

# KJMC CORPORATE ADVISORS (INDIA) LTD.

Merchant Banker : SEBI Registration No : MB/INM000002509



December 01, 2020

To,  
The Department of Corporate Services - CRD,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001.

Dear Sir,

**Ref.: Scrip Code 532304**

**Sub: Submission of 22<sup>nd</sup> Annual Report of the KJMC Corporate Advisors (India) Limited for the Financial Year 2019-2020**

Pursuant to Regulation 34(1) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company along with the Notice of 22<sup>nd</sup> Annual General Meeting (AGM) for the financial year 2019-20.

The AGM of the Company will be held on Thursday, December 24, 2020, at 10:30 a.m. at Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai – 400021.

The Notice of AGM along with the Annual Report for the financial year 2019-20 is also being made available on the website of the Company at:

[www.kjmcfinserv.com](http://www.kjmcfinserv.com)

Kindly take the same on your record and acknowledge the receipt.

Yours faithfully,

For **KJMC Corporate Advisors (India) Limited**

**Bhavika Dalal**  
Company Secretary



Encl.: As above

Regd. office :- 162, 16th Floor, Atlanta, 209, Nariman Point, Mumbai - 400 021.

Tel.:+91-22-2288 5201-2, 4094 5500 ● Fax: +91-22-2285 2892 ● Email: info@kjmc.com ● Website: www.kjmcfinserv.com

CIN:L67120MH1998PLC113888

**KJMC CORPORATE ADVISORS (INDIA) LIMITED**

**22nd  
Annual Report  
2019 - 2020**



## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

### BOARD OF DIRECTORS

Mr. Inderchand Jain	Chairman
Mr. Girish Jain	Whole Time Director
Mr. Rajnesh Jain	Director
Mrs. Shraddha Jain	Director
Mr. Anil Sampat	Independent Director
Mr. Nitin Kulkarni	Independent Director
Mr. S. C. Aythora	Independent Director
Mr. Vijay Joshi	Independent Director

### CHIEF FINANCIAL OFFICER

Mr. Kartik Konar

### COMPANY SECRETARY

Ms. Bhavika Dalal

### STATUTORY AUDITOR

M/s. V. P. Thacker & Co.,  
1105 Embassy Centre,  
Nariman Point,  
Mumbai-400021.

### BANKERS

HDFC Bank Limited  
Union Bank of India  
ICICI Bank Limited

### REGISTRAR & TRANSFER AGENT

Bigshare Services Private Limited  
1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri (East) Mumbai 400059  
Tel. No. 022 62638200, Fax No. 022 62638299,  
Mail id: [investor@bigshareonline.com](mailto:investor@bigshareonline.com).  
Counter Timings : 10.00 a.m. to 12.30 p.m. : 1.30 p.m. to 3.30 p.m.

### REGISTERED OFFICE

162, 16<sup>th</sup> Floor, Atlanta,  
Nariman Point, Mumbai – 400 021  
Tel.No.: 022-4094 5500  
Email : [investor.corporate@kjm.com](mailto:investor.corporate@kjm.com)  
CIN : L67120MH1998PLC113888

### GROUP BRANCH OFFICE

**New Delhi**  
G8 & 9, Hans Bhavan, Ground floor,  
1, Bahadur Shah Zafar Marg,  
Near ITO Office, New Delhi - 110 002.

**Jaipur**  
41, Jai Jawan Colony II, Tonk Road,  
Durgapur, Jaipur - 302 018.

### 22<sup>ND</sup> ANNUAL GENERAL MEETING

<b>Date</b>	: Thursday, December 24, 2020
<b>Time</b>	: 10.30 a.m.
<b>Venue</b>	: Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400021

INDEX .....	PAGE NO.
Notice .....	2
Directors' Report.....	10
Management Discussion & Analysis.....	19
Report on Corporate Governance.....	22
Auditors' Report (Standalone).....	33
Balance Sheet.....	38
Profit & Loss Account.....	39
Cash Flow Statement.....	40
Notes to Financial Statement.....	41
Auditors Report (Consolidated).....	65
Consolidated Accounts.....	69

**NOTICE OF 22<sup>ND</sup> ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 22<sup>nd</sup> Annual General Meeting of the Members of KJMC Corporate Advisors (India) Limited (CIN: L67120MH1998PLC113888) will be held on Thursday, December 24, 2020, at 10:30 a.m. at Kamalnayan Bajaj Hall, Bajaj Bhavan, Jambhaji Bajaj Marg, Nariman Point, Mumbai - 400021 to transact the following businesses: -

**ORDINARY BUSINESSSES: -**

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2020, and the Reports of the Board of Directors and Auditors thereon.
2. To consider re-appointment of Mr. Inderchand Jain (DIN: 00178901), Chairman & Non-Executive Director who retires by rotation and being eligible, offers himself for re-appointment.

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 Section 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder and Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Inderchand Jain (DIN: 00178901), Chairman & Non-Executive Director, aged above 75 years who retires by rotation at this meeting and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

**SPECIAL BUSINESSSES:-**

3. To appoint Statutory Auditors to fill casual vacancy and in this regard 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 Section 139 (8) and any other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time and based on the recommendation received from the Audit Committee, M/s. Batliboi & Purohit, Chartered Accountants, (Firm Registration No. 101048W), be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. V P Thacker & Co., Chartered Accountants, (Firm Registration No. 118696W).;

**RESOLVED FURTHER THAT** M/s. Batliboi & Purohit, Chartered Accountants, (Firm Registration No. 101048W), be and are hereby appointed as Statutory Auditors of the Company to hold the office from November 13, 2020, until the conclusion of this Annual General Meeting (22<sup>nd</sup>) of the Company, at such remuneration as may be mutually decided by the Board of Directors and Auditors”

4. To appoint Statutory Auditors and fix their remuneration and in this regard 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 Section 139 and any other applicable provisions of the Companies Act, 2013

(including any statutory modifications or re-enactment thereof for the time being in force) read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Batliboi & Purohit, Chartered Accountants, (Firm Registration No. 101048W), be and are hereby appointed as Statutory Auditors of the Company to hold office for a term of Five (5) consecutive years, to hold office from the conclusion of 22<sup>nd</sup> Annual General Meeting until the conclusion of 27<sup>th</sup> Annual General Meeting of the Company to be held in the year 2025 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

**RESOLVED FURTHER THAT** any of the Board of Directors, be and are hereby empowered and authorised to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary E-Forms with Registrar of Companies.”

5. To appoint Mr. Vijay Joshi (DIN: 00151550) as an Independent Director of the Company and in this regard, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV of the Companies Act, 2013 (“Act”), Regulation 16(1)(b)&17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, (including any statutory amendment or modification or re-enactment thereof for the time being in force), Mr. Vijay Joshi (DIN: 00151550), who was appointed as an Additional (Independent) Director of the Company with effect from September 15, 2020, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act 2013, from a member proposing his candidature for the office of Independent Director and who has submitted a declaration that he meets the criteria for independence as provided in the Act and SEBI Listing Regulations, be and is hereby appointed as an Independent Director for a term of 5 (five) consecutive years with effect from September 15, 2020.

**RESOLVED FURTHER THAT** the Board be and is hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution and to authorise any of the directors and/ or key managerial personnel and/ or officers of the Company to take necessary actions on behalf of the Company in that regard.”

6. To increase the investment limits and in this regard, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 (Act), read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Act (including any amendment thereto or re-enactment thereof for the time being in force), if any, consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof) to (a) give loans, inter corporate deposits from time to time on such terms and conditions as it may deem expedient to any person or other bodies corporate; (b) give on behalf of any person, body corporate, any guarantee in connection with a loan made by any other person to, or to any other person by any body corporate; and (c) acquire by way of subscription,

purchase or otherwise the securities of any other body corporate, in excess of the limits prescribed under Section 186 of the Act up to an aggregate sum of Rs. 50 crores notwithstanding that the aggregate of loans and investments so far made, the amounts for which guarantee is given along with the investments, loans, inter corporate deposits, guarantee proposed to be made or given by the Board may exceed sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is higher.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to invest in the Subsidiaries, Associates, Related Parties, whether Indian or overseas, give loans to them; provide guarantees on their behalf, within the limits, if any, as may be applicable from time to time and on such terms and conditions as may be deemed fit and expedient.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to negotiate the terms and conditions of the above said investments, loan(s), inter-corporate deposits, or guarantee(s) as they deem fit and in the best interest of the Company and take all such steps as may be necessary to complete the same.

**RESOLVED FURTHER THAT** in case of divestment of the investment, the Directors of the Company be and are hereby authorized to sign the necessary applications, papers, forms, documents etc. for effective implementation of decision of divestment taken by the Company from time to time.

**RESOLVED FURTHER THAT** any one of the Board of Directors of the Company and/ or person authorized by the Board from time to time, be and is hereby empowered and authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

7. To borrow money in excess of the prescribed limit 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 Section 180(1) (c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, and the Articles of Association of the Company, consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof) for borrowing, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 50 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution."

8. To consider creation of mortgage or charge 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 Section 180(1) (a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the members be and is hereby given to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof) to mortgage, hypothecate, pledge, charge, encumber, transfer, sell, lease, assign, deliver or otherwise dispose off, in addition to the mortgage/charges created/ to be created by the Company on such terms and conditions and at such time(s) and in such form and manner and with such ranking as to priority as the Board in its absolute discretion think fit, on the whole or substantially the whole of the Company's anyone or more of the undertakings or all the undertakings, including the present and/or future properties, whether movable or immovable comprised in any existing or new undertaking or undertakings of the Company, as the case may be, Company's assets and properties including stock in trade in respect of all such borrowings including any increase as a result of devaluation/ revaluation/fluctuation in the rate of exchange and all other monies payable by the Company in terms of Loan Agreement(s), Debenture Trust Deed(s) or any other document, entered into/to be entered into between the Company and the Lender(s)/Agent(s) and Trustee(s), in respect of said loans/borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of securities as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Lender(s)/Agent(s) and Trustee(s), in favour of the Lenders including but not limited to bank or banks or any financial institutions, Central Government or State Government, body corporate, firm, other person or persons and/or such other parties, as may be required, to secure borrowings whether fund based or non fund based including term loan and working capital assistance obtained/to be obtained by the Company, and/or any of the Company's subsidiary/affiliate/associate company upto an aggregate amount not exceeding Rs. 50/- Crores (Rupees Fifty Crores only) or equivalent amount in foreign currency.

**RESOLVED FURTHER THAT** Board of Directors of the Company be and are hereby severally authorised to execute such agreements, papers, deeds and other instruments or writings containing such conditions, covenants as it may think fit to give effect to this resolution.

**RESOLVED FURTHER THAT** Board be and is hereby severally authorised to delegate all or any of the aforesaid powers to any committee of Directors/officers, one or more director/whole time director or any other principal officer of the Company on such conditions as the Board may deem fit and to take all such steps that may be required to give effect to this resolution."

**By Order of the Board of Directors  
For KJMC Corporate Advisors (India) Limited**

**Bhavika Dalal  
Company Secretary  
ACS 55493**

**Place:** Mumbai

**Date:** November 13, 2020

**Registered Office:**

162, Atlanta, 16th Floor, Nariman Point, Mumbai-400021.

**Email:** [investor.corporate@kjmc.com](mailto:investor.corporate@kjmc.com)

**Website:** [www.kjmcfinserve.com](http://www.kjmcfinserve.com)

**CIN:** L67120MH1998PLC113888



**NOTES:**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the business under Item Nos. 2 to 8 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting ("AGM") are also annexed.
2. MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.  

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other member.
3. Members, Proxies and Authorised Representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
4. Corporate members intending to send their authorised representative to attend the Meeting are requested to ensure that the authorised representative carries a certified copy of the Board resolution, Power of Attorney or such other valid authorisations, authorising them to attend and vote on their behalf at the Meeting.
5. For the convenience of the Members and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by the Attendance Slip, annexed to the Proxy Form. Members/ Proxies are requested to bring the attendance slip duly filled in and to affix their signature at the place provided on the Attendance Slip and hand it over at the counters at the venue.
6. A proxy shall not have a right to speak at the meeting and shall not be entitled to vote except on a poll.
7. An instrument appointing proxy is valid only if it is properly stamped as per the applicable law. Blank or incomplete, unstamped or inadequately stamped, undated proxies or proxies upon which the stamps have not been cancelled will be considered as invalid. If the Company receives multiple proxies for the same holdings of a Member, the proxy which is dated last will be considered as valid. If such multiple proxies are not dated or they bear the same date without specific mention of time, all such multiple proxies shall be treated as invalid.
8. The proxy – holder shall prove his identity at the time of attending the Meeting.
9. In case of joint holders attending the Annual General Meeting (AGM), only such joint holder who is higher in the order of names as per the Register of Members of the Company will be entitled to vote.
10. Members desirous of getting any information on the Annual Accounts, at the Annual General Meeting, are requested to write to the Company at least 10 days in advance, so as to enable the Company to keep the information ready.
11. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of advance notice in writing is given to the Company.
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
13. The Register of Members and Share Transfer Books will remain closed from Friday, December 18, 2020 to Thursday, December 24, 2020 (both days inclusive) for the purpose of AGM.
14. Members whose shareholding is in the electronic mode are requested to direct change of correspondence address, e-mail id and updates of savings bank account details to their respective Depository Participant(s).
15. Members are requested to address all correspondence to the Registrar and Share Transfer Agent (RTA), Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai 400059 Tel. No. 022 62638200, Fax No. 022 62638299, Mail id: [rajeshm@bigshareonline.com](mailto:rajeshm@bigshareonline.com), [investor@bigshareonline.com](mailto:investor@bigshareonline.com).
16. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrars and Share Transfer Agent.
17. As per regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended the securities of the company can be transferred only in dematerialized form with effect from April 01, 2019 except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or Company's Registrars and Transfer Agent.
18. In pursuance of Sections 124 and 125 of the Companies Act 2013, dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, have been transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years are in the process for transfer to the IEPF as per Section 124 of the Act, and the applicable rules.
19. In the event of transfer of shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF-5.

## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

20. Members holding shares in physical form and desirous of making a nomination or cancellation/ variation in nomination already made in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit to the RTA of the Company the prescribed Form SH.13 for nomination and Form SH.14 for cancellation/ variation, as the case may be. Members holding shares in demat mode may contact their respective Depository Participant for availing this facility.
21. Members having multiple folios are requested to consolidate their folios into single folio and for this purpose send request along with the original certificates to the RTA specifying the folio number under which they desire to hold the shares.
22. Copies of the Annual Report 2019-20, the Notice of the 22<sup>nd</sup> AGM and instructions for e-voting, along with the attendance slip and proxy form, are being sent by electronic mode to members whose email addresses are registered with the Company/depository participant(s). In view of the outbreak of COVID-19 pandemic and owing to the difficulties involved in dispatching of physical copies of Annual Report, the Ministry of Corporate Affairs ("MCA") has vide its circular no 20/2020 dated May 05, 2020 and subsequently SEBI vide its circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 directed the Companies to send the Annual Report only by e-mail to all the Members of the Company .
23. To support the 'Green Initiative' Members who have not registered their e-mail addresses are requested to register the same with Bigshare Services Private Limited / Depository participants.
24. Members may also note that the Notice of the 22<sup>nd</sup> AGM, Attendance Slip, Proxy Form, Route Map, Ballot paper and the Annual Report, 2019-20 will be available on the Company's website [www.kjmcfinserve.com](http://www.kjmcfinserve.com). The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: [investor.corporate@kjmc.com](mailto:investor.corporate@kjmc.com).
25. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the AGM.
26. The remote e-voting period commences from Saturday, December 19, 2020 at 9.00 a.m. and ends on Wednesday, December 23, 2020 at 5.00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form as on December 17, 2020 (cut-off date) may cast their vote electronically.
27. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change/modify it subsequently or cast the vote again.
28. The voting rights of shareholders shall be in proportion to the share in the paid up equity share capital of the Company as on December 17, 2020, the cut off date.
29. The Company has appointed M/s S. S. Rauthan & Associates, a firm of Practicing Company Secretaries as a scrutinizer for conducting the remote e-voting and polling process at the Annual General Meeting in a fair and transparent manner.
30. The scrutinizer shall not later than forty eight (48) hours from the conclusion of the meeting, unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company or person authorised by him in writing, who shall countersign the same.
31. In the event of a poll at the meeting, please note that the members who have exercised their right to vote by electronic means shall not be eligible to vote by way of poll at the meeting. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with section 109 of the Companies Act, 2013 read with the relevant Rules.
32. Subject to the receipt of sufficient votes, the resolution shall be deemed to be passed at the 22<sup>nd</sup> Annual General Meeting of the Company scheduled to be held on Thursday, December 24, 2020. The results along with the scrutinizer's report shall be placed on the Company's website [www.kjmcfinserve.com](http://www.kjmcfinserve.com), within 48 hours from the conclusion of the 22<sup>nd</sup> Annual General Meeting of the Company and communicated to BSE Limited.
33. Additional information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment / re-appointment at the AGM are furnished below. The Directors have furnished the requisite consents / declarations for their appointment/re-appointment.

### I) Mr. Inderchand Jain

Name & Designation	Mr. Inderchand Jain, Non- Executive Director & Chairman		
Director Identification Number (DIN)	00178901		
Date of Birth	November 07, 1939		
Qualifications	FCA, B.Com		
Expertise in specific functional area	He is having over five decades of experience in Income Tax Counseling, Corporate Finance, Merchant Banking and Company Audit etc.		
Director of the Company since	March 3, 1998		
Number of Shares held in the Company as on March 31, 2020	1000 (0.03%)		
Disclosure of relationships between directors inter-se	<b>Sr. No.</b>	<b>Name &amp; Designation of Director</b>	<b>Relationship</b>
	1.	Mr. Rajnesh Jain, Director	Son of Mr. Inderchand Jain
	2.	Mr. Girish Jain, Director	Son of Mr. Inderchand Jain
	3.	Mrs.. Shraddha Jain, Director	Son's Wife



**Directorships/Committee Membership of Mr. Inderchand Jain in other companies:**

Name of the Company (Directorship)	Committee Chairmanship/ Membership
KJMC Financial Services Limited (Listed Company)	1. <b>Member</b> - Audit Committee
	2. <b>Chairman</b> - Share Transfer & Stakeholders Relationship Committee.
	3. <b>Chairman</b> - Credit & Investment Committee.
KJMC Trading & Agency Limited	-
KJMC Realty Private Limited	-
KJMC e. Business Ventures Private Limited	-
Prathamesh Enterprises Private Limited	-

**II) Mr. Vijay Joshi**

Name & Designation	Mr. Vijay Joshi, Independent Director
Director Identification Number (DIN)	00151550
Date of Birth	January 7, 1963
Qualifications	ACS, BCOM
Expertise in specific functional area	Mr. Vijay Joshi is a 'Company Secretary' with over 25 years of rich and varied professional experience in the areas of Secretarial, Legal and Corporate Finance.
Director of the Company since	With effect from September 15, 2020 subject to approval of members at ensuing Annual General Meeting.
Number of Shares held in the Company as on March 31, 2020	Nil
Disclosure of relationships between directors inter-se	Not related to any Director / Key Managerial Personnel

**Directorships/Committee Membership of Mr. Vijay Joshi in other companies:**

Name of the Company (Directorship)	Committee Chairmanship/ Membership
KJMC Financial Services Limited	-

34. The route map showing directions to reach the venue of the 22<sup>nd</sup> AGM is annexed.

**35. PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING:**

In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following preventive measures at the Annual General Meeting to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted on every attendee at the entrance of the AGM venue. Any person above specified body temperature may be denied entry into the AGM venue or be required to leave the AGM venue.
  - (ii) The Company encourages attendees to wear surgical face masks inside the AGM venue at all times, and to maintain a safe distance between seats.
  - (iii) To the extent permitted under law, the Company reserves the right to deny entry into the AGM venue or require any person to leave the AGM venue in order to ensure the safety of the attendees at the AGM.
  - (iv) In the interest of all stakeholders' health and safety and consistent with recent COVID-19 guidelines issued by the Government of India the Company reminds all Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions inserted,
36. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the company is providing to its members the facility to cast their vote electronically from a place other than venue of the AGM ("remote e-voting") as an alternate to all the members of the company to enable them to cast their votes electronically instead of voting at the AGM, through e-voting services provided by CDSL. Shareholders who have already voted prior to the date of AGM would not be entitled to vote at the meeting venue.

The procedure and instructions for remote e-voting are as under:-

- (i) The e-voting period begins from Saturday, December 19, 2020 at 9.00 a.m. and ends on Wednesday, December 23, 2020 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date December 17, 2020, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on "Shareholders" tab.
- (iv) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

**OR**

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasiusing yourlogin credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on e-Votingoption and proceed directly to cast your vote electronically.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

<b>For Shareholders holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

(xi) Click on the EVSN for the "KJMC CORPORATE ADVISORS (INDIA) LIMITED" on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**(xviii) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.**

(xix) Note for Non – Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required

to log onto [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### **In case of members receiving the physical copy:**

- Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- The voting period begins on Saturday, December 19, 2020 at 9.00 a.m. and ends on Wednesday, December 23, 2020. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date December 17, 2020**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**By Order of the Board of Directors  
For KJMC Corporate Advisors (India) Limited**

**Bhavika Dalal  
Company Secretary  
ACS 55493**

Place: Mumbai  
Date: November 13, 2020  
Registered Office:  
162, Atlanta, 16th Floor, Nariman Point, Mumbai-400021.  
**Email:** [investor.corporate@kjmc.com](mailto:investor.corporate@kjmc.com)  
**Website:** [www.kjmcfinserve.com](http://www.kjmcfinserve.com)  
**CIN:** L67120MH1998PLC113888

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

As required under Section 102 of the Companies Act, 2013 the following explanatory statement sets out the material facts relating to business mentioned in Item Nos. 2 to 8 of the accompanying Notice:

**ITEM NO. 2**

Mr. Inderchand Jain (DIN: 00178901), aged 81 years, is the Chairman and Non- Executive Director of the Company and pursuant to the Articles of Association, his office is subject to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as a Non-Executive Director of the Company.

Pursuant to the Regulation 17 (1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Companies are mandatorily required to pass a special resolution to continue the directorship of any person as Non-Executive Director of the listed company, who has attained the age of seventy- five years (75 Years). Accordingly his continuation as Non-Executive Director shall require approval of shareholders by way of special resolution.

At the 20<sup>th</sup> Annual General Meeting of the Company held on September 22, 2018, the members by passing Special Resolution, in terms of the Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) in past, have approved the continuation of tenure of directorship of Mr. Inderchand Jain as Non-Executive Director.

Accordingly his continuation as Non-Executive Director shall require approval of shareholders by way of special resolution.

Mr. Inderchand Jain (DIN: 00178901), has been serving as a Director of the Company since incorporation of the Company and is a promoter of the Company. It would be in the interest of the Company to continue to avail his services as a Non-Executive Director of the Company. A brief profile of Mr. Inderchand Jain as stipulated under Regulation 36(3) of Listing Regulations is given in this Notice.

