedures, governing valuation and ensuring fair values are in compliance with accounting standards.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

FAIR VALUE HIERARCHY

The Group determines fair values of its financial instruments according to the following hierarchy:

Level 1: valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2: valuation using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3: valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

Valuation methodologies adopted

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

- Fair values of inventories held for trading under FVTPL have been determined under Level 1 using quoted market prices of the underlying instruments;
- Fair values of investment in quoted equity designated under FVOCI have been determined under Level 1 using quoted market prices of the underlying instruments;

The Group has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, short term loans, investments in equity instruments designated under FVOCI, trade payables, short term debts, borrowings, bank overdrafts and other current liabilities are a reasonable approximation of their fair value and hence their carrying values are deemed to be fair values.

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2020

(Amount in Rupees)

Nature of financial instruments	Date of Valuation	Fair Value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Shares held as stock in trade classified under FVTPL	31-Mar-2020	97,60,929	-	-	97,60,929
Equity instrument classified under FVOCI	31-Mar-2020	1,02,91,609	-	-	1,02,91,609

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2019

(Amount in Rupees)

Nature of financial instruments	Date of Valuation	Fair Value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Shares held as stock in trade classified under FVTPL	31-Mar-2019	1,13,72,426	-	-	1,13,72,426
Equity instrument classified under FVOCI	31-Mar-2019	1,70,69,978	-	-	1,70,69,978

Quantitative disclosures of fair value measurement hierarchy for assets as at 1 April 2018

(Amount in Rupees)

Particulars	Date of Valuation	Fair Value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Shares held as stock in trade classified under FVTPL	31-Mar-2018	2,96,55,658	-	-	2,96,55,658
Equity instrument classified under FVOCI	31-Mar-2018	1,99,41,815	-	-	1,99,41,815

53. REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group derives revenue primarily from share broking business. Its other major revenue sources are depository operations and research and advisory fees.

Disaggregate revenue information

(Amount in Rupees)

PARTICULARS	For the year ended	
	31 March 2020	31 March 2019
Brokerage fees	9,77,38,425	13,40,24,215
Research and advisory fees	27,67,858	15,74,500
Depository operations	57,70,464	67,14,529
Loan processing income	42,373	4,54,608
Total	10,63,19,120	14,36,74,182
India	10,63,19,120	14,36,74,182
Outside India	-	-
Total	10,63,19,120	14,36,74,182
Timing of revenue recognition		
Services transferred at a point in time	9,77,38,425	13,40,24,215
Services transferred over time	85,80,695	96,49,967
Total	10,63,19,120	14,36,74,182

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

54. ADDITIONAL DISCLOSURE PERTAINING TO SUBSIDIARIES AS PER DIVISION III OF COMPANIES ACT, 2013

Name of the entity	Net assets i.e., total assets minus total liabilities		Share of profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount in Rupees	As % of consolidated profit or loss	Amount in Rupees	As % of consolidated profit or loss	Amount in Rupees	As % of consolidated profit or loss	Amount in Rupees
Parent Company								
Inventure Growth & Securities Ltd	32.24%	55,24,13,251	(2,366.87)%	(1,14,53,972)	5.17%	(3,55,271)	184.70%	(1,18,09,243)
Subsidiaries								
Inventure Finance Private Ltd	59.96%	1,02,72,10,861	3,981.05%	1,92,65,486	(0.23)%	(15,625)	(301.08)	1,92,49,861
Inventure Commodities Ltd	5.43%	9,30,77,920	(1,488.46)%	(72,03,089)	(0.22)%	14,796	112.43%	(71,88,293)
Inventure Wealth Management Ltd	0.30%	52,22,300	22.65%	1,09,626	5.89%	(4,05,215)	4.62%	(2,95,589)
Inventure Insurance Broking private Ltd	0.34%	57,94,125	36.16%	1,74,974	2.18%	(1,50,085)	(0.39)%	24,889
Inventure Merchant Banker Services Private Ltd	1.71%	2,93,55,365	47.18%	2,28,332	86.75%	(59,66,129)	89.74%	(57,37,797)
Inventure Developers Private Ltd	-	82,966	(131.36)%	(6,35,713)	-	-	9.94%	(6,35,713)
Minority interest in subsidiaries								
Inventure Commodities Ltd	-	25,729	(0.35)%	(1,714)	-	4	0.03%	(1,710)
Total	100%	1,71,31,31,059	100%	4,87,358	100%	(68,77,533)	100%	(63,90,175)

55. STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Subsidiaries

(Amount in Rupees)

Particulars	IFPL	IMBSPL	ICL	IWML	IIBPL	IDPL
Name of the subsidiary	Inventure Finance Private Limited*	Inventure Merchant Banker Services Private Limited	Inventure Commodities Limited	Inventure Wealth Management Limited	Inventure Insurance Broking Private Limited	Inventure Developers Private Limited
The date since when subsidiary was acquired	07/12/2007 28/06/2008 11/03/2011 04/11/2011	29/08/2011	19/08/2008	12/06/2008	08/01/2008	08/06/2018
Reporting period for the subsidiary concerned, if different from the Holding Company's reporting period	-	-	-	-	-	-
Share capital	4,80,00,000	1,21,00,000	2,19,07,000	65,00,000	60,00,200	1,00,000
Other equity	67,09,60,861	1,72,55,365	7,10,95,191	(14,79,179)	(2,06,075)	(7,22,417)
Total assets	10,62,11,6979	3,05,98,070	13,86,79,536	52,49,800	59,41,734	1,10,869
Total liabilities	34,31,56,118	12,42,705	4,56,77,345	2,28,979	1,47,609	7,33,286
Investments	-	92,13,200	-	5,35,840	2,92,960	-
Turnover	12,82,41,996	35,90,237	1,36,56,777	2,35,353	3,76,072	7,649
Profit before taxation	(1,97,91,885)	5,76,916	(84,97,783)	2,19,320	3,21,653	(7,17,787)
Provision for taxation (net)	(26,95,030)	3,49,245	(22,39,728)	1,11,745	1,47,140	-
Profit after taxation	(1,70,96,855)	2,27,671	(62,58,055)	1,07,575	1,74,513	(7,17,787)
Proposed dividend	-	-	-	-	-	-
% of shareholding	100%	100%	99.97%	100%	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