Mr. Inderchand Jain (DIN: 00178901), himself and his relatives Mr. Rajnesh Jain, Mr. Girish Jain and Mrs. Shraddha Jain are interested in this resolution. Save and except above, none of the other Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in this Special resolution.

The Board recommends the Special Resolution as set out at Item No. 2 for approval by the members.

**ITEM NO. 3 & 4**

**Disclosure in terms of Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

M/s V. P. Thacker & Co., Chartered Accountants (Firm Registration No. 118696W) vide their letter dated November 13, 2020 have resigned from the position of Statutory Auditors of the Company, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by Section 139(8) of the Companies Act, 2013.

The Board of Directors at its meeting held on November 13, 2020, on the recommendation of Audit committee and pursuant to the provisions of Section 139(8) of the Companies Act, 2013, appointed M/s. Batliboi & Purohit, Chartered Accountants, (Firm Registration No. 101048W), to hold office as the Statutory Auditors of the Company till the conclusion of 22<sup>nd</sup> AGM and to fill the casual vacancy caused by the resignation

of M/s. V. P. Thacker & Co., Chartered Accountants, subject to the approval by the members in ensuing Annual General Meeting of the Company, at a remuneration of Rs.40,000 as against Rs. 40,000/- paid to M/s. V. P. Thacker & Co., Chartered Accountants, resigning Auditors. Further, the Board also approved appointment of M/s. Batliboi & Purohit, Chartered Accountants, (Firm Registration No. 101048W), as Statutory Auditors of the Company to hold office for a period of five consecutive years, from the conclusion of the 22<sup>nd</sup> AGM, till the conclusion of the 27<sup>th</sup> AGM to be held in year 2025. Accordingly, your board of directors also recommend passing of resolution for appointment of M/s. Batliboi & Purohit as Statutory Auditor of the Company for a period of 5 consecutive years.

M/s. Batliboi & Purohit, Chartered Accountants, is having requisite expertise and resources as Statutory Auditors. M/s. Batliboi and Purohit, Chartered Accountants is a well reputed Chartered Accountants firm established as back in 1907. The firm has diligently carried out various assignments from Public and Private sectors in the field of Statutory Audits, Concurrent Audits, Internal Audits, Dealing Room Audits, monitoring of finance, Stock and Receivables Audits, Investigative Audits etc.

M/s. Batliboi & Purohit., Chartered Accountants have provided their consent and confirmed that their appointment, if made, would be within the limits specified under section 141(3) (g) of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, as amended from time to time.

None of the other Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the proposed Ordinary Resolution as set out at Item No.3 & 4 of the Notice.

The Board recommends the members to pass Resolution set out at Item No. 3 & 4 of the Notice as an Ordinary resolutions.

**ITEM NO. 5**

Pursuant to Section 161 of the Companies Act, 2013 and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have appointed Mr. Vijay Joshi (DIN: 00151550) as an Additional Independent Director of the Company at their meeting held on September 15, 2020. Mr. Vijay Joshi (DIN: 00151550) shall hold office for a term of 5 consecutive years with effect from September 15, 2020 as an Independent Director of the Company subject to the approval of the members at the Annual General Meeting.

The Company has received a notice in writing in accordance with provisions of Section 160(1) of the Act, from a Member, proposing his candidature for the office of Independent Director.

Mr. Vijay Joshi (DIN: 00151550) has also given a declaration to the company that he meets criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Qualification of Directors) Rules, 2014 and relevant regulation of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. In accordance with the provisions of Sections 149 and 152 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

Mr. Vijay Joshi (DIN: 00151550) possesses appropriate skills, experience and knowledge. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Vijay Joshi be appointed as an Independent Director of the Company.

Mr. Vijay Joshi (DIN: 00151550) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. In the opinion of the Board, Mr. Vijay Joshi,

fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Brief profile of Mr. Vijay Joshi (DIN: 00151550) is mentioned in the notes to the Notice, pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Except for Mr. Vijay Joshi, none of the Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

### ITEM NO. 6

The Company has been making investments in, giving loans and guarantees to and providing securities in connection with loans to various persons and bodies corporate (including its subsidiary) from time to time, in compliance with the applicable provisions of the Act.

The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more. Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a general meeting.

In view of the above and considering the long term business plans of the Company, which requires the Company to make sizeable loans / investments and issue guarantees / securities to persons or bodies corporate, from time to time, prior approval of the Members is being sought for enhancing the said limits. Hence, the Special Resolution at Item No. 6 of the Notice, notwithstanding the fact that the same exceeds the limits provided under Section 186 of the Act.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in the proposed Special Resolution as set out at Item No.6 of the Notice.

The Directors recommend the Special Resolution as set out at Item No. 6 of the accompanying Notice, for Members' approval.

### ITEM NO. 7

Section 180 (1) (c) of the Companies Act, 2013 permits the Company to borrow money along with the money already borrowed by the Company, except the temporary loans obtained from the Companies banker in ordinary course of business, beyond the paid –up capital and free reserves of the Company, only if the same is approved by the Members of the Company.

The Board of Directors of the Company keeping in mind the future business requirements and expansion of the business of the Company,

proposes to borrow money upto Rs. 50 Crores. Hence, members of the Company are requested to give their approval to borrow the money along with the money already borrowed by the Company in excess of its paid –up capital and free reserve i.e. Up to Rs. 50 Crores.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in the proposed Special Resolution as set out at Item No. 7 of the Notice.

The Directors recommend the Special Resolution as set out at Item No. 7 of the accompanying Notice, for Members' approval.

### ITEM NO. 8

For borrowing money from Banks, Financial Institutions, Bodies Corporates, Firms and Persons, the Company would require to create security in favour of the lenders by creating charge/mortgage on its present and future assets and properties including sale, lease or otherwise dispose of whole or substantially the whole of the undertaking(s) of the company. Section 180(1)(a) of the Company Act, 2013 provides that the Board of Directors of the Company shall not without the consent of the members of the company sell, lease, or otherwise dispose off the whole or substantially the whole of the undertaking of the company. Since mortgage/hypothecation may be considered to be one of the modes of disposal of the property within the meaning of the said section, the approval of the members by way of Special Resolution is sought under Section 180(1)(a) of Companies Act, 2013 to enable the Board of Directors to mortgage, hypothecate, pledge, charge, encumber, transfer, sell, lease, assign, deliver or otherwise dispose off the whole or substantially the whole of the Company's anyone or more of the undertakings or all the undertakings, including the present and/or future properties, whether movable or immovable comprised in any existing or new undertaking or undertakings of the Company, in addition to the mortgage/charges created/to be created by the Company.

Hence, members of the Company are requested to give their approval for creating the charge for an amount of Rs. 50 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in the proposed Special Resolution as set out at Item No.8 the Notice.

The Directors recommend the Special Resolution as set out at Item No. 8 of the accompanying Notice, for Members' approval.

**By Order of the Board of Directors  
For KJMC Corporate Advisors (India) Limited**

**Bhavika Dalal  
Company Secretary  
ACS 55493**

Place: Mumbai  
Date: November 13, 2020  
Registered Office:  
162, Atlanta, 16th Floor, Nariman Point, Mumbai-400021.  
**Email:** [investor.corporate@kjmc.com](mailto:investor.corporate@kjmc.com)  
**Website:** [www.kjmcfinserve.com](http://www.kjmcfinserve.com)  
**CIN:** L67120MH1998PLC113888



**DIRECTORS' REPORT**

Dear Members,

We have pleasure in presenting the 22<sup>nd</sup> Annual Report of the KJMC Corporate Advisors (India) Limited (The Company or KCAL) along with the audited financial statements for the financial year ended March 31, 2020. The consolidated performance of the Company and its subsidiaries has been referred to wherever required

**FINANCIAL RESULTS**

The Company's financial performance for the year ended March 31, 2020 is summarized below:

(Rs. in "000")

Particulars	Standalone		Consolidated	
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
<b>FINANCIAL RESULTS</b>				
Revenue from operations	12396	14,814	39,619	40,800
Other Income	2897	3411	6,747	6,030
Total Revenue	15293	18225	46,366	46,830
Total Expenses	22486	21202	53,054	52,236
Profit before Tax	(7193)	(2977)	(6,688)	(5,406)
Less: Provision for Tax				
-Current Tax	-	86	70	301
- Deferred Tax	(211)	(141)	277	(1951)
- MAT Credit	-	(86)	(70)	(199)
- Prior period taxes	-	(5)	123	817
Profit/(loss) after tax	(6982)	(2831)	(7,088)	(4,374)
Share in Associates' profit/(Loss)	NA	NA	(784)	(11,257)
Profit/for the year	(6982)	(2831)	(7872)	(15631)
<b>APPROPRIATIONS</b>				
Profit/(loss) for the year	(6982)	(2831)	(7872)	(15631)
Add: Balance brought forward from previous year	33	68	65	109
Amount available for appropriations	68	69	109	113
Less: Appropriations	Nil	Nil	Nil	Nil
Special Reserve	Nil	Nil	Nil	Nil
General Reserve	Nil	Nil	Nil	Nil
Balance carried to Balance Sheet	68	69	109	113
EPS				
-Basic	(1.78)	(0.81)	(2.00)	(4.46)
-Diluted	(1.78)	(0.81)	(2.00)	(4.46)

**COMPANY'S PERFORMANCE REVIEW**

During the financial year 2019-20, the Company has adopted Ind AS for reporting financial results of the year under review against previously Indian GAAP;

**On Standalone Basis**, the Company has earned the total revenue of Rs. 152.93 Lakhs as against Rs. 182.25 Lakhs in the previous year. The total expenditure during the year is Rs. 224.86 Lakhs as against Rs. 212.02

Lakhs in the previous year. The net loss for the year under review was Rs.69.82 Lakhs as against net loss of Rs. 28.31 Lakhs in the previous year.

**On Consolidated Basis**, the Company has earned the total revenue of Rs. 463.66 Lakhs as against Rs. 468.30 Lakhs in the previous year. The total expenditure during the year is Rs. 530.54 Lakhs as against Rs. 522.36 Lakhs in the previous year. The net loss for the year under review was Rs. 70.88 Lakhs as against net loss of Rs. 43.74 Lakhs in the previous year

**CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the provisions of Companies Act, 2013 (hereinafter referred to as "the Act"), Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the financial year 2019-20, together with the Auditors' Report forms part of this Annual Report.

**FINANCIAL PERFORMANCE OF THE SUBSIDIARY COMPANIES AND ASSOCIATE COMPANY**

**Subsidiary Companies:**

Pursuant to Section 134 of the Companies Act, 2013 and Rule 8(1) of the Companies (Accounts) Rules, 2014, the report on performance and financial position of subsidiaries included in the Consolidated Financial Statements (CFS) in the Company.

A statement containing the salient features of financial statements of subsidiaries/joint venture companies of the Company in the prescribed Form AOC – 1 is annexed herewith & forms part of this Report in compliance with Section 129 (3) and other applicable provisions, if any, of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014.

In accordance with Section 136 of the Act, the financial statements of the subsidiary and associate companies are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays upto the date of the AGM. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company. The financial statements including the CFS, and all other documents required to be attached to this report have been uploaded on the website of the Company at [www.kjmcfinserv.com](http://www.kjmcfinserv.com).

**Brief Financial and Operation of subsidiary and associate companies are given hereunder:**

- (i) KJMC Capital Market Services Limited: It earned gross income of Rs. 297.44 Lakhs as against Rs. 268.02 Lakhs in the previous year. The total expenditure during the year under review was Rs. 287.30 Lakhs as against Rs. 270.53 Lakhs in the previous year. The net profit after tax was Rs. 2.66 Lakhs as against Rs. (8.85) Lakhs in the previous year.
- (ii) KJMC Credit Marketing Limited: It earned gross income of Rs. 7.58 Lakhs as against Rs.15.56 Lakhs in the previous year. The total expenditure during the year under review was Rs. 12.15 Lakhs as against Rs. 14.50 Lakhs in the previous year. The net loss for the year under review was Rs.(4.68) Lakhs as against loss of Rs. 0.01 lakhs in the previous year.
- (iii) KJMC Shares and Securities Limited: It earned gross income of Rs. 12.10 lakhs as against Rs. 9.45 Lakhs in the previous year.

The total expenditure during the year under review was Rs. 12.61 Lakhs as against Rs. 32.30 Lakhs in the previous year. The net loss after tax was Rs.(0.97) Lakhs as against net loss of Rs. (6.57) Lakhs in the previous year.

### Associate Company:

- (i) KJMC Financial Services Limited: It earned gross income of Rs. 235.76 Lakhs as against Rs. 274.17 Lakhs in the previous year. The total expenditure during the year under review was Rs. 389.88Lakhs as against Rs. 339.38 Lakhs in the previous year. The net loss after tax was Rs. (150.92) Lakhs as against Rs. (69.07) Lakhs in the previous year.

### INDIAN ACCOUNTING STANDARD (IND AS)

The Company has adopted Indian Accounting Standards ("IND AS") from April 01, 2019 with a transition date of April 01, 2018. Accordingly, the financial statements have been prepared in accordance with IND AS, prescribed under Section 133 of the Act, read with the relevant rules issued thereunder and the other recognised accounting practices and policies to the extent applicable.

### DIVIDEND

In order to conserve the resources for operations, your Directors do not recommend any dividend for the year under review.

### TRANSFER TO RESERVES

The Company has not transferred any amount to reserves of the Company due to loss incurred by the Company during the financial year 2019-20.

### EXTRACT OF ANNUAL RETURN

The extract of the Annual Return of the Company as on March 31, 2020 in Form MGT - 9 in accordance with Section 92 (3) of the Act read with Companies (Management and Administration) Rules, 2014, is available on the website of the Company at [http://kjmcfinserve.com/investor\\_relation](http://kjmcfinserve.com/investor_relation).

### COVID-19

Towards the end of the financial year, the World Health Organisation (WHO) declared COVID-19 a pandemic and the outbreak, which infected millions, has resulted in deaths of a significant number of people globally. COVID-19 is seen having an unprecedented impact on people and economies worldwide. The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business. It is focused on controlling costs, maintaining liquidity and closely monitoring to the operations. The effect of mark to market losses thereon have been taken into account in the Statement of Profit and Loss for the year. The Company believes that it has taken into account the impact of known events arising out of COVID 19 pandemic in the preparation of financial results resulting out of fair valuation of these investments.

The Ministry of Home Affairs, Government of India on March 24, 2020 notified the first ever nationwide lockdown in India to contain the outbreak of COVID-19 pandemic. The Company operates its business in conformity with the highest ethical standards and employee centricity. In view of the outbreak of the pandemic, The Company undertook timely measures to ensure the safety and wellbeing of its employees at all levels. Keeping in mind the well-being and convenience of its employees, the Company had provided facility of 'work from home' to the extent possible in the current situation to its employees and taken

all necessary steps to ensure a seamless transition to the new ways of working for employees, while at the same time ensuring business continuity including providing of laptop wherever required and giving access to the common server installed in office.

### NUMBER OF MEETINGS OF THE BOARD

The Board of Directors held Five (5) meeting during the year. The maximum time gap between any two meetings was less than 120 days as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the Board Meetings and the attendance of the Directors are provided in the Report on Corporate Governance forming part of this report.

### COMMITTEES OF THE BOARD

The Company has constituted/reconstituted various level committees in accordance with the requirements of Companies Act, 2013 and Listing Regulations. The Board has the following committees:

- i. Audit Committee
- ii. Nomination and Remuneration Committee
- iii. Share Transfer and Stakeholders Relationship Committee
- iv. Credit and Investment Committee

### Audit Committee

During the year all the recommendations made by the Audit Committee were accepted by the Board. (5) Five Audit Committee Meetings were convened and held during the financial year. The details pertaining to composition of Audit Committee and the attendance of the Audit Committee members are provided in the Corporate Governance Report, which forms part of the annual report.

### Nomination and Remuneration Committee

During the year, (1) One Nomination and Remuneration Committees Meeting was convened and held. The details pertaining to composition of Nomination and Remuneration Committee and the attendance of the Nomination and Remuneration Committee members are provided in the Corporate Governance Report, which forms part of the annual report.

### Share Transfer and Stakeholders Relationship Committee

During the year, (4) Four Share Transfer and Stakeholders Relationship Committee Meetings were convened and held. The details pertaining to composition of Share Transfer and Stakeholders Relationship Committee and the attendance of the Share Transfer and Stakeholders Relationship Committee members are provided in the Corporate Governance Report, which forms part of this report.

### Credit and Investment Committee

During the year, (1) One Credit and Investment Committee Meeting was convened and held. The details pertaining to composition of Credit and Investment Committee and the attendance of the Credit and Investment Committee members are provided in the Corporate Governance Report, which forms part of this report.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

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



- b. the Directors' have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year ended March 31, 2020;
- c. the Directors' have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors' have prepared the annual accounts for the financial year ended March 31, 2020 on a going concern basis;
- e. the Directors' have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f. the Directors' have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 has been disclosed in the Corporate Governance report, which forms part of the annual report.

## **FAMILIARISATION PROGRAMMES FOR BOARD MEMBERS**

The Board members are provided with necessary documents / brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments are made at the separate meetings of the Independent Directors from time to time.

## **CODE OF CONDUCT**

The Company has adopted a Code of Conduct for all employees including the members of the Board and Senior Management Personnel. All members of the Board and Senior Management Personnel have affirmed compliance with the said Code of Conduct for the financial year 2019-20. The declaration to this effect signed by Mr. Girish Jain, Whole Time Director of the Company forms part of this Report

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The particulars of loans, guarantees and investments have been disclosed in the financial statements, which forms part of the annual report.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All transaction entered into by the Company with related parties, during the financial year 2019-20, were in ordinary course of business and on arm's length basis. The details of the Related Party Transactions are set out in the Notes to Financial Statements forming part of this Annual Report.

Also, the Related Party Transactions undertaken by the Company were in compliance with the provisions set out in the Companies Act, 2013 read with the Rules issued thereunder and relevant provisions of Listing Regulations.

There are no materially significant Related Party Transactions of the Company which have potential conflict with the interests of the Company at large.

All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the Policy on dealing with and Materiality of Related Party Transactions, formulated by the Company.

All transactions with related party which are required to be reported in Form AOC- 2 pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed herewith and forms part of this report.

During the year under review, the Company has revised its Policy on dealing with and Materiality of Related Party Transactions, in accordance with the amendments to the applicable provisions of the Listing Regulations. The Policy is also available on the website of the Company at [http://kjmcfinserv.com/investor\\_relation](http://kjmcfinserv.com/investor_relation).

The details of the related party transactions as per Indian Accounting Standards are set out in Note 32 to the Standalone Financial Statements of the Company which forms part of this Report.

## **MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

Except for COVID-19 pandemic as reported above, there are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and on the date of this report. There has been no change in the nature of business of the Company.

## **SCHEME OF AMALGAMATION**

The Mumbai Bench of the Hon'ble National Company Law Tribunal (NCLT) vide its Order dated April 27, 2020 has granted approval for the Scheme of Amalgamation between KJMC Commodities Market India Limited ("the Transferor Company") with KJMC Capital Market Services Limited ("the Transferee Company") and their respective shareholders ("Scheme"). The Appointed date for the said Scheme of Amalgamation is April 1, 2018. KJMC Commodities Market India Limited ("the Transferor Company") and KJMC Capital Market Services Limited ("the Transferee Company") are both the wholly owned subsidiary companies of KJMC Corporate Advisors (India) Limited. KJMC Commodities Market India Limited ("the Transferor Company") shall stand dissolved, without winding-up, on the Scheme becoming effective.

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS**

No material orders impacting the 'going concern' status of the Company or its operations in future were passed by the Regulators or Courts or Tribunals during the year under review.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Since the Company is engaged in the business of Merchant Banking Services, the details required under Section 134 of the Companies Act, 2013 are not applicable to the Company. However Company believes in

conserving the natural resources and uses CFL and LED Lighting in the office premises which has low energy consumption. The Company has no disclosures to be made in connection with technology absorption. The total Foreign Exchange Inflow was Rs. 13.65 lakhs and Outflow was Rs. 18.42 Lakhs during the year under review.

### RISK MANAGEMENT

The details in respect of risks and concerns are included in the Management Discussion & Analysis Report, which forms part of this report.

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

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company.

### ANNUAL EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under the Listing Regulations. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the degree of fulfillment of key responsibilities, Board composition and structure, effectiveness of board processes, information and functioning etc.

In addition, the Chairman was also evaluated on the key aspects of his role. In a separate meeting of Independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive directors. The Directors expressed satisfaction with the evaluation process.

### DIRECTORS' & KEY MANAGERIAL PERSONNEL

Mr. Rameshchandra Jain, Independent Director, had resigned from the end of business hours of March 12, 2020 due to disqualification. The Board placed on record sincere appreciation for the valuable services rendered by him during his tenure as the Independent Director of the Company.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Inderchand Jain (DIN: 00178901) Non-Executive Director and Chairman of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment. The Board of Directors on the recommendation of the Nomination and Remuneration Committee and based on report of performance evaluation, has recommended reappointment of Mr. Inderchand Jain as Director of the Company liable to retire by rotation.

Mr. Vijay Joshi was appointed as an Additional Independent Director of the Company by the Board on the recommendation of Nomination and Remuneration Committee with effect from September 15, 2020 subject to approval of the members at the ensuing Annual General Meeting. Members' approval is sought at the ensuing AGM for his appointment as an Independent Director for 1st term of five consecutive years. The Company has received a notice in writing in accordance with provisions of Section 160(1) of the Act, from a Member, proposing his candidature for the office of Independent Director

Brief Profile of Mr. Inderchand Jain and Mr. Vijay Joshi is mentioned in the Notes to the Notice of Annual General Meeting forms part of Annual Report .

The Company has received declarations from all Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the Act, and the Listing Regulations.

### 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) thereof for the time being in force) and as per section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### PUBLIC DEPOSITS

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

### ADEQUACY OF INTERNAL CONTROL

The Company has in place adequate financial controls commensurate with its size, scale and complexity of its operations. The company has in place policies and procedures required and efficiently conduct its business, safeguard its assets, detect frauds and errors, maintain accuracy and completeness of accounting records in a timely and reliable manner. For all amendments to Accounting Standards and the new standards notified, the Company carries out a detailed analysis and presents the impact on accounting policies of the Group, the impact on financial results, including revised disclosures to the Audit Committee.

The Company continues to have periodical internal audits conducted of all its functions and activities to ensure that system and processes are followed across all areas.

### SECRETARIAL STANDARDS:

The Company complies with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

### PARTICULARS OF EMPLOYEES

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

- (i) **the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;**

Non-Executive Directors	Ratio to median remuneration
Mr. Inderchand Jain	3.09%
Mr. S.C. Aythora	4.63%
Mr. Nitin Kulkarni	4.63%
Mr. Anil Sampat	3.71%
*Mr. Rameshchandra Jain	3.71%
Mrs. Shraddha Jain	3.24%
Mr. Rajnesh Jain	3.09%
<b>Executive Directors</b>	
Mr. Girish Jain	1275.10%

\* For part of the year

The median remuneration is calculated based on the salary paid during the financial year to employees on payroll as on March 31, 2020.

**(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary, if any, in the financial year;**

Name	Designation	% increase in remuneration in the financial year i.e. 2019-20
Mr. Inderchand Jain	Non Executive Director	No Increase
Mr. S.C. Aythora	Independent Director	No Increase
Mr. Nitin Kulkarni	Independent Director	No Increase
Mr. Anil Sampat	Independent Director	No Increase
*Mr. Rameshchandra Jain	Independent Director	No Increase
Mr. Rajnesh Jain	Non Executive Director	No Increase
Mr. Girish Jain	Whole Time Director	No Increase
Mrs. Shraddha Jain	Non Executive Director	No Increase
Mr. Kartik Konar	Chief Financial Officer	No Increase
Ms. Bhavika Dalal	Company Secretary	28.83%

\* For part of the year

**(iii) The percentage increase in the median remuneration of employees in the financial year: NIL**

**(iv) The number of permanent employees on the rolls of Company as on March 31, 2020: 6 .**

**(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: - 2.5%**

**(vi) Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms remuneration is as per the remuneration policy of the Company.

**(vii) There are no employees falling within the purview of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no such details, are required to be given.**

**AUDITORS**

**a. Statutory Auditor**

M/s V. P. Thacker & Co., Chartered Accountants (Firm Registration No. 118696W) vide their letter dated November 13, 2020 have resigned from the position of Statutory Auditors of the Company due to COVID-19 and commercial consideration, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by Section 139(8) of the Companies Act, 2013.

The Board of Directors at its meeting held on November 13, 2020, on the recommendation of Audit committee and pursuant to the provisions of Section 139(8) of the Companies Act, 2013, appointed M/s. Batliboi & Purohit, Chartered Accountants, (Firm Registration No. 101048W), to hold office as the Statutory Auditors of the Company till the conclusion of 22<sup>nd</sup> Annual General Meeting (AGM) and to fill the casual vacancy caused by the resignation

of M/s. V. P. Thacker & Co., Chartered Accountants, subject to the approval of the members in ensuing General Meeting of the Company, at such remuneration as may be mutually decided by the Board of Directors of the Company and the Statutory Auditors.

The Company has received the consent from the M/s. Batliboi & Purohit, Chartered Accountants, and confirmation to the effect that they are not disqualified to be appointed as the Auditors of the Company in terms of the provisions of the Companies Act, 2013 and rules made thereunder.

Further, the Board also approved appointment of M/s. Batliboi & Purohit, Chartered Accountants, (Firm Registration No. 101048W), as Statutory Auditors of the Company to hold office for a period of five consecutive years, from the conclusion of the 22<sup>nd</sup> AGM, till the conclusion of the 27<sup>th</sup> AGM to be held in year 2025. Accordingly, your Board of Directors also recommend passing of resolution for appointment of M/s. Batliboi & Purohit as Statutory Auditor of the Company for a period of 5 consecutive years.

The Independent Auditors' Report for the financial year ended March 31, 2020 on the financial statements of the Company forms part of Annual report.

The Auditors' Report for the financial year ended March 31, 2020 does not contain any qualification, reservation or adverse remark.

**b. Internal Auditor**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company had appointed M/s. Batliboi & Purohit, Chartered Accountants, as an internal auditor of the Company for Financial Year 2019-20.

M/s. Batliboi & Purohit, Chartered Accountants were re-appointed as the Internal Auditor of the Company for the financial year 2020-21 in the Board of Directors Meeting held on July 28, 2020 as per the provisions of Section 138 of the Companies Act, 2013 read with Companies Rules, 2014. However, M/s. Batliboi & Purohit, Chartered Accountants had resigned vide letter dated September 14, 2020 for the financial year 2020-21 due to the current COVID-19 pandemic situation, staff in the internal audit department has been substantially reduced and hence they are not in the position to carry out the internal audit of our Company.

Later, the Board of Directors at its meeting held on September 15, 2020 had appointed M/s. R V Luharuka & Co LLP, Chartered Accountants as an Internal Auditor of the Company for the financial year 2020 -21.

**c. Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s. Pinky Shethia & Associates, a firm of Practicing Company Secretary to conduct Secretarial Audit for the Financial Year 2019-20.

The Report of the Secretarial Auditor forms part of this Report. The Secretarial Audit Report does not contain any qualifications, reservations, or adverse remarks or disclaimer, is annexed and forms part of Annual report.

**WHISTLE BLOWER/VIGIL MECHANISM**

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee.

## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

During the financial year, no cases under this mechanism were reported to the Company and/or to any of its subsidiaries/associate. The Whistle Blower Policy has been posted on the website of the Company.

### SHARE CAPITAL

During the reporting period, your Company has allotted 4,20,000 equity shares of Rs. 10/- each at a price of Rs. 28.15/- per share pursuant to Conversion of 4,20,000 warrants allotted on May 22, 2019.

The Paid-up Equity Share Capital as on March 31, 2020 was 3,92,64,400/- comprising of 39,26,440 Equity Shares of Rs. 10/- each.

### CORPORATE GOVERNANCE

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a Certificate from Practising Company Secretary on its compliance forms an integral part of this Annual Report.

### MANAGEMENT DISCUSSION AND ANALYSIS

A report on the Management Discussion and Analysis for the financial year under review is annexed and forms part of this report.

### LISTING OF SHARES

The 39,26,440 Equity Shares of the Company are listed on BSE Limited. The annual listing fee for the financial year 2020-21 has been paid to BSE Limited (BSE).

### INSURANCE

The Company's assets have been adequately insured.

### WHOLE TIME DIRECTOR & CHIEF FINANCIAL OFFICER CERTIFICATION

Certificate from Mr. Girish Jain, Whole Time Director and Mr. Kartik Konar, Chief Financial Officer, as specified in Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2020 was placed before the Board of Directors of the Company at its meeting held on July 28, 2020.

### ACKNOWLEDGMENTS

The Directors wish to place on record their appreciation for their sincere support from its members, banks and other Statutory and Regulatory Authorities. The Board of Directors also appreciates with gratitude for the continuous contribution made by the executives and employees at all levels for their dedication and commitment to the Company throughout the year.

**For and on behalf of the Board of Directors  
KJMC Corporate Advisors (India) Limited**

**Inderchand Jain  
Chairman  
(DIN: 00178901)**

Place: Mumbai  
Date: November 13, 2020

### FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries & associate Companies

#### Part "A": SUBSIDIARIES

(Rs in '000')

Sr. No.	1	2	3
Name of the subsidiary	KJMC Shares and Securities Limited	KJMC Credit Marketing Limited	KJMC Capital Market Services Limited
The date since when subsidiary was acquired	30-11-1998	29-03-2011	09-09-2011
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as holding company (i.e. 1st April to 31st March)	Same as holding company (i.e. 1st April to 31st March)	Same as holding company (i.e. 1st April to 31st March)
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR	INR	INR
Share capital	30020	500	102250
Reserves & surplus	(1197)	928	39913
Total assets	29030	5478	190743
Total Liabilities	207	4050	48581
Investments	14069	-	35699
Turnover	1211	758	29745
Profit before taxation	(50)	(457)	1013
Provision for taxation	147	107	747
Profit after taxation before Other Comprehensive Income	97	(468)	266
Other Comprehensive Income	(142)	NIL	(5329)
Profit for the Year	(45)	(468)	(5063)
Proposed Dividend	NIL	NIL	NIL
Extent of shareholding (in percentage)	100%	100%	100%

**PART "B": ASSOCIATES**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies.

(Rs in '000')

Name of Associate	KJMC Financial Services Limited		
1. Latest audited Balance Sheet Date	31-03-2020		
2. Date on which the Associate was associated or acquired	27-05-2015		
3. Shares of Associate held by the company on the year end	Shares Held by KCAL*	Shares Held by WOS** of KCAL	Total Shares Holding
No			
Amount of Investment in Associate(')	9,50,000	2,45,000	11,95,000
Extent of Holding %	19.500	6,125	25,625
	19.85%	5.12%	24.97%
4. Description of how there is significant influence	Company & its wholly owned subsidiary are holding more than 20% of Equity shares of KJMC Financial Services Limited, indicating significant influence under AS 23.		
5. Reason why the associate is not consolidated	NA		
6. Networth attributable to Shareholding as per latest audited Balance Sheet	67297		
7. Profit / (Loss) for the year			
i. Considered in Consolidation	(784)		
ii. Not Considered in Consolidation	-		

\* KCAL: KJMC Corporate Advisors (India) Limited

\*\*WOS: Wholly Owned Subsidiary Company.

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

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

**For V. P. Thacker & Co.**  
**Chartered Accountants.**  
**ICAI Firm Registration No. 118696W**

**Abuali Darukhanawala**  
**Partner**

Membership No. 108053  
Place : Mumbai  
Dated: July 28, 2020

**Girish Jain**  
**Whole Time Director**  
DIN: 00151673

**Kartik Konar**  
**Chief Financial Officer**  
Place : Mumbai  
Dated: July 28, 2020

**Rajesh Jain**  
**Director**  
DIN: 00151988

**Bhavika Dalal**  
**Company Secretary**



## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

### FORM AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1.	KJMC Credit Marketing Limited (Through common Directors Mr. Rajnesh Jain and Mr. Girish Jain)	Unsecured Loan for an amount of Rs. 10,00,000/- at an interest of 12 % p.a. for a period of 12 months	Period of 12 months	Unsecured Loan for an amount of Rs. 10,00,000/- at an interest of 12 % p.a. for a period of 12 months	08.04.2019	NA
2.	Mrs. Chanddevi Jain (Relative of of Mr. I. C. Jain, Mr. Girish Jain- Whole Time Director, Mr. Rajnesh Jain- Non Executive Director, Mrs. Shraddha Jain)	Sale of 200 shares of KJMC Realty Private Limited held by Company to Mrs. Chanddevi Jain	-	Sale of 200 shares of KJMC Realty Private Limited held by Company to Mrs. Chanddevi Jain	09.12.2019	NA
3.	KJMC Capital Market Services Limited (Through common Directors Mr. Rajnesh Jain, Mrs. Shaddha Jain and Mr. Girish Jain)	Loan transaction Rs.1 crore	12 months	Provided Unsecured Loan of Rs. 1 crore at an interest rate of 12% for a 12 month	13.03.2020	NA

**For and on behalf of the Board of Directors  
KJMC Corporate Advisors (India) Limited**

**Inderchand Jain  
Chairman  
(DIN: 00178901)**

Place: Mumbai  
Date: November 13, 2020

### FORM NO. – MR-3 Secretarial Audit Report

[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]

#### FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

To,  
The Members  
**KJMC Corporate Advisors (India) Limited**  
(CIN: L67120MH1998PLC113888)  
162, Atlanta, 16th Floor, Nariman Point,  
Mumbai – 400021.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practiced by **KJMC Corporate Advisors (India) Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's Books, Papers, Minutes 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 March 31, 2020 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance

mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 March 31,2020 according to the provisions of:

- I. The Companies Act, 2013 and Amendments made from time to time (hereinafter collectively referred to as the ("the Act") and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and Amendments made from time to time and the Rules made thereunder;
- III. The Depositories Act, 1996 and Amendments made from time to time and the Regulations and Bye-laws framed thereunder;
- IV. During the Audit period, there was no transaction relating to Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings observed under Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;



- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time;
- c. **Convertible Warrants:** 4,20,000 warrants were converted into equity shares of Rs. 10/- (Rupee Ten only) each at a price of Rs.28.15 (Rupees Twenty Eight and paise Fifteen only) on May 22, 2019 into equal number of equity shares of the Company which is within 18 months from the date of allotment under The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d. The Company until the Audit period has not offered Employee Stock Option Scheme and Employee Stock Purchase Scheme under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
- e. During the Audit period the Company has not issued or allotted any debt securities under the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- 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 – **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**
- g. During the Audit Period the Company has not applied/delisted any Securities, under the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- h. During the Audit Period the Company has not bought back any Securities, under the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India and
- ii) The Listing Agreement entered into by the Company with BSE Limited and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015 and as Amended from time to time.

I have also examined compliance with the applicable Laws, Acts, Rules, Regulations, Guidelines, Standards, etc., complied by the following subsidiaries of the Company:

- a) KJMC Capital Market Services Limited (CIN: U64990MH1994PLC077388)
- b) KJMC Shares and Securities Limited (CIN: U67120MH1996PLC217037)
- c) KJMC Credit Marketing Limited (CIN: U74110MH1996PLC217682)
- d) KJMC Commodities Market India Limited.

(CIN: U51909MH2009PLC189905) (Amalgamated with KJMC Capital Market Services Limited vide order passed by Hon'ble National Company Law Tribunal, Mumbai Bench dated April 27, 2020)

During the Financial Year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

**I further report that,** having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the company:

- a) Regulatory Guidelines and Regulations issued by The Securities and Exchange Board of India under SEBI (Merchant Bankers) Regulations 1992 and its amendment from time to time.
- b) Regulatory Guidelines and Regulations issued by The Securities and Exchange Board of India under SEBI (Stock Brokers and Sub-Brokers) Regulations 1992 and its amendment from time to time (applicable to KJMC Capital Market Services Limited and KJMC Commodities Market India Limited).
- c) Labour Laws and other incidental laws related to employees appointed by the Company either on its payroll or on contractual basis related to wages, gratuity, provident fund, ESIC, compensation etc.;

**I further report that,** The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review are carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and Detailed Notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out with requisite majority as recorded in the minutes 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** during the Audit period under review, the Company has not undertaken any event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**I further report that** 4,20,000 warrants were converted into equity shares of Rs. 10/- (Rupee Ten only) each at a price of Rs.28.15 (Rupees Twenty Eight and paise Fifteen only) on May 22, 2019 into equal number of equity shares of the Company which is within 18 months from the date of allotment under The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

For **Pinky Shethia and Associates,**  
Company Secretary in Practice

**CS Pinky Shethia Chheda**  
Proprietor  
Membership No.:A29237  
COP No.:17344

Place: Mumbai

Date: 19<sup>th</sup> June, 2020

**UDIN:A029237B000353869**

**Note:** This Report is to be read with our letter annexed as Annexure-A which forms an integral part of this report.

### ANNEXURE A

To,  
The Members  
**KJMC Corporate Advisors (India) Limited**  
162, Atlanta, 16th Floor,  
Nariman Point, Mumbai – 400021.

\*My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the management of the company. Our responsibility is to make a report based on the secretarial records produced for our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our report.
3. My Responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to Secretarial Compliances.
4. I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
5. I have obtained the management's representation about the compliances of laws, rules, regulations and happenings of events, wherever required.
6. Compliance with the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management.

#### Disclaimer:

- \* I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
- \* This 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 Pinky Shethia and Associates,  
Company Secretary in Practice**

**CS Pinky Shethia Chheda  
Proprietor**

**Membership No.: A29237  
COP No.: 17344**

**Place: Mumbai  
Date: 19<sup>th</sup> June, 2020**

### MANAGEMENT DISCUSSION & ANALYSIS

#### OVERVIEW

The financial statements for the year have been prepared in compliance with the requirements of the Companies Act, 2013 and rules made thereunder, guidelines issued by the Securities and Exchange Board of India (SEBI), the Accounting Standards prescribed by the Institute of Chartered Accountants of India and the Generally Accepted Accounting Principles in India. Management accepts responsibility for the integrity and objectivity of these financial reported statements. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner and reasonably present our state of affairs, profits and cash flows for the year.

#### INDIAN ECONOMY

The COVID-19 pandemic is having a "severe" effect on the world economy and is expected to cause a -3% change (i.e., a contraction) in global output in 2020, "much worse" than the 2008-09 financial crises, as per the International Monetary Fund's (IMF) World Economic Outlook (WEO). India's growth is expected to dip to 1.9% in 2020 and rebound to 7.4% in 2021, as per the WEO, which was released by the Fund on Tuesday.

Owing to a strict nationwide lockdown due to the novel coronavirus, COVID-19, during the bulk of the first quarter of FY2020-21, India's Gross Domestic Product (GDP) for the April-June quarter (Q1) slipped by a sharp 23.9%, as per provisional estimates released by Ministry of Statistics and Programme Implementation (MoSPI) on Monday. The GDP had expanded by 5.2 per cent in the corresponding quarter of 2019-20.

Continued extensions to the lockdown imposed due to COVID-19 led to decrease in Private consumption. In contrast, the Government implemented relief measures and increased government consumption helped to curb the impact of the pandemic.

Cushioned by government spending and rural demand, manufacturing – especially consumer non-durables – and some categories of services, such as passenger vehicles and railway freight, have gradually recovered in Q2FY2021.

The RBI cut the Repo Rate five times in 2019 and consequently the repo rate came down from 6.0% in April 2019 to 4.4% in March 2020. Since May 2020, the RBI has maintained the repo rate at 4.00%. The reverse repo rate under the LAF stands at 3.35%, and the marginal standing facility (MSF) rate and the Bank Rate to 4.25%. The RBI is of the view that the underlying factors are essentially supply-side shocks which should dissipate over the ensuing months as the economy unlocks, supply chains are restored, and overall economic activity normalises.

The COVID-19 pandemic has exacerbated the woes of non-banking financial companies (NBFCs). The decline in non-bank credit growth, which started in the second half of fiscal 2019, continued through fiscal 2020, accentuated first by economic slowdown and then - more vigorously - by the pandemic. The Reserve Bank of India (RBI) has allowed lenders to extend moratorium on loans up to August 31, temporarily mitigating the hardship of borrowers. However, in the absence of any such moratorium on non-banks' capital market borrowings, ensuring adequate liquidity to meet repayments coming up in the near term has become the primary challenge for most NBFCs.

The NBFC sector is set to record their lowest loan growth in over a decade in the ongoing fiscal year of 2020.

## 1. COMPANY'S BUSINESS AND SERVICES OFFERED

Your Company is a Category-I Merchant Banker registered with the Securities & Exchange Board of India (SEBI). In spite of the effects of the COVID-19 pandemic, your Company foresees immense growth opportunities due to the subsequent pick-up in economic activity, increased focus on "Make In India" initiative leading to increasing role for the private sector, possible opening up of the Agriculture sector, further removal of Trade barriers, etc.. Governmental controls on most business activities are set to evaporate. The Country has highly talented and trained manpower which is attracting Global giants to set up manufacturing base in India. All these will usher in a period of sustained growth, opening immense opportunities for your Company in its core area of business.

The Company offers following Services to the Corporate Sector:

- (1) Merchant Banking Services:
  - (a) Syndication of Funds through Equity Capital Market – Initial Public Offers (IPOs), Offer For Sale, Rights Issue, Qualified Institutional Placements (QIPs).
  - (b) Other Merchant Banking Services – Buyback, Takeover, Delisting, Fairness Opinion, etc.
- (2) Mergers and Acquisition Advisory services.
- (3) Syndication of Funds through Seed Funding, Venture Capital, Angel Investors, Family Offices, Private Equity Funds, etc.
- (4) Syndication of Debt through Banks, Financial Institutions, Non-Banking Finance Company, etc.
- (5) Channel Financing
- (6) Advisory on Project Financing, Debt Restructuring, Debt Refinancing and One Time Settlement (OTS)
- (7) Valuation services for:
  - Overseas Direct Investment transactions
  - Foreign Direct Investment transactions
  - Transactions coming under the purview of Rule 11UB and Rule 11UC of Income Tax Rules
  - Requirements under Companies Act
  - Requirements under SEBI Regulations
- (8) ESOP Advisory services including Fair Market Value Certification
- (9) Corporate Advisory Services
- (10) Arrangers to shares of Unlisted / Pre-IPO companies

## 2. FINANCIAL REVIEW:-

### Consolidated

During the year under review, while the sentiments improved the Project and Corporate activities and growth will take some time to see its impact on the Company's revenue. Your Company earned the total consolidated revenue of Rs. 463.66 Lakhs as against Rs. 468.30 Lakhs in the previous year. The total expenditure during the year is Rs. 530.54 Lakhs as against Rs. 522.36 Lakhs in the previous year. The net loss for the year under review was Rs. 70.88 Lakhs as against net loss of Rs. 156.31 Lakhs in the previous year.

### Standalone

During the year under review, the total standalone revenue was Rs. 152.93 Lakhs as against Rs. 182.25 Lakhs in the previous year. The total expenditure during the year is Rs. 224.86 Lakhs as against Rs.

212.02 Lakhs in the previous year. The net loss for the year under review was Rs.69.82 Lakhs as against net profit of Rs. 28.31 Lakhs in the previous year.

Sr No	Name of Ratio	31.03.2020	31.03.2019	Reason for significant change
1	Debtors Turnover Ratio	3.214161292	5.639166535	The reduction in sales turnover led to the change in the ratio.
2	Inventory Turnover Ratio	Nil	Nil	-
3	Interest Coverage Ratio	-24.24	-14.35	The reduction in profit before tax led to the change in the ratio.
4	Current Ratio	0.30	0.48	The change in Current Assets and Current Liabilities both resulted in the change in ratio.
5	Debt Equity Ratio	0.030	0.006	
6	Operating profit Margin	-0.45	-0.15	The reduction in profit before tax led to the change.
7	Net Profit Margin	(0.457)	(0.155)	The change in total revenue and net profit led to change in the ratio.

## 3. BUSINESS OUTLOOK:-

As part of its service areas, your Company is striving hard for getting mandates across business verticals which includes Private Placements involving PE/VC Funds, managing Initial Public Offers, Rights Issues, Follow on Offers, Qualified Institutional Placements and Preferential Placements to institutional and strategic investors, Valuation Services and Corporate Advisory Services. Our expertise in due diligence, structuring, pricing and distribution combined with independent, unbiased and objective recommendation as corporate advisory has enabled us to face competition.

Your Company is also actively involved in arranging shares of Unlisted/ Pre IPO Companies.

The current slowdown in the Global and Indian Economy, mainly due to COVID-19, has negatively impacted the capital markets and led to continued volatility. In spite of this, many Companies which received approval for their Initial Public Offer (IPO) / Offer For Sale (OFS), came out with IPO / OFS and tasted great success. However, many Companies have delayed their fund raising plans due to volatile market conditions.

Economic activity is expected to gather pace in second half of FY2020-21 on account of recovery of investment and consumption, aided by government policies and increased public expenditure. This is expected to have a positive impact on the capital markets leading to healthy growth in fund-raising activities thus enabling more companies to tap the capital markets.

## 4. RISKS AND CONCERNS:-

The current business environment is increasingly complex, competitive and continuously evolving and thus subject to increasingly stringent regulatory and legislative framework. Risk is an integral part

of the financial services industry and almost every business decision requires the management to balance risk and reward with the ultimate aim of delivering superior shareholder value.