* Following number of shares were acquired by the holding company on the following dates:

Date	Number of shares
07/12/2007	2,60,000
28/06/2008	5,40,000
11/03/2011	20,00,000
04/11/2011	20,00,000
	48,00,000

- 56.** The accounts of the trade receivables, loans given and trade payables who have not responded to the Group's request for confirmation of balances, are subject to reconciliation, if any, required.
- 57.** Figures have been rounded off to nearest rupees. Previous year figures have been regrouped / reclassified / recasted / rearranged wherever necessary, to conform to this year's classification.
- 58.** COVID-19 outbreak was declared a pandemic by the World Health Organization on 11 March, 2020. The Indian Government on 24 March, 2020, announced a 21- day complete lockdown across the country, to contain the spread of the virus. The lockdown has since been extended with gradual relaxations. However, stock broking services being part of Capital Market operations, have been declared as essential services, hence the Group has not faced business interruption on account of the lockdown. There has been no material change in the controls or processes followed in the closing of the financial statements of the Group.

As at 31 March, 2020 based on facts and circumstances existing as of that date, the Group does not anticipate any material uncertainties which may affect its liquidity position and its ability to continue as a going concern, however there is a slowdown in receipt of interest by the NBFC subsidiary company, which may adversely affect growth of business of the subsidiary.

The ongoing COVID-19 situation may result in some changes in the overall economic and market conditions, which may in turn have an impact on the operations of the Group.

59. EVENTS AFTER REPORTING DATE

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

- 60.** The financial statements of the Group for the year ended 31 March, 2020 were approved for issue by the Board of Directors at their meeting held on 15 July, 2020.

As per our report of even date
For PHD & Associates
Chartered Accountants
Firm Registration No. 111236W

Paresh Vakharia
(Partner)
Membership No. 38220

Place : Mumbai
Date : 15 July 2020

For and on behalf of the Board of Directors

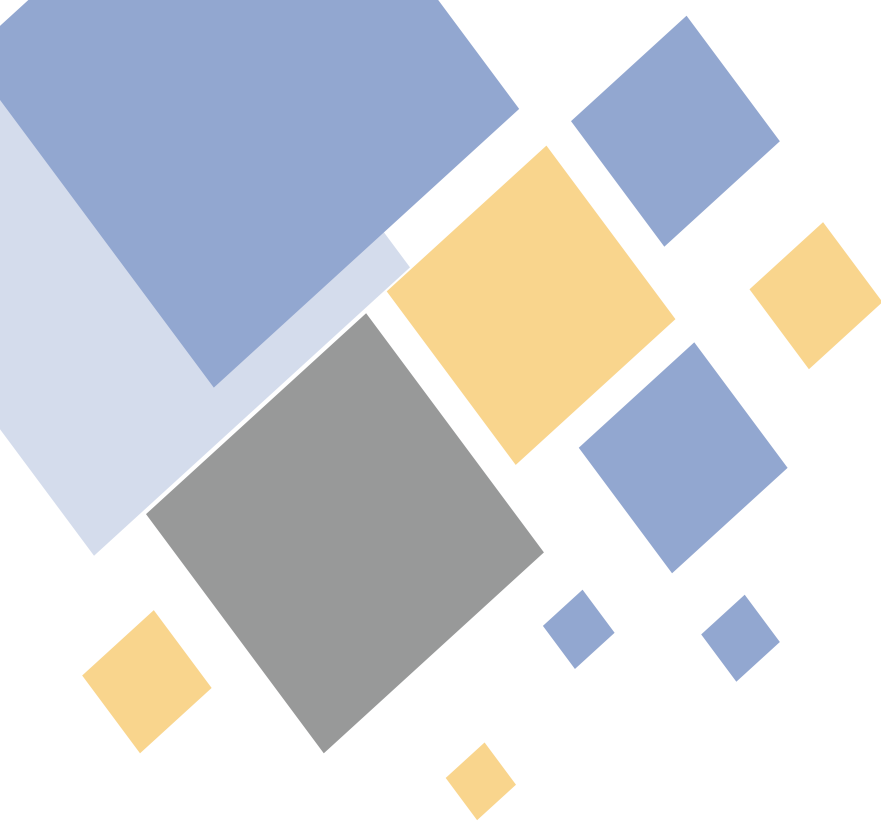
Kanji B. Rita
(DIN 00727470)
Managing Director

Meet K. Rita
(DIN 06895249)
Wholtime Director

Kamlesh S. Limbachiya
(DIN 02774663)
Wholtime Director

Arvind J. Gala
Chief Financial Officer

Bhavi R. Gandhi
Company Secretary



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Registered Office:

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