Your Company lays great importance on Risk Management and Risk Management has been an important and integral part of the operations of your Company. This ensures meeting the objectives of maintaining robust asset quality alongside growth in business. The Management regularly identifies, evaluates and reviews the various risks on an on-going basis and develops risk mitigation plans to minimize the overall impact of the various risks involved. The Company's operational processes are well defined and adherence to Maker/Checker mechanism ensures precise compliance with laid-down procedures. Additionally, independent Internal Audit firms have been appointed to review and report on the business processes. Being engaged in the business in a highly regulated industry; we are presented with risk containment measures in the very regulations.

The company's business could potentially be affected by the following factors:-

- Risk that a client will fail to deliver as per the terms of a contract with us or another party at the time of settlement;
- Impact of volatility in markets on our revenues and investments, sustainability of the business across cycles;
- Risk due to uncertainty of a counter party's ability to meet its financial obligations to us;
- Inability to conduct business and service clients in the event of a contingency such as a natural calamity, breakdown of infrastructure, etc.

### 5. OPPORTUNITIES AND THREATS:-

#### Opportunities:

- Focus on "Make in India" to boost various sectors of the economy
- Focus on continuous reforms by the Government of India
- Increased Agricultural production leading to growth in the Rural economy and stimulating rural demand
- Increased channelization of savings into financial assets
- Increased availability of credit for MSME / SME companies and increasing investments in Indian Companies by PE / VC Funds
- Favourable demographics like large young population with high disposable income, willingness to take risk, etc.

#### Threats:

- Effects of COVID19 leading to decline in overall economic activity;
- Geo-political tensions with China leading to disruption in supply chains;
- Increased incidence of frauds in NBFC, Banking and Broking sectors affecting overall availability of credit and leading to tightening of norms;
- Factors like excessive monsoon, rise in crude oil prices due to geo-political tensions, etc. may delay capex plans and impede growth;
- Increasing costs of compliance due to Regulatory changes;
- Increased competition from local and global players operating in India;
- Continuous downward pressure on the fees, commissions and brokerages caused by heightened competition and willingness of most players to deliver services at very low fees;
- Execution risk;
- High attrition rate of skilled and experienced human capital

### 6. ADEQUACY OF INTERNAL CONTROL SYSTEMS:-

Your Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. Your Company has a proper and adequate system of internal controls that includes, inter alia, segregation of duties, timely updations of records, etc. that covers operations, financial reporting, compliance with applicable laws and regulations, safeguarding assets from unauthorized use or disposal, and ensures compliance of corporate policies. Internal controls are reviewed periodically by the internal auditors, and are subject to management reviews with significant audit observations and follow up actions reported to the Audit Committee.

The Audit Committee actively the findings and recommendations of internal auditors so as to continuously monitor and improve internal controls to match the organisation's pace of growth and increasing complexity of operations as well as to meet the changes in statutory and accounting requirements. Significant deviations, if any, are brought to the notice of the Audit Committee and corrective measures are recommended for implementation with necessary oversight and directions. The Company continues its efforts to align all its processes and controls with global best practices.

### 7. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

In a competitive economy, the proper utilization of human resources plays a crucial role in shaping the future of the Company. The human resource philosophy and strategy of your Company believes human capital to be the most valuable asset. The Company's human resource policies create a sense of belonging in employees and nurture spirit of teamwork keeping the employees engaged and motivated.

Your Company has fostered a culture that rewards innovation, continuous learning, collaboration and development, making it future ready with respect to the challenges posed by ever-changing market realities.

The Company has well documented and updated policies in place to prevent any kind of discrimination and harassment, including sexual harassment. The Whistle Blower Policy plays an important role as a watchdog. Your Company maintains a cordial relationship with its employees.

### 8. CAUTIONARY STATEMENT

Some of the statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. The Company assumes no responsibility in respect of the forward-looking statements, which may undergo changes in future on the basis of subsequent developments, information or events.

## REPORT ON CORPORATE GOVERNANCE

In compliance with Regulation 34(3) and Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company submits the following report:

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company is committed to the adoption of best governance practices and their adherence in true spirit at all times. Your Company's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability and ethical behavior in all spheres of its operations and in all its communication with its stakeholders. Your Company continuously strives to achieve excellence in corporate governance through its values – Integrity, Commitment, Passion, Seamlessness and Speed.

### 2. BOARD OF DIRECTORS

#### (a) Board Composition & Meetings:

The Company believes that an active and well informed Board is necessary to ensure the highest standards of Corporate Governance.

As at March 31, 2020 the Board consists of (7) Seven Directors comprising of (6) Six Non-Executive Directors, including a woman Director, out of which three Directors are Independent and (1) One Executive Director. The composition of the Board represents an optimal mix of

professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Chairman of the Company is a non-executive Director. All Directors are from diverse backgrounds to effectively contribute to the Company's decision making process. The independent directors have confirmed to the Board that they meet the criteria of independence as specified under Section 149(6) of the Act and that they qualify to be independent directors pursuant to Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. They have further confirmed to the Board that they meet the required criteria for being the independent directors as outlined under Regulation 16(1)(b) of the Listing Regulations. The Board meetings are held at regular intervals to consider, discuss and approve inter alia, the unaudited and audited standalone and consolidated financial results of the Company, strategy and policy, risk management, competitive scenario, etc. During the financial year, the Board of Directors met Five (5) times during the year on May 22, 2019, August 22, 2019, September 11, 2019, December 9, 2019 and February 13, 2020 and the gap between two meetings did not exceed the statutory period laid down by the Companies Act, 2013 and the Secretarial Standard-1 issued by the Institute of Company Secretaries of India i.e. one hundred twenty days. The required quorum was present at all the above meetings.

The names and categories of the Directors on the board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships / memberships held by them in other public companies as on March 31, 2020 are given herein below.

Name of the Director	Category	Relationship with each other	Directorships held in other listed entities	Number of Board meetings during the year 2019-20		Whether attended last AGM held on September 30, 2019	Number of directorships in other companies	Number of committee positions held in other public companies*		No. of shares held in the Company along with % to the paid up share capital of the Company
				Held	Attended			Chairman	Member	
Mr. Inderchand Jain DIN:00178901	Promoter & Non-Executive Director (Chairman)	Father of Mr. Rajnesh Jain and Mr. Girish Jain & Father in law of Mrs. Shraddha Jain	Non-Executive - Non Independent Director of KJMC Financial Services Limited	5	4	Yes	6 <sup>s</sup>	1	2	1000 (0.03%)
Mr. Rajnesh Jain DIN:00151988	Promoter & Non-Executive Director	Son of Mr. Inderchand Jain ,Brother of Mr. Girish Jain and Husband of Mrs. Shraddha Jain	Whole time Director of KJMC Financial Services Limited	5	5	Yes	9 <sup>s</sup>	-	2	380518 (9.69%)
Mr. Girish Jain (Whole Time Director) DIN:00151673	Promoter & Executive Director	Son of Mr. Inderchand Jain and Brother of Mr.Rajnesh Jain	Non-Executive - Non Independent Director of KJMC Financial Services Limited	5	5	Yes	6 <sup>s</sup>	-	1	380518 (9.69%)
Mr. S.C. Aythora DIN:00085407	Independent Director	**	Non-Executive - Independent Director of KJMC Financial Services Limited and Gold Rock Investments Limited	5	5	Yes	18	2	3	350 (0.009%)
Mr. Nitin Kulkarni DIN: 02297383	Independent Director	**	Non-Executive - Independent Director of KJMC Financial Services Limited	5	5	Yes	2	1	3	250 (0.007%)



## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

Name of the Director	Category	Relationship with each other	Directorships held in other listed entities	Number of Board meetings during the year 2019-20		Whether attended last AGM held on September 30, 2019	Number of directorships in other companies	Number of committee positions held in other public companies*		No. of shares held in the Company along with % to the paid up share capital of the Company
				Held	Attended			Chairman	Member	
Mrs. Shraddha Jain DIN:00156306	Non-Executive Director	Daughter-in law of Mr. Inderchand Jain and Wife of Mr. Rajnesh Jain	Non-Executive - Non Independent Director of KJMC Financial Services Limited	5	5	Yes	10	-	-	-
Mr. Anil Sampat DIN: 06735051	Independent Director	**		5	5	Yes	1			5500 (0.14%)
#Mr. Rameshchandra Jain DIN: 00960613	Independent Director	**		5	5	Yes	-	-	-	-

\*Position in Audit Committee and Stakeholders Relationship Committee only (excluding Private Limited Company, Foreign Company and Section 8 Company) as provided in Regulation 26(1) of Listing Regulations.

# Mr. Ramesh Chandra Jain, Non-Executive Independent Director (DIN: 00960613) of the Company has resigned w.e.f. March 12, 2020 owing to disqualification incurred under section 164(2) of the Companies Act, 2013.

\*\* No inter-se relationship with any of the Directors of the Company.

\*\*\* As per the declarations made to the Company by the Directors as to the shares held in their own name or held jointly as the first holder or held on beneficial basis as the first holder.

§ The Mumbai Bench of the Hon'ble National Company Law Tribunal (NCLT) vide its order dated April 27, 2020 has granted approval for the scheme of Amalgamation of KJMC Commodities Market India Limited ("the Transferor company") with KJMC Capital Market Services Limited ("the Transferee company") and their respective Shareholders.

In accordance with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the directors on the board hold directorships in more than ten public companies and none of them is a member of more than ten committees or chairman of more than five committees across all public companies in which they are directors. In compliance with Section 165 of the Companies Act, 2013, none of the Directors on the Board hold directorship in more than 20 (Twenty) companies at the same time with the directorship in public companies not exceeding 10 (Ten).

The familiarization programme for Independent Directors in terms of provisions of Listing Regulations is uploaded on the website of the Company: [www.kjmcfinanserv.com](http://www.kjmcfinanserv.com)

The Company provides teleconference/Video Conference facilities to Directors to participate in the meetings.

### (b) Board Procedures

The Agenda for the meetings is circulated well in advance to the Board of Directors. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate informed decisions. The Board is also kept informed of major events/items and approvals taken wherever necessary. At the Board meetings, the Board is apprised of the overall performance of the Company.

The Company adheres to the provisions of the Companies Act,

2013 read with the Rules issued thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees.

The day-to-day management of the Company is entrusted with the Executive Director and the Senior Management Personnel of the Company who function under the overall supervision, director and control of the Board of Directors

### (c) Key Board qualifications, expertise and attributes

The Company's core business(es) include Merchant banking activities such as issue management, Corporate Restructuring, Valuations etc., in India.

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's aforesaid business(es) for it to function effectively and those available with the Board as a whole.

- i) **General management/Governance:** Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.
- ii) **Financial skills:** Understanding the financial statements, financial controls, risk management, mergers and acquisition, etc.
- iii) **Technical skills and professional skills** and knowledge including legal and regulatory aspects.

### (d) Skills/expertise/competencies identified by the Board of Directors (as on 31<sup>st</sup> March 2020)

The core skills/expertise/competencies available with the Board and taken into consideration while nominating any candidate to serve on the Board are:

Sr No	Name of Director	Finance, Accountants & Risk Managements	Business & Senior Management	Leadership & Governance	Legal Regulatory Matters
1.	Mr. Inderchand Jain	✓	✓	✓	✓
2.	Mr. Girish Jain	✓	✓	✓	✓
3.	Mr. Rajnesh Jain	✓	✓	✓	✓
4.	Mrs. Shraddha Jain	-	✓	✓	-
5.	Mr. Sureshchandra Aythora	✓	✓	✓	✓
6.	Mr. Nitin Kulkarni	✓	✓	✓	✓
7.	Mr. Anil Sampat	✓	✓	✓	✓



### 3. AUDIT COMMITTEE

The Committee composition and terms of reference are in compliance with the provision of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Members of the Audit Committee possess requisite qualifications and expertise.

#### (a) The terms of reference:

The Audit Committee provides direction to the audit and risk management function in the Company and monitors the quality of internal audit and management audit. The terms of reference of the audit committee have been specified in writing by the Board of Directors of the Company in accordance with section 177 (4) of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

#### (b) Composition & Meetings:

The Committee met (5) Five times during the year on May 22, 2019, August 22, 2019, September 11, 2019, December 9, 2019 and February 13, 2020 and the gap between two meetings did not exceed one hundred twenty days. The necessary quorum was present for all the meetings.

The composition of the audit committee and the details of meetings attended by its members are given below:

Name of Director	Executive/Non-Executive/ independent	No. of Meetings attended during the year 2019-20	
		Held	Attended
Mr. Nitin Kulkarni	Chairman- Independent Director	5	5
Mr. S. C. Aythora	Member- Independent Director	5	5
Mr. Inderchand Jain	Member- Non Executive Director	5	4

All the members of the Audit Committee are financially literate and have accounting or related financial management expertise. The audit committee invites executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings. The Company Secretary acts as the secretary to the audit committee. The last Annual General Meeting (AGM) of the Company was held on September 30, 2019 and was attended by Mr. Nitin Kulkarni, Chairman of the Audit Committee.

### 4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of the Company is constituted in accordance with the Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013

#### (a) Terms of Reference:

The terms of reference of Nomination and Remuneration Committee consists of making recommendations on matters related to appointment, remuneration of Directors and Senior Management, review of performance-based remuneration with reference to corporate goals and objectives, frame policy and

review the process of succession planning at key levels in the Company and other related matters.

#### (b) Composition & Meetings:

The Committee met once during the year on May 22, 2019. The composition of the nomination and remuneration committee and the details of meetings attended by its members are given below:

Name of Director	Category	No. of meetings during the financial year 2019-20	
		Held	Attended
Mr. Nitin Kulkarni	Chairman- Independent Director	1	1
Mr. S.C. Aythora	Member- Independent Director	1	1
Mr. Rajnesh Jain	Member-Non-Executive Director	1	1

#### (c) Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by independent director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

#### (d) Remuneration Policy:

The Nomination and Remuneration Committee is fully empowered to determine/ approve and revise, subject to necessary approvals, the remuneration of managerial personnel including Managing Director/ Whole Time Director after taking into account the financial position of the Company, trends in the industry, qualifications, experience, past performance and past remuneration, etc.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

The Independent Director shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/ Committee meetings.

A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

Nomination and Remuneration Committee recommend the remuneration for the Chairman and Whole Time Director, Senior Management and Key Managerial Personnel. The payment of remuneration to Executive Directors is approved by the Board and Shareholders.

## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

**(e) Details of sitting fees paid to the Directors for the year ended March 31, 2020:**

The Non-Executive Directors are paid sitting fees of Rs. 4000/- for every meeting of the Board of Directors and Rs. 1000/- for every meeting of the Audit Committee and Nomination & Remuneration Committee. Independent Directors are paid sitting fees of Rs. 4000/- for Independent Directors Meeting. The remuneration by way of sitting fees for attending Board, Audit Committee, Nomination & Remuneration Committee and Independent Directors Meetings paid to Directors are as follows:

(Amount in Rs.)

Name of Director	Sitting Fees			
	Board Meeting	Audit Committee Meeting	Nomination & Remuneration Committee Meeting	Independent Directors Meeting
Mr. S.C. Aythora	20000	5000	1000	4000
Mr. Nitin Kulkarni	20000	5000	1000	4000
Mr. Inderchand Jain	16000	4000	-	-
Mr. Rajnesh Jain	20000	-	1000	-
Mrs. Shraddha Jain	20000	-	-	-
Mr. Anil Sampat	20000	-	-	4000
Mr. Rameshchandra Jain	20000	-	-	4000

**(f) Details of remuneration paid to the Executive Directors for the year ended March 31, 2020:**

(Amount in Rs.)

Name of Whole Time Director	Salary as per 17 (1) of the IT Act	Benefits perquisites and allowances as per 17(2) IT Act	Contribution to provident fund	Total	Service contract / Notice period
Mr. Girish Jain	24,00,000	55,28,346	2,88,000	82,16,346	Three years from April 01, 2016 to March 31, 2019. Re-appointed for a further period of 3 years from April 01, 2019 to March 31, 2022.

**(g) Details of equity shares of the Company held by the Directors as on March 31, 2020 are given below:**

Name	Number of equity shares
Mr. Inderchand Jain	1000
Mr. Rajnesh Jain	380518
Mr. Girish Jain	380518
Mr. S. C. Aythora	350
Mr. Nitin Kulkarni	250
Mr. Anil Sampat	5500

**5. SHARE TRANSFER AND STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Share Transfer and Stakeholders Relationship Committee composition and the terms of reference are in compliance with the provisions of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The role and functions of the Share Transfer and Stakeholders Relationship Committee are the effective redressal of grievances of shareholders, debenture holders and other security holders including complaints related to transfer of shares, non-receipt of balance sheet, non- receipt of declared dividends. The Committee overviews the steps to be taken for further value addition in the quality of service to the investors.

During the year, NIL complaints were received from shareholders. As on March 31, 2020, no investor grievance has remained unattended/ pending for more than thirty days. The Board has delegated the powers to approve transfer of securities allotted by the Company to this Committee. As on March 31, 2020, no transfer was pending.

The Committee is headed by Mr. Inderchand Jain, Non-Executive Director and consists of the members as stated below. During the year ended on March 31, 2020, (4) Four meetings were held on April 5, 2019, April 19, 2019, May 3, 2019 and August 30, 2019.

The composition of the Share Transfer and Stakeholders Relationship Committee and the details of meetings attended by its members are given below:

Sr. No.	Name of Director	Category	No. of meetings during the financial year 2019-20	
			Held	Attended
1.	Mr. Inderchand Jain	Chairman -Non- Executive Director	4	4
2.	Mr. Nitin Kulkarni	Member-Independent Director	4	4
3.	Mr. Rajnesh Jain	Member- Non-Executive Director	4	4
4.	Mr. Girish Jain	Member- Executive Director	4	4

**Name, designation and address of Compliance Officer:**

**Ms. Bhavika Dalal**  
**Company Secretary and Compliance Officer**  
 KJMC Corporate Advisors (India) Limited  
 162, Atlanta, 16th Floor, Nariman Point, Mumbai 400 021  
 Telephone: 022-40945500, Ext: 131 Fax: 91 22 22852892  
 Email: [investor.corporate@kjmc.com](mailto:investor.corporate@kjmc.com)

**6. INDEPENDENT DIRECTORS MEETING**

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25(3) of Listing Regulations, a meeting of the Independent Directors of the Company was held on February 13, 2020.

## 7. CREDIT AND INVESTMENT COMMITTEE

In addition to the above referred Committees which are mandatory under the Companies Act 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under the SEBI Guidelines, the Board of Directors has constituted Credit and Investment committee for considering and approving the proposals of investing the funds of the Company and to grant loan or give guarantee or provide security in respect of loans. The committee comprises of Mr. Inderchand Jain, Chairman, Mr. Girish Jain and Mr. Rajnesh Jain as the members of the Credit and Investment Committee. During the year ended March 31, 2020, (1) One meeting was held on April 8, 2019.

The composition of the Credit and Investment Committee and the details of meetings attended by its members are given below:

Sr. No.	Name of Director	Category	No. of meetings during the financial year 2019-20	
			Held	Attended
1.	Mr. Inderchand Jain	Chairman - Non-Executive Director	1	1
2.	Mr. Girish Jain	Executive Director	1	1
3.	Mr. Rajnesh Jain	Non-Executive Director	1	1

## 8. GENERAL BODY MEETINGS:

### (a) Annual General Meeting:

The particulars of Annual General Meetings of the Company held in last three years are as under:

Year	AGM	Location	Date	Time	No. of special resolution passed
#2018-19	AGM	Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point Mumbai – 400021	30/09/2019	11.30 A.M.	3
**2017-18	AGM	Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point Mumbai – 400021	22/09/2018	10.00 A.M.	2
*2016-17	AGM	S. K. Somani Memorial Hall, Hindi Vidya Bhavan, 'F' Road, Marine Lines, Mumbai -400020	23/09/2017	10.00 A.M.	1

# Special Resolution for the following was passed in AGM held on **September 30, 2019**

1. Re-appointment of Mr. Girish Jain, Whole-time Director of the Company for a period of 3 (three) years from April 01, 2019 to March 31, 2022.
2. Re-appointment of Mr. S.C. Aythora as an Independent Director of the Company for second term of 5 years
3. Re-appointment of Mr. Nitin Kulkarni as an Independent Director of the Company for second term of 5 years

\*\* Special Resolution for the following was passed in AGM held on **September 22, 2018**

1. Continuation of appointment of Mr. Inderchand Jain, Chairman and Non Executive Director of the company aged 78 years whose terms of office shall be liable to determination by retirement by rotation.
2. Appointment of Mr. Anil Sampat as an Independent Director of the Company and on attaining age of 75 years in October, 2019

\*Special Resolution for Adoption of new set of Articles of Association u/s 14 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 was passed in AGM held on **September 23, 2017**.

### (b) Extra Ordinary General Meeting:

No Extra Ordinary General Meeting of the members was held during the year 2019-20.

### (c) Special Resolution passed through Postal Ballot:

During the year under review, no resolution was passed through postal ballot.

## 9. DISCLOSURES

- i. None of the transactions with any of the related party are in conflict with the interest of the Company at large. The board has approved a policy for related party transactions which has been uploaded on the Company's website.
- ii. The Company has complied with all the requirements of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital market during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other Statutory Authorities.
- iii. The Company has adopted Whistle Blower Policy/Vigil Mechanism for Directors and Employees to report concerns about unethical behavior. No person has been denied access to the audit committee. The said policy has been also put up on the website of the Company.
- iv. The Company has also adopted policy for Determination of Materiality of Events and Information and Policy on Preservation of Documents. The said policies have been also put up on the website of the Company.
- v. There have been no instances of non-compliances by the Company and no penalties and/or strictures have been imposed on it by Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets during the previous three financial years.

### 10. MEANS OF COMMUNICATION

Effective communication of information is an essential component of Corporate Governance. It is the process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes relations between the management and shareholders. The Company regularly interacts with its shareholders through multiple channels of communication.

#### a. Quarterly Results

The Company has promptly reported all material information including quarterly results to BSE Limited, where the Company's securities are listed. The quarterly, half-yearly and annual results of the Company are published in national and regional newspapers in India which include Free Press Journal and Nav Shakti. The Company also sends the financial results to the Stock Exchange immediately after its approval by the Board. These results are simultaneously posted on the website of the Company. No presentations were made to the Institutional Investor's or analysts during the year under review.

#### b. Website

The Company's website viz., [www.kjmcfinserve.com](http://www.kjmcfinserve.com) provides information about the businesses carried on by the Company, its subsidiaries and associate. It is the primary source of information to all the stakeholders of the Company and to general public at large. It also contains a separate dedicated section on Investor Relations. Financial Results, Annual Reports, Shareholding Pattern, Official News Releases various policies adopted by the Board and other general information about the Company and such other disclosures as required under the Listing Regulations, are made available on the Company's website.

#### c. Annual Report

Annual Report containing, inter alia, the Standalone and Consolidated Financial Statements, Board's Report, Auditors' Report and other important information is circulated to the shareholders of the Company prior to the Annual General Meeting. The Report on Management Discussion and Analysis forms part of this Annual Report. The Annual Report of the Company is also available on its website and also on the website of BSE.

#### d. Designated Exclusive Email-ID

The Company has designated an email id exclusively for its shareholders viz., [investor.corporate@kjmc.com](mailto:investor.corporate@kjmc.com) for the purpose of registering complaints by investors and the same is displayed on the Company's website.

#### e. Price Sensitive Information

All price sensitive information and such other matters which in the opinion of the Company are of importance to the shareholders/investors are promptly intimated to the Stock Exchanges in terms of the Company's Policy for Determination of Materiality of Events/Information and the Listing Regulations.

#### f. Web link where policy for determining 'material' subsidiaries and policy on dealing with related party transactions is disclosed;

As per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, the Company has formulated a policy on Related Party Transactions and policy on Material Subsidiaries. The same have been uploaded on the website of the Company [http://kjmcfinserve.com/investor\\_relation](http://kjmcfinserve.com/investor_relation)

g. No presentations were made to the institutional investors or to analysts during the year under review.

h. Further, the annual reports containing Audited Standalone and Consolidated Financial Statements of the Company together with Directors' Report, Auditors' Report and other important information are circulated to the members and others entitled thereto. However, this year in view of the outbreak of COVID-19 pandemic and owing to the difficulties involved in dispatching of physical copies of Annual Report, the Ministry of Corporate Affairs ("MCA") has vide its circular no 20/2020 dated May 05, 2020 directed the Companies to send the Annual Report only by e-mail to all the Members of the Company. Therefore, the Annual Report for FY 2019-20 and Notice of Twenty-Second (22<sup>nd</sup>) AGM of the Company is being sent to the Members at their registered e-mail addresses in accordance with said circular.

### 11. GENERAL SHAREHOLDER'S INFORMATION

#### i. Annual General Meeting scheduled to be held:

Date : December 24, 2020

Time : 10:30 a.m.

Venue : Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai -400 021.

#### ii. Financial year:

The Company follows the period of April 1 to March 31, as the Financial Year. Tentative Financial calendar for the financial year 2020-21 is as under:

Financial Reporting for the Financial Year 2020-21	Tentative month of reporting
Un-audited Financial Results for the quarter ending June 30, 2020	On or before September 15, 2020 (Due to COVID-19 extension was granted by SEBI)
Un-audited Financial Results for the quarter and half year ending September 30, 2020	On or before November 14, 2020
Un-audited Financial Results for the quarter and nine months ending December 31, 2020	On or before February 14, 2021
Audited Financial Results for the quarter and year ending March 31, 2021	On or before May 30, 2021

#### iii. Book Closure:

The Register of Members and Share Transfer Books will remain closed from Friday, December 18, 2020 to Thursday, December 24, 2020 (both days inclusive) for the purpose of AGM.

#### iv. Dividend Payment Date:

No dividend recommended on the Equity Shares of the Company.

#### v. Listing of Equity Shares on Stock Exchanges:

Equity Shares of the Company are listed on BSE Limited (BSE).

**Address:** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

Annual listing fees for the financial year 2019-2020 has been paid to the BSE Limited, Mumbai.

**vi. Stock Code:**

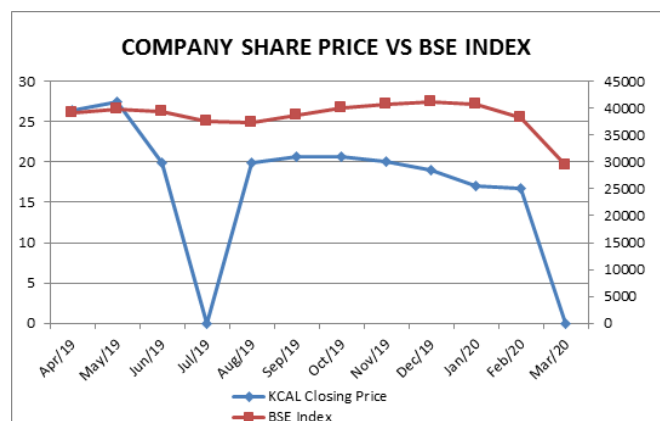
(I) BSE Limited, Mumbai (BSE): B-532304  
- ISIN – INE602C01011

**vii. Stock Price Data:**

Month wise high and low price of the Company's Shares at BSE Limited (BSE) from April, 2019 to March, 2020 are as under:

Month	BSE Sensex (Close)	BSE Limited (BSE)		No of shares traded during the month	Total Turnover
		High (Rs.)	Low (Rs.)		
April, 2019	26.4	27.9	26.4	1579	43609
May, 2019	27.5	27.5	26.4	192	5277
June, 2019	19.9	26.15	19.9	1123	23905
July, 2019	-	-	-	-	-
August, 2019	19.9	19.9	19.9	1	19
September, 2019	20.6	20.85	20.6	150	3102
October, 2019	20.6	20.6	20.6	3	61
November, 2019	20	20.5	20	248	4985
December, 2019	19	19	19	165	3135
January, 2020	17.1	18.05	16.3	137	2375
February, 2020	16.8	16.8	16.8	588	9878
March, 2020	-	-	-	-	-

**viii. Performance of the share price of the Company in comparison to the BSE Sensex:**



**ix. Registrar & Transfer Agent:**

Bigshare Services Private Limited  
1st Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri (East) Mumbai 400059,  
Tel No. : 022 62638200, Fax No: 022 62638299  
email id: [investor@bigshareonline.com](mailto:investor@bigshareonline.com).

**x. Share Transfer System:**

Shares sent for transfer in physical form to R&T Agents, are registered and returned within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Company obtains, from a company secretary in practice, half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations, and files a copy of the same with the Stock Exchange. The Share Transfer Committee

meets generally as and when required basis to consider the transfer proposals.

**xi. Shareholding as on March 31, 2020:**

**a. Distribution of shareholding as on March 31, 2020**

Category (Shares)	Number of Share holders	% of Total Holders	Share Amount in Rs.	% of Total Amount	
1	500	3535	95.7735	276297	7.0368
501	1000	59	1.5985	46664	1.1885
1001	2000	37	1.0024	53056	1.3512
2001	3000	15	0.4064	36426	0.9277
3001	4000	4	0.1084	14073	0.3584
4001	5000	6	0.1626	28801	0.7335
5001	10000	10	0.2709	64442	1.6412
10001	999999999	25	0.6773	3406681	86.7626
<b>TOTAL</b>		<b>3691</b>	<b>100</b>	<b>39264400</b>	<b>100</b>

**b. Shareholding pattern as on March 31, 2020**

The shareholding of different categories of the shareholders as on March 31, 2020 is given below:

Category	Number of shares	Percentage %
Promoter and Promoters Group	2462994	62.73
Directors, their Relatives	7000	0.20
Central / State Govt (s)	0	0
Bodies Corporate	374607	9.54
Financial Institutions/Banks	65400	1.67
Foreign Investors (FIIs /NRIs /OCBs /Foreign Bank/Foreign Corporate Bodies)	810	0.02
Others	1015629	25.87
<b>TOTAL</b>	<b>3926440</b>	<b>100</b>

**xii. De-materialization of Shares**

Trading in Equity Shares of the Company is permitted in dematerialized form with effect from 29th January, 2001 as per notification issued by the Securities & Exchange Board of India (SEBI). As on March 31, 2020, out of 3926440 Equity Shares, 3636423 Equity Shares representing 92.61% of the total paid up capital are held in dematerialized form with NSDL and CDSL.

**xiii. Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity.**

The Company had issued and allotted 7,90,000 Convertible Warrants to the Promoters of the Company on preferential basis on March 15, 2019. The Warrant Holders are entitled to get allotted one equity share of face value of Rs. 10/-<sup>1</sup> (Rupee Ten only) each (the "Equity Shares") for each Warrant held, within a period of 18 (Eighteen) months from the date of allotment of Warrants, at a price of Rs. 28.15 each (Rupees Twenty Eight and Paise Fifteen Only) which is more than the price as arrived in accordance with SEBI (ICDR) Regulations, aggregating to Rs. 2,22,38,500 (Rupees Two Crores Twenty Two Lakhs and Thirty Eight Thousand Five Hundred Only) allottees have paid 25% of the Total consideration of the warrants to the company.



Out of 7,90,000 warrants, 3,70,000 warrants were converted into equity shares of Rs. 10/- each at a price of at a price of Rs.28.15 on January 23, 2019 and balance 4,20,000 warrants were converted into equity shares of Rs. 10/- each at a price of at a price of Rs.28.15 on May 22, 2019.

The Company has not issued any GDRs / ADRs in the past and hence as on March 31, 2020, the Company does not have any outstanding GDRs / ADRs.

**xiv. Plant Locations:**

The Company is engaged in financial services business and does not have any plant.

**xv. Address for correspondence:**

KJMC Corporate Advisors (India) Limited  
162, Atlanta, 16th Floor, Nariman Point, Mumbai - 400 021.  
Tel: 022-40945500 Fax: 022-22852892  
Email: [investor.corporate@kjmc.com](mailto:investor.corporate@kjmc.com)  
Website: [www.kjmcfinserv.com](http://www.kjmcfinserv.com)

**xvi. Commodity price risk or Foreign exchange risk and hedging activities**

The Company does not deal with any commodity and hence not exposed to any commodity price risk. As on March 31, 2020, the Company does not have any foreign exchange receivable and foreign exchange payable.

**xvii. The Company is not required to obtain any credit ratings.**

### 12. OTHER INFORMATION

**i. Compliance with the Mandatory requirements and Implementation of the Non-mandatory requirements:**

The Company has complied with the mandatory requirement of the Corporate Governance as stipulated under Regulation 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has not implemented the non-mandatory requirements except stated otherwise in this Annual Report.

**ii. Total fees paid to Statutory Auditors:**

The total amount of fees paid to the Statutory Auditors of the Company during the financial year 2019-2020 is stated in the Notes to financial statements, which forms a part of this Annual Report.

**iii. Company Secretary in Practice Certification:**

In accordance with the SEBI (Listing Obligations and Requirement) Regulations, 2015, the Company has obtained the certificate from M/s. Bhadresh Shah & Associates, Company Secretary, confirming that as on March 31, 2020, none of the Directors on the Board of the Company are debarred or disqualified from being appointed or continuing as directors by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such authority and the same is annexed to this Report.

**iv. Disclosures related to Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013: Not Applicable**

**v. Recommendation of the Committees:**

During the financial year ended March 31, 2020 the Board of Directors has accepted recommendations of the committees of the Board.

**vi. Disclosure on compliance with Corporate Governance Requirements:**

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations. The Company has complied with the requirements of Part C (Corporate Governance Report) of sub- paras (2) to (10) of Schedule V of the Listing Regulations

**vii. Prevention of Insider Trading Code:**

The Company has adopted a Code of Conduct to Regulate, Monitor and Report trading by Designated Persons (Insider Trading Code) under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (SEBI Insider Trading Regulations). SEBI notified several amendments to SEBI Insider Trading Regulations pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 which were effective from 1st April, 2019.

In accordance with the said amendments to the SEBI Insider Trading Regulations, it was, inter alia, required to amend/ formulate the following:

- Code of Conduct to Regulate, Monitor and Report trading by Designated Persons
- Policy for determination of 'legitimate purposes' as a part of 'Code of Fair Disclosure and Conduct'
- Policy for inquiry in case of leak of Unpublished Price Sensitive Information (UPSI)
- Whistle Blower Policy to enable reporting in case of leak of UPSI

The Board of Director by passing circular resolution on March 31, 2019, approved formulation/amendments to the aforesaid.

All the Directors, employees at Senior Management and other employees who could have access to the unpublished price sensitive information of the Company shall be governed by this code.

The Audit Committee shall review cases of non-compliances, if any, and makes necessary recommendations w.r.t. action taken against such defaulters. The said non – compliances shall also be promptly intimated to SEBI. The Code of Conduct to Regulate, Monitor and Report trading by Designated Persons, Code of Fair Disclosure & Conduct and Whistle Blower Policy have been uploaded on website of the Company and can be accessed through the following link: [http://kjmcfinserv.com/investor\\_relation](http://kjmcfinserv.com/investor_relation)

**viii. CEO/CFO Certification**

Whole Time Director/Chief Financial Officer (CFO) have issued certificate as specified in Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the financial year ended March 31, 2020 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.



**ix. Compliance with Mandatory Requirements**

The Company has complied with all mandatory requirements of the listing regulations.

**x. Modified/ Unmodified opinion(s) in audit report**

The Company is in the regime of financial statements with unmodified audit opinion.

**xi. Separate posts of Chairperson and Chief Executive Officer**

The chairman is a Non- Executive Director of the Company.

**xii. Reporting of Internal Auditor**

The Internal Auditor reports directly to the Audit Committee.

**xiii. Details of utilization of funds raised through preferential allotment (Conversion of warrants)**

The funds raised through preferential allotment (Conversion of warrants) were utilized for business and general corporate purposes.

**xiv. DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed the compliance with the provisions of the code of conduct for the financial year ended on March 31, 2020.

Place: Mumbai  
Date: November 13, 2020

**Girish Jain**  
**Whole Time Director**  
**DIN:- 00151673**

### Corporate Governance Compliance Certificate

To,  
The Members,  
KJMC Corporate Advisors (India) Limited  
162, Atlanta, 16th floor,  
Nariman Point,  
Mumbai- 400021.

CIN: L67120MH1998PLC113888

#### **Sub : Practising Company Secretary's Certificate Regarding Compliance of Conditions of Corporate Governance**

I have examined the compliance of the conditions of Corporate Governance by KJMC Corporate Advisors (India) Limited ('the Company') for the year ended on March 31, 2020, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C & D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned SEBI Listing Regulations for the year ended on March 31, 2020.

I further state that such compliance 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.

**Bhadresh Shah**  
Proprietor  
**Bhadresh Shah and Associates**

**Membership No.: 23847**  
**CP No.:15957**  
**UDIN: A023847B001226323**

Place: Mumbai  
Date: 13.11.2020

## 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,  
KJMC Corporate Advisors (India) Limited  
162, Atlanta, 16th floor,  
Nariman Point,  
Mumbai- 400021

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **KJMC Corporate Advisors (India) Limited having CIN L67120MH1998PLC113888** and having registered office at **162, Atlanta, 16th floor, Nariman Point, Mumbai- 400021** (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 verification (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below as on March 31, 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 or any such other Statutory Authority.

Sr. No.	DIN	Name of Director	Date of Appointment in Company
1.	00178901	Mr. Inderchand Mohanlal Jain	09.03.1998
2.	00151673	Mr. Girish Inderchand Jain	09.03.1998
3.	00151988	Mr. Rajnesh Inderchand Jain	01.11.2010
4.	00156306	Mrs. Shraddha Rajnesh Jain	30.03.2015
5.	00085407	Mr. Sureshchandra Chhanalal Aythora	26.12.2008
6.	02297383	Mr. Nitin Vasant Kulkarni	31.07.2008
7.	06735051	Mr. Anil Vallabhdas Sampat	22.09.2018

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My 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.

**Bhadresh Shah**  
Proprietor  
**Bhadresh Shah and Associates**

**Membership No.: 23847**  
**CP No.:15957**  
**UDIN: A023847B001226268**

Place: Mumbai  
Date: 13.11.2020

**Independent Auditor’s Report**

To the Members of KJMC Corporate Advisors (India) Limited

**Report on the Audit of Standalone Financial Statements**

**Opinion**

We have audited the accompanying standalone Ind AS financial statements of **KJMC Corporate Advisors (India) Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss, including the Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 state of affairs of the Company as at March 31, 2020, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the 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 (ICAI) together with the ethical requirements that are relevant to our audit of

the standalone Ind AS financial statements under the provisions of the Act 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 on the standalone Ind AS financial statements.

**Emphasis of Matter**

We draw attention to note 38 of the Ind AS financial statements which describes the uncertainty caused by Novel Corona virus (COVID-19) pandemic with respect to the impact on the business operations. Our opinion is not modified in respect of this matter.

**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 31 March 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 each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters 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 these matters. 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 matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

1) Impairment of Investments	Auditor’s Response
<p>Where impairment indicators have been identified, the quantification of impairment in the carrying value of investments is considered to be a risk area due to the judgmental nature of key assumptions. The estimated recoverable amount is subjective due to the inherent uncertainty involved in forecasting and discounting future cash flows. The most significant judgements are:</p> <ul style="list-style-type: none"> <li>• Timely identification of diminution in the value of investments.</li> <li>• Proper estimation of fair market value in respect of listed and unlisted investments.</li> </ul>	<p>Tested the design and effectiveness of internal controls implemented by the management for following:</p> <ul style="list-style-type: none"> <li>• Identification of any diminution in the value of investments.</li> <li>• Collection of relevant data to estimate the fair market value of investments at the balance sheet date</li> <li>• To ascertain the sufficiency of amount of provision in case of diminution in value of investments</li> <li>• Management’s judgement applied for the key assumptions used for the purpose of determination of impairment provision</li> <li>• Completeness and accuracy of the data inputs used</li> <li>• We critically assessed and tested the key underlying assumptions and significant judgements used by management.</li> <li>• For investments identified by management as potentially impaired, examined the same and checked the calculation of the impairment</li> <li>• Examined the investments which had not been identified by management as potentially impaired and formed our own judgement as to whether that was appropriate through examining available information.</li> </ul>

**Other Information**

The other information comprises the information included in the Annual Report but does not include the standalone Ind AS financial statements and our auditor’s report thereon. The Company’s Board of Directors is responsible for the other information.

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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, Management 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 Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance 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 standalone 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 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 Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to standalone Ind AS financial statements 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 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 standalone Ind AS 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.

**Other Matters**

The financial statements of the Company for the year ended March 31, 2019 were audited by another auditor whose report dated May 22, 2019 expressed an unqualified opinion.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "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 Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 with reference to standalone Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors 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 does not have any pending litigations which would impact its financial position
  - ii. The Company did not have any long-term contracts including derivative contracts for which there 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 V.P. Thacker & Co.**

Chartered Accountants  
Firm Registration No: 118696W

**Abuali Darukhanawala**

Partner  
(Membership No: 108053)  
UDIN No: 20108053AAAAHU7102  
Place: Mumbai  
Date: July 28, 2020

**Annexure A to Independent Auditor's Report**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the standalone Ind AS financial statements for the year ended on March 31, 2020]

- |   |   |
|---|---|
| <p>i. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.</p> <p>(b) These fixed assets have been physically verified by the Management at reasonable intervals during the year. No material discrepancies were noticed on such verification.</p> <p>(c) The title deeds of immovable properties are held in the name of the Company.</p> <p>ii. The Company does not have inventory. Accordingly, clause 3 (ii) of the Order are not applicable.</p> <p>iii. The Company had granted unsecured loans to Companies covered in the register maintained under section 189 of the Companies Act, 2013.</p> <p>(a) In our opinion, the terms and conditions on which the loan had been granted to the company listed in the register maintained under Section 189 were not, prima facie, prejudicial to the interest of the Company.</p> <p>(b) the schedule of repayment of principal and payment of interest had been stipulated and the repayment of the principal amount and the interest were regular;</p> <p>(c) There is no overdue amount in respect of loan granted to such company.</p> <p>iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans given, investments made, guarantees and security given by the Company.</p> <p>v. The Company has not accepted any deposit from the public and consequently the directives issued by the Reserve Bank of India, provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, with regard to the deposits accepted from the public are not applicable to the Company.</p> <p>vi. We are informed that the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act, 2013, which has been relied upon.</p> <p>vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, it is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, income tax, goods and services tax, duty of customs, cess and other material statutory dues applicable to it.</p> <p>(b) According to the information and explanations given to us, no undisputed amounts payable in respect of above which were outstanding, as at March 31, 2020 for a period of more than six months from the date on which they became payable.</p> <p>(c) According to the information and explanations given to us, there are no dues of income tax, goods and services tax, duty of customs, which have not been deposited on account of any dispute.</p> | <p>viii. Based on our audit procedure and according to the information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings to financial institution or bank. The Company does not have any outstanding debentures.</p> <p>ix. Based on our audit procedure and according to the information and explanations given to us by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.</p> <p>x. According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds by the Company or on the Company by any of its officers or employees noticed or reported during the course of our audit.</p> <p>xi. According to the information and explanations given to us, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.</p> <p>xii. In our opinion, the Company is not a Nidhi Company. Accordingly, clause 3 (xii) of the Order is not applicable to the Company.</p> <p>xiii. According to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the standalone Ind AS financial statements etc. as required by the applicable accounting standards.</p> <p>xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. 4,20,000 warrants were converted into equivalent equity shares during the year. Further, according to the information and explanations given to us and based on our examination of the records of the Company, the Company has utilised the money raised by way of preferential allotment or private placement for the purpose of which it was raised.</p> <p>xv. According to the information and explanations given to us, pursuant to the provisions of section 192 of the Companies Act, 2013, the Company has not entered into any non-cash transactions with directors or persons connected with him / her.</p> <p>xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company.</p> |
|---|---|

**For V.P. Thacker & Co.**  
Chartered Accountants  
Firm Registration No: 118696W

**Abuali Darukhanawala**  
Partner  
(Membership No: 108053)  
UDIN No: 20108053AAAAHU7102  
Place: Mumbai  
Date: July 28, 2020

### Annexure B to the Independent Auditors Report

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the standalone Ind AS financial statements for the year ended on 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")

We have audited the internal financial controls with reference to standalone Ind AS financial statements of KJMC Corporate Advisors (India) Limited ("the Company") as of 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

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

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls 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 with reference to these standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

#### Meaning of Internal Financial Controls with Reference to these standalone Ind AS financial statements

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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) 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 with Reference to these standalone Ind AS financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone 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 with reference to these standalone Ind AS financial statements 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

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 with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### For V.P. Thacker & Co.

Chartered Accountants  
Firm Registration No: 118696W

#### Abuali Darukhanawala

Partner  
(Membership No: 108053)  
UDIN No: 20108053AAAAHU7102  
Place: Mumbai  
Date: July 28, 2020

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

CIN: L67120MH1998PLC113888

(₹ in '000's)

PARTICULARS	NOTE NO.	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
<b>ASSETS</b>				
<b>(1) Financial Assets</b>				
(a) Cash and Cash equivalents	4	429	538	190
(b) Bank Balance other than (a) above	5	23,500	15,942	145
(c) Receivables				
(I) Trade Receivables	6	4,029	3,487	977
(d) Loans	7	5,413	225	-
(e) Investments	8	230,352	237,777	255,906
(f) Other Financial assets	9	4,084	4,045	4,358
<b>(2) Non-Financial Assets</b>				
(a) Current tax assets (Net)	10	2,559	1,816	2,987
(b) Deferred Tax Assets (Net)	11	2,138	1,961	1,523
(c) Property, Plant & Equipment	12	1,995	1,532	2,317
(d) Intangible Assets	12	2	2	2
(e) Other non-financial assets	13	1,451	1,584	1,986
<b>Total Assets</b>		<b>2,75,952</b>	<b>2,68,909</b>	<b>2,70,391</b>
<b>LIABILITIES &amp; EQUITY</b>				
<b>Liabilities</b>				
<b>(1) Financial Liabilities</b>				
(a) Payables				
(I) Trade Payables	14			
(II) Other Payables				
(i) Total outstanding dues of Micro Enterprises & Small Enterprises		596	820	1,585
(b) Borrowings (Other than Debt Securities)	15	7,784	1,603	3,754
(c) Other financial liabilities	16	1,339	1,491	860
<b>(2) Non-Financial Liabilities</b>				
(a) Provisions	17	648	462	377
(b) Other non-financial liabilities	18	2,040	888	501
<b>(3) Equity</b>				
(a) Equity Share Capital	19	39,264	35,064	31,364
(b) Other Equity	20	224,281	225,625	226,390
(c) Money Received against Share Warrants		-	2,956	5,560
<b>Total liabilities and equity</b>		<b>2,75,952</b>	<b>2,68,909</b>	<b>2,70,391</b>

Significant Accounting Policies and Notes to Accounts

1 to 40

The above notes are integral part of the financial statements

As per our report of even date attached

For and on behalf of the Board of Directors  
**KJMC CORPORATE ADVISORS (INDIA) Limited**

**For V. P. Thacker & Co.**

Chartered Accountants  
Registration No: 118696W

**Girish Jain**  
Whole Time Director  
DIN: 00151673

**Rajesh Jain**  
Director  
DIN: 00151988

**Abuali Darukhanawala**

Partner  
Membership No. 108053  
Place : Mumbai  
Date : 28th July 2020

**Kartik Konar**  
Chief Financial Officer  
Place : Mumbai  
Date : 28th July 2020

**Bhavika Dalal**  
Company Secretary

## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020 CIN: L67120MH1998PLC113888

(₹ in '000's)

PARTICULARS	NOTE NO.	For the Year ended 31.03.2020	For the Year ended 31.03.2019
Revenue from Operations	21		
Sale of Services		11,929	13,623
Brokerage Income (Net)		132	747
Profit on Sale of Mutual Fund & Currency Derivatives		327	431
Net gain/(Loss) on Fair Value Changes		8	13
<b>Revenue from Operations</b>		<b>12,396</b>	<b>14,814</b>
Other Income	22	2,897	3,411
<b>Total Revenue</b>		<b>15,293</b>	<b>18,225</b>
Expenses:			
Employee Benefits Expense	23	14,298	10,936
Finance Costs	24	285	194
Depreciation and Amortization Expense	12	1,676	1,179
Other Expenses	25	6,227	8,893
<b>Total Expenses</b>		<b>22,486</b>	<b>21,202</b>
Profit Before Exceptional Items and Tax		(7,193)	(2,977)
<b>Profit Before Tax</b>		<b>(7,193)</b>	<b>(2,977)</b>
Tax Expense:			
(1) Current Tax		-	86
(2) Deferred Tax		(211)	(141)
(3) MAT Credit Entitlement		-	(86)
(4) Prior Period Taxes		-	(5)
<b>Profit for the year</b>		<b>(211)</b>	<b>(146)</b>
<b>Other Comprehensive Income</b>			
(Items that will not be reclassified to P&L )			
Net gain/(Loss) on Fair Value Changes		(1,876)	(4,964)
Gratuity		(74)	17
Deferred Tax		(34)	296
<b>Total Comprehensive Income</b>		<b>(1,984)</b>	<b>(4,651)</b>
<b>(8,966)</b>		<b>(7,482)</b>	
Earnings Per Equity Share:			
(1) Basic		(1.78)	(0.81)
(2) Diluted		(1.78)	(0.81)

Significant Accounting Policies and Notes to Accounts  
The above notes are integral part of the financial statements  
As per our report of even date attached

1 to 40

\*For and on behalf of the Board of Directors  
**KJMC CORPORATE ADVISORS (INDIA) Limited**

**For V. P. Thacker & Co.**  
Chartered Accountants  
Registration No: 118696W

**Girish Jain**  
Whole Time Director  
DIN: 00151673

**Rajesh Jain**  
Director  
DIN: 00151988

**Abuali Darukhanawala**  
Partner  
Membership No. 108053  
Place : Mumbai  
Date : 28th July 2020

**Kartik Konar**  
Chief Financial Officer  
Place : Mumbai  
Date : 28th July 2020

**Bhavika Dalal**  
Company Secretary



**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020**

CIN: L67120MH1998PLC113888

(₹ in '000's)

PARTICULARS	For the Year ended 31.03.2020	For the Year ended 31.03.2019
<b>A Cash Flow from Operating Activities</b>		
<b>Net Profit Before Tax and Extraordinary Items</b>	<b>(7,193)</b>	<b>(2,977)</b>
Adjustment for:		
Depreciation	767	1,179
Dividend income	(1,157)	(944)
Interest and financial charges	285	194
(Profit)/Loss on sale of Investments	(863)	(445)
<b>Operating Profit Before Working Capital Changes</b>	<b>(8,161)</b>	<b>(2,993)</b>
<b>Changes in Working Capital</b>		
(Increase)/Decrease in Trade and other receivable	(1,025)	(3,029)
(Increase)/Decrease in Financial Assets	(5,052)	764
Increase/ (Decrease) in Trade Payables & Other Financial Liabilities	(292)	355
<b>(Increase)/ Decrease in Working Capital</b>	<b>(6,369)</b>	<b>(1,910)</b>
<b>Cash generated from Operations</b>	<b>(14,530)</b>	<b>(4,903)</b>
Income Tax Refund Received (Net of Payment)	(785)	903
<b>Net Cash flow from Operating Activities</b>	<b>(15,315)</b>	<b>(4,000)</b>
<b>B Cash Flow from Investment Activities</b>		
Purchase of investment	(34,924)	(73,185)
Sale of investment	41,818	87,313
Purchase of Property, Plant & Equipment	(94)	(395)
Sales of fixed assets	-	-
Dividend Income	1,157	944
<b>Net Cash Flow from Investing Activities</b>	<b>7,957</b>	<b>14,677</b>
<b>C Cash Flow From Financing Activities</b>		
Loan taken/(Repaid)-secured	(372)	(343)
Short term borrowings taken	85,380	16,138
Short term borrowings repaid	(78,827)	(17,945)
Issue/(Redemption) of Share Capital	4,200	3,700
Receipt/(Payment) of Security Deposits	7,623	6,716
Money Received against Share Warrants	(2,956)	(2,604)
Interest and finance charges	(244)	(194)
<b>Net Cash Flow from Financing Activities</b>	<b>14,804</b>	<b>5,468</b>
<b>Net Increase in Cash and Cash Equivalents ( A+B+C)</b>	<b>7,446</b>	<b>16,145</b>
Cash and Cash Equivalents at the beginning of the Year *	16,482	336
<b>Cash and Cash Equivalents at the close of the Year *</b>	<b>23,928</b>	<b>16,481</b>
<b>* Cash and Cash Equivalents comprise of :</b>		
Cash & Cash Equivalent	429	95
Bank Balance other than above	23,499	16,386
<b>Total</b>	<b>23,928</b>	<b>16,481</b>

Note :

The Cash Flow Statement has been prepared under the "Indirect Method" as per Ind AS 7 - Statement of Cash Flows

For and on behalf of the Board of Directors  
**KJMC CORPORATE ADVISORS (INDIA) Limited**

**For V. P. Thacker & Co.**  
Chartered Accountants  
Registration No: 118696W

**Girish Jain**  
Whole Time Director  
DIN: 00151673

**Rajnish Jain**  
Director  
DIN: 00151988

**Abuali Darukhanawala**  
Partner  
Membership No. 108053  
Place : Mumbai  
Date : 28th July 2020

**Kartik Konar**  
Chief Financial Officer  
Place : Mumbai  
Date : 28th July 2020

**Bhavika Dalal**  
Company Secretary

**Notes to standalone financial statements for the year ended 31 March 2020**

**1. Corporate information**

KJMC Corporate Advisors (India) Ltd. ('the Company', 'KCAL') is a company limited by shares, incorporated on 9th March 1998 and domiciled in India. The CIN of the company is L67120MH1998PLC113888 and its registration number is 113888. The Company is in the business of providing Corporate Advisory, Financial Advisory, Equity Valuation and Investment Banking services. The company is also registered with SEBI as a Merchant Banker and Underwriter. The Company has its registered office at Atlanta Society, Nariman Point, Mumbai, Maharashtra and its principal place of business is at 162, Atlanta Society, 16th floor, Nariman Point, Mumbai, Maharashtra, India.

The Audited Financial Statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On 28th July 2020, Board of Directors of the Company approved and recommended the audited financial statements for consideration and adoption by the shareholders in its annual general meeting.

**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 financial statements have been prepared on a going concern basis. The Company uses accrual basis of accounting except in case of significant uncertainties.

For all periods up to and including the year ended 31 March 2019, the Company had 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 and the Companies (Accounting Standards) Amendment Rules, 2016 (hereinafter referred as '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 Company has applied Ind AS 101 'First-time Adoption of Indian Accounting Standards', for transition from previous GAAP to Ind AS. An explanation of how transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in note no. 35.

**2.1 Presentation of financial statements**

The Company presents its Balance Sheet in order of liquidity.

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 on which the Management's estimates are based. Accounting estimates and judgments are used in various line items in the financial statements for e.g.

- Fair value of financial instruments [Refer note no. 3.12,]
- Provision for tax expenses [Refer note no. 3.5(i)]
- Residual value and useful life of property, plant and equipment [Refer note no. 3.6].

**3. 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

**3.1 Revenue Recognition**

In accordance with Ind AS-115, the revenue is recognized at a time when performance obligation is satisfied.

- a) Fees for valuation and financial advisory services are accounted as and when the service is rendered provided there is reasonable certainty of its ultimate realisation. Revenue is net of applicable indirect taxes
- b) Interest Income on loan / deposits others are recognised on accrual basis, while Dividend / Interest on shares & securities are recognised when right to receive the Dividend are established.
- c) Profit/(Loss) on sale of investment in shares and securities, are recognised upon transfer of control of such investment.

**(a) Net gain on fair value changes**

Investments are subsequently measured at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL), as applicable. The Company recognises gains/ losses on fair value change of investments measured as FVOCI or FVTPL which is irreversible and even the realised gains/losses on subsequent sale of investments are recognized through FVOCI or FVTPL as applicable.

**(i) Taxes.**

Incomes are recognised net of the Goods and Services Tax/Service Tax, wherever applicable. Transaction price is accounted net of GST. Since GST is not received by the company on its own account, rather, it is collected by the Company on behalf of the government. Accordingly, it is excluded from revenue.

**3.2 Expenditures**

**(i) Finance costs**

Borrowing costs on deposits taken 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 value added services and products distribution, recovery charges and fees payable for management of portfolio 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.

**3.3 Cash and cash equivalents**

Cash and cash equivalents include cash on hand and balance with banks in current account

**3.4 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 settlement 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.

**Initial measurement.**

All financial assets are recognised initially at cost including transaction costs that are attributable to the acquisition of financial assets

**Subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified into four categories

- (a) Debt instruments at FVOCI
- (b) Debt & Equity instruments at FVTPL
- (c) Equity instruments designated at FVOCI

**(a) Debt instruments at FVOCI**

The Company subsequently classifies its financial assets as FVOCI, only if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVOCI category are measured at each reporting date at fair value with such changes being recognised in other comprehensive income (OCI). The interest income on these assets is recognised in profit or loss.

**(b) Debt and Equity instruments at FVTPL**

The Company classifies financial assets which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the Balance Sheet at fair value. Interest and dividend incomes are recorded in interest income and dividend income, respectively according to the terms of the contract, or when the right to receive the same has been established. Gain and losses on changes in fair value of debt instruments are recognised on net basis through profit or loss.

The Company's investments into equity(trading portfolio), mutual funds, Government securities (trading portfolio) and certificate of deposits for trading have been classified under this category.

**(c) Equity investments designated under FVOCI**

All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value. The Company has strategic investments in equity for which it has elected to present subsequent changes in the fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable.

All fair value changes of the equity instruments, excluding dividends, are recognised in OCI and not available for reclassification to profit or loss, even on sale of investments.

**Impairment of Trade receivable and other financial assets**

In accordance with IND\_AS 109, the Company applied Expected Credit Loss (ECL) model for measurement and recognition of impairment loss.

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 recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

**(ii) 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 .

**Initial measurement**

All financial liabilities other than Deposits taken are recognised at cost. The Company's financial liabilities include trade payables, other payables, debt securities and other borrowings.

### Subsequent measurement

After initial recognition, all deposits taken subsequently measured at Net Present Value using the EIR [Refer note no. 3.1(i)]. Any gains or losses arising on derecognition of liabilities are recognized 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.

### (iii) 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 recognized amounts with an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

### (IV) Investment in subsidiaries

Investment in subsidiaries is recognized at cost and are 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.

### 3.4 Taxes

#### (a) Current 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.

Current tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in other equity. 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.

#### (b) 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 recognized for all taxable temporary differences and deferred tax assets are recognized 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 utilized.

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 utilized. Unrecognized deferred tax assets, if any, are reassessed at each reporting date and are recognized 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 realized 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 recognized outside profit or loss is recognized 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.

### 3.5 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 written down value method over the useful life of assets.
- (b) Useful lives of assets are determined by the Management by an internal technical assessment except where such assessment suggests a life significantly different from those prescribed by Schedule II – Part C of the Companies Act, 2013 where the useful life is as assessed and certified by a technical expert.
- (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.

### 3.6 Intangible assets and amortisation thereof

Intangible assets, representing website development expenses are initially recognized at cost and subsequently carried at cost less accumulated amortization and accumulated impairment. The intangible assets are amortized using the straight line method over a period of three years, which is the Management's estimate of its useful life.

### 3.7 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.

### 3.8 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.

### 3.9 Foreign currency translation

The Company's financial statements are presented in Indian Rupee, which is also the Company's functional currency.

#### Initial recognition

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

#### Conversion

Foreign currency monetary items are re-translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

#### Exchange differences

All exchange differences are accounted in the Statement of Profit and Loss.

### 3.11 Retirement and other employee benefits

#### (a) Gratuity

The company has not created any Gratuity Fund to which payment for present liability of future payment of gratuity can be made. However, provision for gratuity is made in the books based on the actuarial valuation report provided by an approved valuer. The actuarial liability as determined by an appointed actuary using the projected unit credit method are recognised as a liability. Gains and losses through remeasurements of the net defined benefit liability/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. The effect of any planned amendments are recognised in Statement of Profit and Loss. Remeasurements are not reclassified to profit or loss in subsequent periods.

#### (b) Provident fund

Provident Fund Contributions are made to Recognized Provident Fund.

### 3.10 Leases

With effect from 1 April 2019, the Company has applied Ind AS 116 'Leases' for all long term and material lease contracts covered by the Ind AS. The Company has adopted modified retrospective approach as stated in Ind AS 116 for all applicable leases on the date of adoption.

#### Measurement of Lease Liability

At the time of initial recognition, the Company measures lease liability as present value of all lease payments discounted using the Company's cost of borrowing. Subsequently, the lease liability is –

- (i) increased by interest on lease liability;
- (ii) reduced by lease payments made; and
- (iii) remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.

#### Measurement of Right-of-use assets

At the time of initial recognition, the Company measures 'Right-of-use assets' as present value of all lease payments discounted using the Company's cost of borrowing w.r.t said lease contract. Subsequently, 'Right-of-use assets' is measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any remeasurement of the lease liability specified in Ind AS 116 'Leases'.

Depreciation on 'Right-of-use assets' is provided on straight line basis over the lease period.

The exception permitted in Ind AS 116 for low value assets and short term leases has been adopted by Company."

### 3.11 Fair value measurement

The Company measures its Investments and Deposits (Both Given and Taken) 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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value measurement has been done for investments and Deposits (Both Given and Taken). Listed investments have been valued at the market price at which the respective investments were quoting as on 31.03.2020. Unlisted investments have been valued on the basis of the valuation certificates issued by an approved valuer. Both deposits given and taken have been valued at the Net present value applying the EIR method



## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

	(₹ in '000's)		
Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
<b>Note - 4: Cash and Cash Equivalents</b>			
Cash on Hand	71	95	41
Banks Balances in Current Accounts	358	443	149
<b>Total</b>	<b>429</b>	<b>538</b>	<b>190</b>
<b>Note - 5: Bank balances other than cash and cash equivalents</b>			
Unclaimed dividend account <b>In Fixed Deposit Accounts</b> with Maturity Less than 12 Months'	83	145	145
<b>Total</b>	<b>23,417</b>	<b>15,797</b>	<b>-</b>
<b>Note - 6: Receivables</b>			
<b>Trade Receivables</b>			
Considered Good - Unsecured	4,029	3,487	977
Considered Doubtful	1,000	1,000	1,000
Less:- Provision for Doubtful Debts	(1,000)	(1,000)	(1,000)
<b>Total</b>	<b>4,029</b>	<b>3,487</b>	<b>977</b>
<b>Note - 7: Loans</b>			
Loans from Related Parties	5,413	225	-
<b>Total</b>	<b>5,413</b>	<b>225</b>	<b>-</b>
<b>Note - 8: Investments</b>			
<b>(A) At Cost</b>			
Investment in Wholly Owned Subsidiary	1,53,247	1,53,247	1,53,247
Investment in Associates	19,500	19,500	19,500
<b>Total</b>	<b>1,72,747</b>	<b>1,72,747</b>	<b>1,72,747</b>
<b>(B) At fair value through Other Comprehensive Income</b>			
<b>(i) In equity instruments</b>			
<b>Equity Shares</b>			
Equity Shares	59,487	56,856	49,170
Add: Fair value gains/(losses)	(3,413)	(1,735)	6,900
<b>Total</b>	<b>56,074</b>	<b>55,121</b>	<b>56,070</b>
<b>(C) At fair value through Other Profit &amp; Loss</b>			
<b>i) Mutual Fund</b>			
Equity Shares	1,539	9,900	27,025
Add: Fair value gains/(losses)	(8)	9	64
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>2,30,352</b>	<b>2,37,777</b>	<b>2,55,906</b>
<b>Out of the above</b>			
In India	2,30,352	2,37,777	2,55,906
Outside India	-	-	-
<b>Total</b>	<b>2,30,352</b>	<b>2,37,777</b>	<b>2,55,906</b>
* 2.25,000 shares are yet to be issued by KJMC Capital market Services Limited on account of Merger of KJMC Commodities Market India Limited with itself			
<b>Note - 9 Other financial assets</b>			
<b>Security Deposit with Related Parties</b>			
Unsecured, considered good	3,534	3,315	3,087
Interest Accrued & Impact of EIR	466	685	913
<b>Total</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>
<b>Security Deposit to others</b>			
Unsecured, considered good	40	40	40
Other advances	44	5	318
<b>Total</b>	<b>4,084</b>	<b>4,045</b>	<b>4,358</b>
<b>Note 10 : Current Tax Assets</b>			
Advance Income Tax	6,958	12,282	13,103
Less: Provision for Taxation	(4,399)	(10,466)	(10,116)
<b>Total</b>	<b>2,559</b>	<b>1,816</b>	<b>2,987</b>

Particulars	(₹ in '000's)		
	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
<b>Note - 11: Deferred Taxation</b>			
Deferred Tax Assets			
Fixed Assets	629	575	434
Long Term Capital Loss	1,089	1,089	1,089
Fair Value of Investments - _OCI	251	305	-
Fair Value of Investments_MF	1	-	-
Gratuity_ FTPL	149	-	-
Gratuity_OCI	19	-	-
<b>Deferred Tax Asset</b>	<b>2,138</b>	<b>1,969</b>	<b>1,523</b>
Deferred Tax Liabilities			
Gratuity_ FTPL	-	(7)	-
Gratuity_OCI	-	(1)	-
<b>Deferred Tax Asset/ (Liabilities) - Net</b>	<b>2,138</b>	<b>1,961</b>	<b>1,523</b>
<b>Changes in Deffered Tax Assets Recorded in Profit &amp; Loss</b>			
<b>Defferd tax related to the following</b>			
Fixed Assets	(54)	(141)	-
Long Term Capital Loss	-	-	-
Fair Value of Investments - _OCI	54	(305)	-
Fair Value of Investments_MF	(1)	-	-
Gratuity_ FTPL	(157)	7	-
Gratuity_OCI	(20)	1	-
	<b>(178)</b>	<b>(438)</b>	<b>-</b>

Note -12 : Property, Plant , Equipment and Intangible Asset

Description	Gross Block				Depreciation			Net Block	
	As at 01.04.2019	Additions/ Adjustments during the year	Deductions/ Adjustments during the year	As at 31.03.2020	As at 1.04.2019	Provided during the year	Deductions/ Adjustments during the year	As at 31.03.2020	As at 31.03.2019
Right of use Assets - Bldg	-	2,045	-	2,045	-	909	-	909	1,136
Computers	2,209	56	-	2,265	2,063	147	-	2,210	55
Furniture & Fixtures	3,108	-	-	3,108	2,950	51	-	3,001	107
Office Equipments	2,587	38	-	2,625	2,426	100	-	2,526	99
Vehicles	3,106	-	-	3,106	2,039	469	-	2,508	598
<b>Total (A)</b>	<b>11,010</b>	<b>2,139</b>	<b>-</b>	<b>13,149</b>	<b>9,478</b>	<b>1,676</b>	<b>-</b>	<b>11,154</b>	<b>1,995</b>

Intangible Assets

Description	Gross Block				Depreciation			Net Block	
	As at 01.04.2019	Additions/ Adjustments during the year	Deductions/ Adjustments during the year	As at 31.03.2020	As at 1.04.2019	Provided during the year	Deductions/ Adjustments during the year	As at 31.03.2020	As at 31.03.2019
Computer Software	45	-	-	45	43	-	-	43	2
<b>Total (B)</b>	<b>45</b>	<b>-</b>	<b>-</b>	<b>45</b>	<b>43</b>	<b>-</b>	<b>-</b>	<b>43</b>	<b>2</b>
<b>Total (A+B)</b>	<b>11,055</b>	<b>2,139</b>	<b>-</b>	<b>13,194</b>	<b>9,521</b>	<b>1,676</b>	<b>-</b>	<b>11,197</b>	<b>1,997</b>

Note - 12: Property, Plant & Equipment

Description	Gross Block				Depreciation			Net Block	
	As at 01.04.2018	Additions/ Adjustments during the year	Deductions/ Adjustments during the year	As at 31.03.2019	As at 1.04.2018	Provided during the year	Deductions/ Adjustments during the year	As at 31.03.2019	As at 31.03.2018
Computers	2,022	187	-	2,209	1,923	140	-	2,063	146
Furniture & Fixtures	3,050	58	-	3,108	2,875	75	-	2,950	158
Office Equipments	2,421	166	-	2,587	2,293	133	-	2,426	161
Vehicles	3,122	-	16	3,106	1,207	832	-	2,039	1,067
<b>Total (A)</b>	<b>10,615</b>	<b>411</b>	<b>16</b>	<b>11,010</b>	<b>8,298</b>	<b>1,180</b>	<b>-</b>	<b>9,478</b>	<b>2,317</b>

Fixed Assets - Intangible

Description	Gross Block				Depreciation			Net Block	
	As at 01.04.2018	Additions/ Adjustments during the year	Deductions/ Adjustments during the year	As at 31.03.2019	As at 1.04.2018	Provided during the year	Deductions/ Adjustments during the year	As at 31.03.2019	As at 31.03.2018
Computer Software	45	-	-	45	43	-	-	43	2
<b>Total (B)</b>	<b>45</b>	<b>-</b>	<b>-</b>	<b>45</b>	<b>43</b>	<b>-</b>	<b>-</b>	<b>43</b>	<b>2</b>
<b>Total (A+B)</b>	<b>10,660</b>	<b>411</b>	<b>16</b>	<b>11,055</b>	<b>8,341</b>	<b>1,180</b>	<b>-</b>	<b>9,521</b>	<b>2,319</b>

(₹ in '000's)

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
<b>Note -13 : Other Non Financial Assets</b>			
Deposit/Balances with Service Tax Dept & dues from Government	683	379	852
Advance to suppliers and others	65	233	76
MAT credit Entitlement	497	456	182
Prepaid Expenses	206	516	876
<b>Total</b>	<b>1,451</b>	<b>1,584</b>	<b>1,986</b>
<b>Note - 14: Trade Payables</b>			
(A) Micro & Small Enterprises			
(B) Others			
<b>Total (A)</b>			
<b>Other Payables</b>			
(A) Micro & Small Enterprises	596	820	1,585
(B) Others			
<b>Total (B)</b>	<b>596</b>	<b>820</b>	<b>1,585</b>
<b>Total (A+B)</b>	<b>596</b>	<b>820</b>	<b>1,585</b>
<b>Note - 15: Financial Liabilities</b>			
<b>Borrowings (Other than Debt Securities)</b>			
<b>(A) In India</b>			
<b>At Amortised cost</b>			
Vehicle Loan	1,231	1,603	1,947
(Refer Additional Information below)			
<b>Overdraft from bank repayable on demand (Secured)</b>	6,553	-	1,807
(Overdraft from HDFC Bank is secured against Fixed deposit. The Overdraft is repayable on demand and carries interest@ FDR + 0.80%.)			
<b>Total</b>	<b>7,784</b>	<b>1,603</b>	<b>3,754</b>

**Additional Information:**

**Vehicle Loan**

Particulars	Amount of Loan (₹ in '000's)	Interest rate % p.a.	Installment Amount (₹ in '000's)	No. of Outstanding Installments as on date
<b>From Others (Secured):</b>				
Secured by vehicle bought under loan and repayable in 60 Equated monthly installments	2001	9.85	41	34
Previous Year	2001	9.85	41	46

(₹ in '000's)

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
<b>Note - 16: Other financial Liabilities</b>			
Employees dues	1,256	1,346	714
Interim Dividend Payable	83	145	146
<b>Total</b>	<b>1,339</b>	<b>1,491</b>	<b>860</b>
<b>Note - 17: Provisions</b>			
Provision for Ex-Gratia	803	692	577
INDAS Adjustment	(155)	(230)	(200)
<b>Total</b>	<b>648</b>	<b>462</b>	<b>377</b>
<b>Note - 18: Other non-financial liabilities</b>			
Statutory dues	863	888	501
Financial Lease Liability - INDAS	1,177	-	-
<b>Total</b>	<b>2,040</b>	<b>888</b>	<b>501</b>

## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

(₹ in '000's)

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
<b>Note - 19: Equity Share Capital Authorised:</b>			
5,000,000 (Previous Year: 5,000,000) Equity Shares of ₹ 10/- each	50,000	50,000	50,000
	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
<b>Issued, Subscribed and Paid up</b>			
3,926,440 (Previous Year: 3,506,440) Equity Shares of ₹ 10/- each	39,264	35,064	31,364
	<b>39,264</b>	<b>35,064</b>	<b>31,364</b>

**Additional Information:**

(₹ in '000's)

(a) Reconciliation of Shares outstanding at the beginning and at the end of the Quarter				
Particulars	Equity Shares FY 2019-20		Equity Shares FY 2018-19	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Shares of ₹ 10 each</b>				
Shares outstanding at the beginning of the year	35,06,440	35,064	31,36,440	31,364
Shares Issued during the year	420,000	4,200	3,70,000	3,700
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	39,26,440	39,264	35,06,440	35,064

**(b) Terms and Rights attached to Equity Shares:**

The Company has only one class of equity shares having par value of ₹ 10 per share. Each shareholder of equity share is entitled to one vote per share.

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

**(c) Details of Shareholders holding more than 5% shares of the Company:**

Equity Shares of ₹ 10 each	As at 31.03.2020		As at 31.03.2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
I. C. Jain HUF	2,20,500	5.62%	2,20,500	6.29%
Chand Devi Jain	14,80,458	37.70%	13,80,458	39.37%
Rajnish Jain	3,80,518	9.69%	2,20,518	6.29%
Girish Jain	3,80,518	9.69%	2,20,518	6.29%

**(d) Terms and Rights attached to Convertible Warrants:**

Convertible Warrants nos. 7,90,000 of the face value of Rs. 10 each at a premium of Rs. 18.15 per warrant, were allotted to promoters on preferential basis on March 15, 2018, at the consideration equivalent to 25% of the price fixed per warrant. The warrant-holders are entitled to apply for one equity share of Rs. 10 each fully paid against every warrant held on payment of the balance 75% of the price fixed, within a period of 18 months from the date of allotment of the warrants, i.e., 15th March, 2018. The Board has approved conversion of 3,70,000 warrants into 3,70,000 Equity shares on request received from warrant holders and the same were allotted on 23rd January, 2019 & The Board has approved conversion of 4,20,000 warrants into 4,20,000 Equity shares on request received from warrant holders and the same are allotted on 22<sup>nd</sup> May, 2019

(₹ in '000's)

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
<b>Note -20 : Other Equity General Reserves</b>			
As per last Balance Sheet	71,197	71,197	71,197
Add : Addition during the year			
Less: Deduction during the year			
<b>Closing Balance (A)</b>	<b>71,197</b>	<b>71,197</b>	<b>71,197</b>



Particulars	(₹ in '000's)		
	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
<b>Securities Premium</b>			
As per last Balance Sheet	86,338	79,622	79,622
Add : Addition during the year	7,622	6,716	-
Less: Deduction during the year	-	-	-
<b>Closing Balance (B)</b>	<b>93,960</b>	<b>86,338</b>	<b>79,622</b>
<b>Surplus/(Deficit) in the statement of profit and loss</b>			
Balance brought forward from last year	65,641	68,472	68,408
Add : Profit for the year	(6,981)	(2,831)	-
Add: Adjustment for INDAS	-	-	64
<b>Amount available for appropriation</b>	<b>58,660</b>	<b>65,641</b>	<b>68,472</b>
Less : Appropriations			
	<b>58,660</b>	<b>65,641</b>	<b>68,472</b>
<b>Other Comprehensive Income</b>			
Opening	2,449	7,099	-
current period Fair Value through OCI	(1,984)	(4,651)	7,099
	<b>465</b>	<b>2,448</b>	<b>7,099</b>
<b>Balance carried forward (C)</b>	<b>59,124</b>	<b>68,090</b>	<b>75,571</b>
<b>Closing Balance (A+B+C)</b>	<b>224,281</b>	<b>225,625</b>	<b>226,390</b>

Particulars	(₹ in '000's)	
	For the year Ended 31.03.2020	For the year ended 31.03.2019
<b>Note - 21 : Revenue from Operations</b>		
Sale of Services	11,929	13,623
Brokerage Income (Net)	132	747
Profit on Sale of MF & Currency	327	431
Net gain/(Loss) on Fair Value Changes	8	13
<b>Total</b>	<b>12,396</b>	<b>14,814</b>
<b>Note - 22 : Other Income</b>		
Dividend income	1,157	944
Interest Income Others	1,440	1,025
Interest - INDAS	219	228
Rent - INDAS	-	-
Miscellaneous Income	81	1,214
<b>Total</b>	<b>2,897</b>	<b>3,411</b>

## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

### STATEMENT OF CHANGES IN EQUITY CIN: L67120MH1998PLC113888

(₹ in '000's)

Particulars	For the year ended	
	31.03.2020	31.03.2019
Balance of the Beginning of the year	37,31,364	31,364
Changes in equity	42,00,000	37,00,000
	<b>79,31,364</b>	<b>37,31,364</b>

#### Other Equity for the year ended 31st March 2020

#### Reserves and Surplus

(₹ in '000's)

Particulars	Note No	General Reserve	Securities Premium	Other Comprehensive Income	Profit & Loss A/c	Total
Balance as on 31.03.2019	19	71,197	86,338	2,449	65,641	2,25,625
Profit after tax					(6,981)	(6,981)
Addition			7,622			7,622
Other Comprehensive Income (Net of tax)				(1,985)		(1,985)
		71,197	93,960	464	58,660	2,24,281
Transfer to Reserve		-		-		
<b>Balance as on 31.03.2020</b>		<b>71,197</b>	<b>93,960</b>	<b>464</b>	<b>58,660</b>	<b>2,24,281</b>

#### Other Equity for the year ended 31st March 2019

#### Reserves and Surplus

(₹ in '000's)

Particulars	Note No	General Reserve	Securities Premium	Other Comprehensive Income	Profit & Loss A/c	Total
Balance as on 31.03.2018	19	71,197	79,622	7,099	68,472	2,26,390
Addition		-	6,716			6,716
Profit after tax					(2,831)	(2,831)
Other Comprehensive Income (Net of tax)				(4,650)		(4,650)
		71,197	86,338	2,449	65,641	2,25,625
Transfer to Reserve		-		-		
<b>Balance as on 31.03.2019</b>		<b>71,197</b>	<b>86,338</b>	<b>2,449</b>	<b>65,641</b>	<b>2,25,625</b>

**For V. P. Thacker & Co.**  
Chartered Accountants  
Registration No: 118696W

**Abuali Darukhanawala**  
Partner  
Membership No. 108053  
Place : Mumbai  
Date : 28th July 2020

For and on behalf of the Board of Directors  
**KJMC CORPORATE ADVISORS (INDIA) Limited**

**Girish Jain**  
Whole Time Director  
DIN: 00151673

**Kartik Konar**  
Chief Financial Officer  
Place : Mumbai  
Date : 28th July 2020

**Rajnish Jain**  
Director  
DIN: 00151988

**Bhavika Dalal**  
Company Secretary

(₹ in '000's)

Particulars	For the year Ended 31.03.2020	For the year ended 31.03.2019
<b>Note - 23 : Employee Benefits Expense</b>		
Salaries and Wages	13,442	10,219
Contribution / Provision to Provident and other Funds	411	417
INDAS Adjustment	-	(13)
Staff Welfare Expenses	445	313
<b>Total</b>	<b>14,298</b>	<b>10,936</b>
<b>Note - 24: Finance Costs</b>		
Interest to Bank	34	41
Interest to Others	116	144
Interest - INDAS	122	-
Other Financial Charges	13	9
<b>Total</b>	<b>285</b>	<b>194</b>
<b>Note -25 : Other Expenses</b>		
Advertisement	47	55
Auditors Remuneration (for break up refer below)	166	157
Business Promotion Expenses	354	393
Electricity Expenses	154	131
Insurance Charges	68	52
Legal Expenses	37	818
Motor Car Expenses	427	467
Professional Fees Exp	860	1,407
Miscellaneous expenses	565	778
web Site Charges	44	-
Rent & Other Infrastructural Support Service	71	1,061
Rent - INDAS	219	229
Office Maintenance & Utility Expenses	-	-
- Building	-	-
- Office	722	885
Subscription & Membership Exp.	572	575
Printing & Stationery Expenses	171	269
Travelling & Conveyance Expenses	1,366	1,262
ROC/BSE Filing Charges	384	356
Provision for Diminution of Shares	-	-
<b>Total</b>	<b>6,227</b>	<b>8,893</b>
As Statutory Auditor		
Audit Fees	40	38
For Taxation matters	10	11
For Other Services/Limited Review	92	86
Reimbursement of expenses	24	22
<b>Total</b>	<b>166</b>	<b>157</b>

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31,2020**

**26. Contingent Liabilities:**

Claims against the Company for the Financial Year 2019-20 is NIL ( PY 2018-19 is NIL)

**27.** Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) ₹ NIL (Previous Year ₹ NIL)

**28.** Disclosure required by Micro, Small and Medium Enterprises (Development) Act, 2006. As per requirement of Section 22 of Micro, Small & Medium Enterprises (Development) Act, 2006 following information is disclosed:

## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

(₹ in 000's)

Sr. No	Particulars	31.03.2020	31.03.2019
(i)	Principal amount remaining unpaid to any supplier as at the end of each accounting year.	Nil	Nil
(ii)	Interest due on (i) above remaining unpaid	Nil	Nil
(iii)	Amounts paid beyond the appointed day during the accounting year	Nil	Nil
(iv)	Interest paid on (iii) above	Nil	Nil
(v)	Interest due and payable on (iii) above	Nil	Nil
(vi)	Interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(vii)	Interest remaining unpaid of the previous years for the purpose of disallowance under the Income Tax Act, 1961	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

### 29. Earnings and Expenditure in Foreign Currency

Earnings in Foreign Currency - C.Y ₹ 1365 ('000') (P.Y ₹ 1842 ( in'000')).  
Expenditure in Foreign Currency – C.Y ₹ 420 ('000') (P.Y ₹ 105 ( in'000')).

### 30. Obligations on long-term, non-cancellable operating leases

The lease rentals charged during the period and the obligations on long-term, non-cancellable operating leases payable as per the rentals stated in the respective agreements are as follows:

(₹ in 000's)

Particulars	Year Ended	
	31.03.2020	31.03.2019
Lease rental recognized during the year	990	990
<b>Lease obligation Payable</b>		
Within one year of the balance sheet date	990	990
Due in a period between one year and five years	280	1240

### 31. Earnings Per Share

(₹ in 000's)

Particulars	For the Year ended	
	31.03.2020	31.03.2019
Net Profit / (Loss) for the year (₹ in '000's)	(6982)	(2,831)
The weighted average Number of Equity Share (Nos.)- (Basic)	39,26,440	35,06,440
The weighted average Number of Equity Share (Nos.)- (Diluted)	39,26,440	35,06,440
Face Value (₹ )	10	10
Earnings Per Share (Basic)	(1.78)	(0.81)
Earnings Per Share (Diluted)	(1.78)	(0.81)

### 32. Related party disclosures under Accounting Standard 18

#### I. List of related parties

#### a. Subsidiary Company's

KJMC Capital Market Services Limited  
KJMC Shares and Securities Limited  
KJMC Credit Marketing Limited

#### b. Key Management Personnel

Mr.Girish Jain - Whole Time Director  
Mr.Kartik Konar - Chief Financial Officer  
Ms.Bhavika Dalal - Company Secretary

#### c. Relatives of Key Management Personnel

Mr.Inderchand Jain - Father of Whole time Director  
Mrs.Chanddevi Jain - Mother of Whole time Director  
Mr.Pankaj Jain - Brother of Whole time Director  
Mrs.Archana Jain - Sister in law of Whole time Director  
Mr.Rajnish Jain - Brother of Whole time Director  
Mrs.Shraddha Jain - Sister in law of Whole time Director  
Mrs.Aditi Girish Jain - Wife of Whole time Director  
Miss.Aayushi Jain - Niece of Whole time Director  
Master Pratham Jain - Nephew of Whole time Director

**d. Enterprises over which key management personnel/relatives are able to exercise significant influence:**

Puja Trades & Investments Private Limited  
Prathamesh Enterprises Private Limited  
KJMC Platinum Builders Private Limited  
KJMC Investment Company  
KJ Diamond Real Estate Private Limited  
AKIP Venture Private Limited  
Puja Trades & Investments Pvt Ltd  
KJMC e.Business Ventures Private Limited  
KJ Golden Real Estate Private Limited  
KJMC Realty Private Limited  
Maximus Management Advisory Services Private Limited  
KJMC Trading & Agency Ltd

**e. Associates**

KJMC Financial Services Limited

(₹ in 000's)

Sr. No	Nature of Transactions with related parties	Party where control exists		Key Management Personnel and Relatives of Key Management Personnel		Enterprises over which key management personnel/relatives are able to exercise significant influence	
		31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019
<b>1</b>	<b>Loan Given</b>						
	KJMC Capital Market Services Ltd	5,000	5,000	-	-	-	-
	KJMC Credit Marketing Ltd	250	225	-	-	-	-
<b>2</b>	<b>Loan Re-Paid (Received)</b>						
	KJMC Capital Market Services Ltd	-	5,000	-	-	-	-
	KJMC Credit Marketing Ltd	100	-	-	-	-	-
<b>3</b>	<b>Interest Received</b>						
	KJMC Capital Market Services Ltd	26	-	-	-	-	-
	KJMC Credit Marketing Ltd	52	2	-	-	-	-
<b>4</b>	<b>Rent Paid</b>						
	KJMC Capital Market Services Ltd	551	551	-	-	-	-
	Puja Trades & Investments Pvt Ltd.	-	-	-	-	480	480
	KJMC Financial Services Ltd	-	-	-	-	30	30
<b>5</b>	<b>Professional fees Paid</b>						
	Khandelwal Jain & Company	-	-	-	-	-	351
<b>6</b>	<b>Professional fees Received</b>						
	Maximus Management Advisory Services Pvt. Ltd.	-	-	-	-	-	1,000
<b>7</b>	<b>Board Meeting Fees</b>						
	I.C.Jain	-	-	20	20	-	-
	Rajnish Jain	-	-	21	19	-	-
	Shraddha Jain	-	-	20	16	-	-
<b>8</b>	<b>Brokerage &amp; Commission Paid</b>						
	KJMC Capital Market Services Ltd	26	6	-	-	-	-
<b>9</b>	<b>Sales of Shares</b>						
	Chand Devi Jain	-	-	-	-	447	-
<b>10</b>	<b>Depository Charges Paid</b>						
	KJMC Capital Market Services Ltd	7	10	-	-	-	-
<b>11</b>	<b>Salary</b>						
	Girish Jain	-	-	8,256	3,700	-	-
<b>12</b>	<b>Reimbursement Received</b>						
	KJMC Shares & Securities Ltd	8	16				
	KJMC Financial Services Ltd					62	28
	KJMC Capital Market Services Ltd	42	43				
	KJMC Commodities Market India Ltd	-	7				
	KJMC Credit Marketing Ltd	10	11				
	KJMC Assets Management Co Ltd					-	3
	KJMC Trading & Agency Ltd					12	-
	Puja Trades & Investments Pvt. Ltd					32	29



## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

	Prathamesh Enterprises Pvt. Ltd						-	38
	Khandelwal Jain & Co						35	30
<b>13</b>	<b>Net Receivable</b>							
	Puja Trades & Investments Pvt Ltd. (Security Deposit)	-	-	-	-		1,000	1,000
	KJMC Financial Services Ltd (Security Deposit)	-	-	-	-		1,500	1,500
	Rajesh Jain (Security Deposit)	-	-	1,500	1,500		-	-
	KJMC Capital Market Services Ltd (Loan)	5,024	-	-	-		-	-
	KJMC Credit Marketing Ltd (Loan)	389	225	-	-		-	-
<b>14</b>	<b>Corporate Guarantee given by the company to HDFC Bank on behalf of</b>							
	KJMC Capital Market Services Ltd	37,500	37,500	-	-		-	-

Managerial Remuneration is Calculated as per as per schedule V of the Companies Act, 2013

### 33. Financial risk management objective and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade receivables, other receivables, and cash and cash equivalents that are derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks.

#### a) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, trade receivables and other financial instruments.

#### 1) Interest rate risk:

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair value of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that future cash flows of floating interest bearing investments will vary because of fluctuations in interest rates.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term loan from banks.

(₹ in '000's)

	As at 31st March'20	As at 31st March'19	As at 1st April'18
Variable rate borrowings*	6,553	-	1807

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact of change in interest rate of borrowings, as follows:

(₹ in '000's)

	Increase/ decrease in basis points	Effect on Profit before tax
As on 31 March 2020	+ 50 / - 50	32.77
As on 31 March 2019	+ 50 / - 50	-
As on 1 April 2018	+ 50 / - 50	9.04

#### 2) Foreign currency risk:

The company enters into transactions in currency other than its functional currency. The company renders valuation services to customers situated outside India and to the extent of the debtors outstanding in foreign currency it is exposed to foreign currency risk. The company analyses currency risk as to which balances are outstanding in currency other than the functional currency of that company. The management has taken a position not to hedge this currency risk.

The company undertakes transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are not hedged considering the insignificant impact and period involved on such exposure.

The Company's exposure to the risk of changes in exchange rates relates primarily to the Company's outstanding debtors in foreign currencies:

(₹ in '000's)

Particulars	As at 31st March'20	As at 31st March'19	As at 1st April'18
Debtors Outstanding in foreign currency	412.31	340.12	204.43

The following table demonstrates the sensitivity to a reasonably possible change in exchange rates on that portion of debtors affected. With all other variables held constant the impact of the change in exchange rate on the company's profit before tax is as follows:

(₹ in '000's)

	Increase/ decrease in percentage points	Effect on Profit before tax
As on 31 March 2020	+5 / -5	20.62
As on 31 March 2019	+5 / -5	17.01
As on 1 April 2018	+5 / -5	10.22

**b) Credit Risk:**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, deposits and loans given, investments and balances at bank.

The Company measures the expected credit loss on trade receivables, loans given to customers/borrowers based on historical trend, industry practices and the business environment in which the entity operates. Expected Credit Loss(ECL) on loans and trade receivables is calculated based on past trends based on the historical data.

Based on the ECL assessment, there is no requirement of provision for the credit losses, hence the company has not provided for any credit losses during the current period.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in equity shares, Mutual Funds.

**c) Liquidity Risk:**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company's principal source of liquidity are cash and cash equivalents and the cash flow i.e. generated from operations. The Company consistently generates strong cash flows from operations which together with the available cash and cash equivalents and investments provides adequate liquidity in short terms as well in the long term.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at:

(₹ in '000's)

	Carrying Amount	31-Mar-20			
	/ fair value	Less than 1 year	2-5 years	More than 5 years	Total
<b>Financial Liabilities</b>					
Other payables	596	596	-	-	596
Borrowings	7784	6955	829	-	7784
Other financial liabilities	1339	1339	-	-	1339
	<b>9719</b>	<b>8890</b>	<b>829</b>	<b>-</b>	<b>9719</b>

(₹ in '000's)

	Carrying Amount	31-Mar-19			
	/ fair value	Less than 1 year	2-5 years	More than 5 years	Total
<b>Financial Liabilities</b>					
Other payables	820	820	-	-	820
Borrowings	1603	372	1,231	-	1603
Other financial liabilities	1491	1491	-	-	1491
	<b>3914</b>	<b>2683</b>	<b>1231</b>	<b>-</b>	<b>3914</b>

## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

(₹ in '000's)

	Carrying Amount / fair value	1-Apr-18			Total
		Less than 1 year	2-5 years	More than 5 years	
<b>Financial Liabilities</b>					
Other payables	1585	1585	-	-	1585
Borrowings	3754	2151	1603	-	3754
Other financial liabilities	860	860	-	-	860
	<b>6199</b>	<b>4596</b>	<b>1603</b>	<b>-</b>	<b>6199</b>

### ii) Capital Management

For the purpose of Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The company monitors capital using gearing ratio, which is Net debt divided by total capital.

(₹ in'000's)

	As at 31-Mar-20	As at 31-Mar-19	As at 1-Apr-18
Gross debt (inclusive of long term and short term borrowing)	7,784	1,603	3,754
Less: Cash and cash equivalents	23,929	16,480	335
<b>Net debt</b>	<b>-16,145</b>	<b>-14,877</b>	<b>3,419</b>
Total equity	263,545	263,645	263,314
<b>Total capital</b>	<b>247,400</b>	<b>248,768</b>	<b>266,733</b>
<b>Gearing ratio</b>	<b>-6.53%</b>	<b>-5.98%</b>	<b>1.28%</b>

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019

### iii) Categories of financial instruments and fair value thereof

(₹ in'000's)

Particulars	As at 31 March 2020			As at 31 March 2019			As at 1 April 2018		
	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL	Amortised Cost
<b>A) Financial assets (other than investment in subsidiaries &amp; Assoc)</b>									
Cash and cash equivalents	-	-	429	-	-	538	-	-	190
Bank Balance other than (a) above	-	-	23,500	-	-	15942	-	-	145
Trade Receivable			4029			3487			977
Loans	-	-	5,413	-	-	225	-	-	-
Investments	56074	1531	172747	55121	9909	172747	56070	27089	172747
Other financial assets	-	-	4,084	-	-	4045	-	-	4358
<b>total financial assets</b>	<b>56074</b>	<b>1531</b>	<b>210202</b>	<b>55121</b>	<b>9909</b>	<b>196984</b>	<b>56070</b>	<b>27089</b>	<b>178417</b>
<b>B ) Financial liabilities</b>									
Other payables	-	-	596	-	-	820	-	-	1585
Borrowings	-	-	7784	-	-	1603	-	-	3754
Other financial liabilities	-	-	1339	-	-	1491	-	-	860
<b>total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>9719</b>	<b>-</b>	<b>-</b>	<b>3914</b>	<b>-</b>	<b>-</b>	<b>6199</b>

The management assessed that cash and cash equivalents and bank balances, trade receivables, other financial assets, certain investments, trade payables and other current liabilities approximate their fair value largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the year presented.

### iv Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Disclosures of fair value measurement hierarchy for assets and liabilities as at 31 March 2020

(₹ in '000's)

Financial assets	As at 31 March 2020				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
<b>Financial assets measured at FVTOCI</b>					
Investments	56,074	56,074	51,956	-	4,118
<b>Financial assets measured at FVTPL</b>					
Investments	1,531	1,531	1,531	-	-
<b>Financial assets measured at amortised cost</b>					
Investments	1,72,747	1,72,747	-	1,72,747	-
<b>Total</b>	<b>2,30,352</b>	<b>2,30,352</b>	<b>53,487</b>	<b>1,72,747</b>	<b>4,118</b>

(₹ in '000's)

Financial assets	As at 31 March 2019				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
<b>Financial assets measured at FVTOCI</b>					
Investments	55,121	55,121	38,636	-	16,485
<b>Financial assets measured at FVTPL</b>					
Investments	9,909	9,909	9,909	-	-
<b>Financial assets measured at amortised cost</b>					
Investments	1,72,747	1,72,747	-	1,72,747	-
<b>Total</b>	<b>2,37,777</b>	<b>2,37,777</b>	<b>48,545</b>	<b>1,72,747</b>	<b>16,485</b>

(₹ in '000's)

Financial assets	As at 1 April 2018				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
<b>Financial assets measured at FVTOCI</b>					
Investments	56,070	56,070	50,537	-	5,533
<b>Financial assets measured at FVTPL</b>					
Investments	27,089	27,089	27,089	-	-
<b>Financial assets measured at amortised cost</b>					
Investments	1,72,747	1,72,747	-	1,72,747	-
<b>Total</b>	<b>2,55,906</b>	<b>2,55,906</b>	<b>77,626</b>	<b>1,72,747</b>	<b>5,533</b>

**Fair Value Hierarchy :**

- Investments included in Level 1 of fair value hierarchy are based on prices quoted in stock exchange and/ or NAV declared by the funds.
- Investments included in Level 2 of fair value hierarchy have been valued based on inputs from banks and other recognised institutions such as FIMMDA/ FEDAI
- Investments included in Level 3 of fair value hierarchy have been valued using acceptable valuation techniques such as Net Asset Value and/ or Discounted Cash Flow Method.

Note : All financial instruments for which fair value is recognized or disclosed are categorized within the Fair Value Hierarchy described as above, based on the lowest level input that is significant to the fair value measurement as a whole.

**34. Employee Benefits plans**

Defined Benefit plans

A. Gratuity

The Gratuity plan is governed by the payment of Gratuity Act, 1972 . The Gratuity Act is not applicable to the company, however the company provides gratuity benefits to the whole time director of the company. The company has not created any fund for the payment of the gratuity liability but has created a provision for gratuity liability based on Actuary Valuer report.

## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

Movement in defined benefits obligations

(₹ in '000's)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Present Value of Benefit Obligation at the Beginning of the Period</b>	<b>462</b>	<b>377</b>
Interest Cost	36	30
Current Service Cost	75	73
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	-	-
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	64	3
Actuarial (Gains)/Losses on Obligations - Due to Experience	11	(21)
<b>Present Value of Benefit Obligation at the End of the Period</b>	<b>648</b>	<b>462</b>

Reconciliation of net liability / asset

(₹ in '000's)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Opening Net Liability</b>	<b>462</b>	<b>377</b>
Expenses Recognized in Statement of Profit or Loss	112	102
Expenses Recognized in OCI	74	(17)
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	-	-
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>648</b>	<b>462</b>

Expenses charged to the statement of Profit and Loss

(₹ in '000's)

Particulars	As at 31st March 2020	As at 31st March 2019
Current Service Cost	36	30
Net Interest Cost	75	73
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
<b>Expenses Recognized</b>	<b>111</b>	<b>103</b>

Measurement (gains)/ Losses in other comprehensive income.

(₹ in '000's)

Particulars	As at 31st March 2020	As at 31st March 2019
Actuarial (Gains)/Losses on Obligation For the Period	74	(17)
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
<b>Net (Income)/Expense For the Period Recognized in OCI</b>	<b>74</b>	<b>(17)</b>



**Amount recognized in Balance Sheet.**

(₹ in '000's)

Particulars	As at 31st March 2020	As at 31st March 2019
(Present Value of Benefit Obligation at the end of the Period)	(648)	(462)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(648)	(462)
<b>Net (Liability)/Asset Recognized in the Balance Sheet</b>	<b>(648)</b>	<b>(462)</b>

**Change in the Fair Value of Plan Assets**

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Fair Value of Plan Assets at the Beginning of the Period</b>	-	-
Interest Income	-	-
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
(Expenses and Tax for managing the Benefit Obligations- paid from the fund)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
<b>Fair Value of Plan Assets at the End of the Period</b>	<b>-</b>	<b>-</b>

**B. Defined Contribution Scheme**

The Employee's Provident Funds Scheme, 1952 is not applicable to the company. However, the company extends provident fund benefits to its whole time director. The employer contribution to the Provident Fund together with the employee deduction is deposited in the Recognized Provident Fund and is charged as an expense as and when accrued and incurred.

Other than the above, the company does not operate any superannuation, pension, ESOP or any other defined benefit or defined contribution scheme for the benefit of its employees.

**35. First-time adoption of Ind AS**

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company has prepared its Ind AS compliant financial statements for year ended on 31 March 2020, the comparative period ended on 31 March 2019 and an opening Ind AS Balance Sheet as at 1 April 2018 (the date of transition), as described in the summary of significant accounting policies. This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements, including the Balance Sheet as at 1 April 2018 and the financial statements as at and for the year ended 31 March 2019.

For periods ended up to the year ended 31 March 2019, the Company had prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

**(A) Mandatory exceptions and optional exemptions availed**

Set out below are the applicable Ind AS 101 mandatory exceptions and optional exemptions applied in the transition from previous GAAP to Ind AS, which were considered to be material or significant by the Company.

**Mandatory exceptions**

The Company has adopted all relevant mandatory exceptions set out in Ind AS 101 which are as below:

(i) Estimates

Ind AS 101 prescribes that an entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with

## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

The Company's Ind AS estimates as at the transition date are consistent with the estimates as at the same date made in conformity with previous GAAP.

(ii) De-recognition of financial assets and financial liabilities

As set out in Ind AS 101, the Company has applied the de-recognition requirements of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

(iii) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

(iv) Impairment of financial assets

As set out in Ind AS 101, an entity shall apply the impairment requirements of Ind AS 109 retrospectively if it does not entail any undue cost or effort. The Company has assessed impairment of financial assets in conformity with Ind AS 109.

### Optional exemptions availed

(i) Investment in subsidiary

Ind AS 101 provides a one time option to a first-time adopter either to measure its investment in subsidiaries as per previous GAAP carrying value or at fair value on the date of transition.

The Company has elected to measure its investment in subsidiary as per previous GAAP carrying value.

(ii) Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be material.

The Company has elected to apply this exemption for such contracts/arrangements.

(iii) Property, Plant and Equipment

The Company has elected to continue with carrying value for all of its property, plant and equipment as recognized in its Indian GAAP financial statements as its deemed cost at the date of transition. This exemption is also used for intangible assets covered by Ind AS 38, Intangible Assets. Accordingly the management has elected to measure all of its property, plant and equipment and intangible assets at their Indian GAAP carrying value.

### (B) Reconciliations between Ind AS and previous GAAP are given below

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for previous periods. The following table represent the reconciliations from previous GAAP to Ind AS

#### Reconciliation of equity as at date of transition 1 April 2018 and as at 31 March 2019

(₹ in '000's)

	Notes to First time Adoption	As at 31st March 2019			As at 1st April 2018		
		Previous GAAP	Adjustment	Ind AS	Previous GAAP	Adjustment	Ind AS
<b>ASSETS</b>							
<b>Financial Assets</b>							
Cash and Cash equivalents		538	-	538	190	-	190
Bank Balance other than (a) above		15,942	-	15,942	145	-	145
Receivables							
(l) Trade Receivables		3,487	-	3,487	977	-	977
Loans		225	-	225	-	-	-
Investments	1&3	2,39,504	(1,727)	237,777	2,48,943	6,963	2,55,906

(₹ in '000's)

	Notes to First time Adoption	As at 31st March 2019			As at 1st April 2018		
		Previous GAAP	Adjustment	Ind AS	Previous GAAP	Adjustment	Ind AS
Other Financial assets		4,045	-	4,045	4,358	-	4,358
<b>Non-Financial Assets</b>							
Current tax assets (Net)		1,816	-	1,816	2,987	-	2,987
Deferred Tax Assets (Net)		1,664	297	1,961	1,523	-	1,523
Property, Plant & Equipment		1,532	-	1,532	2,317	-	2,317
Intangible Assets		2	-	2	2	-	2
Other non-financial assets		1584		1584	1986		1986
<b>Total assets</b>		<b>2,70,339</b>	<b>(1,430)</b>	<b>2,68,909</b>	<b>2,63,428</b>	<b>6,963</b>	<b>2,70,391</b>
<b>Financial Liabilities</b>							
<b>(a) Payables</b>							
Other payables		820		820	1,585		1,585
Borrowings		1,603	-	1,603	3,754	-	3,754
Other financial liabilities	4	1,491	-	1,491	860	-	860
<b>Non-Financial Liabilities</b>							
Provisions	2	692	(230)	462	577	(200)	377
Other non-financial liabilities		888	-	888	501	-	501
<b>Equity</b>							
Equity Share Capital		35,064	-	35,064	31,364	-	31,364
Other Equity	1 to 4	226825	(1200)	225,625	2,19,227	7,163	226,390
Money Received against Share Warrants		2,956	2,956	5,560		5,560	
<b>Total liabilities and equity</b>		<b>2,70,339</b>	<b>(1,430)</b>	<b>2,68,909</b>	<b>2,63,428</b>	<b>6963</b>	<b>2,70,391</b>

Reconciliation of equity as at 1 April 2018 and as at 31 March 2019 summarized in below table

(₹ in '000's)

Particulars		As at 31-Mar-19	As at 01-Apr-18
Equity as reported under previous GAAP	(A)	2,64,845	2,56,151
Adjustments			
Impact due to fair valuation of investment designated under FVOCI		(1200)	7099
Fair valuation of investment classified under FVTPL		-	64
	(B)	(1,200)	7163
	<b>(A+B)</b>	<b>2,63,645</b>	<b>2,63,314</b>

Reconciliation of total comprehensive income for the year ended 31 March 2019

(₹ in '000's)

PARTICULARS	Previous GAAP	Adjustment	Ind AS
Sale of Services	13,623	-	13,623
Brokerage Income (Net)	747	-	747
Profit on Mutual Fund & Currency Derivatives	4693	(4262)	431
Net gain/(Loss) on Fair Value Changes	-	13	13
Other Income	3182	229	3,411
<b>Total Revenue</b>	<b>22,245</b>	<b>(4020)</b>	<b>18,225</b>
Expenses:			
Employee Benefits Expense	10,949	(13)	10,936
Finance Costs	193	1	194
Depreciation and Amortization Expenses	1179	-	1,179
Other Expenses	9,187	(294)	8,893
<b>Total Expenses</b>	<b>21508</b>	<b>(306)</b>	<b>21,202</b>

## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

(₹ in '000's)

PARTICULARS	Previous GAAP	Adjustment	Ind AS
<b>Profit Before Tax</b>	<b>737</b>	<b>(3714)</b>	<b>(2,977)</b>
Tax Expense:			
(1) Current tax	86	-	86
(2) Deferred tax	(141)	-	(141)
(3) MAT Credit	(86)	-	(86)
(4) Earlier Period Taxes	(5)	-	(5)
	<b>(146)</b>	<b>-</b>	<b>(146)</b>
<b>Profit for the Year</b>	<b>883</b>	<b>(3714)</b>	<b>(2,831)</b>
<b>Other comprehensive income (OCI)</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Net gain/(Loss) on Fair Value Changes	-	(4964)	(4964)
Remeasurement gains/(losses) on defined benefit plans	-	17	17
Tax impact on above	-	296	296
Other comprehensive income for the year (net of tax)	-	(4,651)	(4,651)
<b>Total</b>	<b>883</b>	<b>(8365)</b>	<b>(7,482)</b>

Reconciliation of total comprehensive income for the year ended 31 March 2019 summarised in below table

(₹ in '000's)

Particulars	Year Ended 31st March,2019
<b>Profit after tax as reported under Previous GAAP</b>	<b>883</b>
Adjustments resulting in increase/(decrease) in profit after tax as reported under Previous GAAP :	
I) Others	13
I ) Gain/(Loss) on fair valuation of Investments classified under FVTPL	(58)
II) Tax impact on above adjustments	-
Profit after tax as reported under Ind AS	838
I ) Gain/(Loss) on fair valuation of Investments classified under FVOCI	(8633)
II) Other Comprehensive Income (loss)	17
III) Tax impact on above adjustments	296
<b>Total Comprehensive Income (after tax) as reported under Ind AS</b>	<b>(7482)</b>

### Notes to first time adoption of Ind AS

#### (1) Fair valuation of investments subsequently measured under FVTPL and FVOCI

Under the previous GAAP, investments in mutual funds were classified as current investments . Investments in mutual funds 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 retained earnings (net of related deferred taxes) as at the date of transition and subsequently in the Statement of Profit and Loss for the year ended 31 March 2020.

Investments in equity shares were classified as long term investments and were carried at cost less impairment other than temporary under the previous GAAP. 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 retained earnings (net of related deferred taxes) as at the date of transition and subsequently in the other comprehensive income for the year ended 31 March 2020.

#### (2) Re-measurement of defined benefit plan 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 other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the Statement of Profit and Loss for the year. There is no impact on the total equity.

#### (3) Components of other comprehensive income (OCI)

Under Ind AS, following items has been recognised in other comprehensive income in the Statement of Profit and Loss of the Company:

- Re-measurement gains/(losses) on defined benefit plans
- Changes in fair value of FVOCI equity instruments.

All above adjustments, except re-measurement gains/(losses) on defined benefit plans as set out in note (2) above, are recognized in other comprehensive income reserve (net of related deferred taxes) as at the date of transition and for the year ended 31 March 2019 and subsequently in the OCI section in the Statement of Profit and Loss for the year ended 31 March 2019.

## Impact of Ind AS adoption on the Statement of Cash Flows for the year ended 31 March 2019

There are no material adjustments on transition to Ind AS in the Statement of Cash Flows for the year ended 31 March 2019.

36. The Mumbai Bench of the Hon'ble National Company Law Tribunal (NCLT) vide its Order dated April 27, 2020 has granted approval for the Scheme of Amalgamation between KJMC Commodities Market India Limited ("the Transferor Company") with KJMC Capital Market Services Limited ("the Transferee Company") and their respective shareholders ("Scheme"). The Appointed date for the said Scheme of Amalgamation is April 1, 2018. KJMC Commodities Market India Limited ("the Transferor Company") and KJMC Capital Market Services Limited ("the Transferee Company") are both the wholly owned subsidiary companies of KJMC Corporate Advisors (India) Limited. KJMC Commodities Market India Limited ("the Transferor Company") shall stand dissolved, without winding-up, on the Scheme becoming effective. In view of the same, KJMC Capital Market Services Limited continues to be a wholly owned subsidiary of KJMC Corporate Advisors (India) Limited.
37. The Mumbai Bench of the Hon'ble National Company Law Tribunal (NCLT) vide its Order dated 3rd March 2020 had granted approval for the Scheme of Amalgamation of KJMC Asset Management Company Limited (KAMCL) ("the First Transferor Company") and KJMC Investment Trust Company Limited (KITCL) ("the Second Transferor Company") with KJMC Financial Services Limited ("the Transferee Company") and their respective shareholders ("Scheme"). KJMC Asset Management Company Limited (KAMCL) ("the First Transferor Company") and KJMC Investment Trust Company Limited (KITCL) ("the Second Transferor Company") both are the wholly owned subsidiary companies of KJMC Financial Services Limited ("the Transferee Company"). The copy of order is received from the Hon'ble National Company Law Tribunal (NCLT) and duly filed with the Office of Registrar of Companies, Mumbai. The Appointed date for the sanctioned Scheme of Amalgamation is 1st April 2018. Accordingly, the figures for the previous financial year have been restated/recasted to give effect to the Scheme of Amalgamation with effect from 1st April 2018.
38. The COVID -19 pandemic has caused disruption to businesses and economic activity which has been reflected in recent fluctuations in markets across the globe. It is difficult to assess definite future impact of COVID -19 on business operations at this point of time where lifting of 100% lockdown is not certain. However, we are confident to sail through this crisis smoothly through our consumers, our committed employees and our quality of leadership.
39. The Management has identified the Company's operations with a single business segment of merchant banking operations in India. Since the business operations of the company are primarily concentrated in India, the company is considered to operate only in domestic segment. All the assets of the Company are located in India.
40. Previous year figures have been regrouped or reclassified wherever necessary in order to make them comparable and shown in brackets.

As per our report of even date attached

**For V. P. Thacker & Co.**  
Chartered Accountants  
Registration No: 118696W

**Abuali Darukhanawala**  
Partner  
Membership No. 108053

Place : Mumbai  
Date : 28th July 2020

For and on behalf of the Board of Directors  
**KJMC CORPORATE ADVISORS (INDIA) Limited**

**Girish Jain**  
Whole Time Director  
DIN: 00151988

**Rajnish Jain**  
Director  
DIN: 00151673

**Kartik Konar**  
Chief Financial Officer  
Place : Mumbai

**Bhavika Dalal**  
Company Secretary



**Independent Auditor’s Report**

To the Members of **KJMC Corporate Advisors (India) Limited**

**Report on the Audit of Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated Ind AS financial statements of **KJMC Corporate Advisors (India) Limited** (‘the Holding Company’) and its subsidiary companies (the Holding Company and its subsidiary companies together referred to as ‘the Group’), and its associate company 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 Cash Flow Statement and the consolidated Statement of Changes in Equity 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 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 state of affairs of the Group and its associate company as at March 31, 2020, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the consolidated Ind AS financial statements’ section of our report. We are

independent of the Group and its associate company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act 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 on the consolidated Ind AS financial statements.

**Emphasis of Matter**

We draw attention to note 38 of the consolidated Ind AS financial statements which describes the uncertainty caused by Novel Corona virus (COVID-19) pandemic with respect to the impact on the business operations. Our opinion is not modified in respect of this matter.

**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 31 March 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 each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters 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 these matters. 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 matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

<b>1) Impairment of Investments</b>	<b>Auditor’s Response</b>
<p>Where impairment indicators have been identified, the quantification of impairment in the carrying value of investments is considered to be a risk area due to the judgmental nature of key assumptions. The estimated recoverable amount is subjective due to the inherent uncertainty involved in forecasting and discounting future cash flows. The most significant judgements are:</p> <ul style="list-style-type: none"> <li>• Timely identification of diminution in the value of investments.</li> <li>• Proper estimation of fair market value in respect of listed and unlisted investments.</li> </ul>	<p>Tested the design and effectiveness of internal controls implemented by the management for following:</p> <ul style="list-style-type: none"> <li>• Identification of any diminution in the value of investments.</li> <li>• Collection of relevant data to estimate the fair market value of investments at the balance sheet date</li> <li>• To ascertain the sufficiency of amount of provision in case of diminution in value of investments</li> <li>• Management’s judgement applied for the key assumptions used for the purpose of determination of impairment provision</li> <li>• Completeness and accuracy of the data inputs used</li> <li>• We critically assessed and tested the key underlying assumptions and significant judgements used by management.</li> <li>• For investments identified by management as potentially impaired, examined the same and checked the calculation of the impairment</li> <li>• Examined the investments which had not been identified by management as potentially impaired and formed our own judgement as to whether that was appropriate through examining available information.</li> </ul>

**Other Information**

The other information comprises the information included in the Annual Report, but does not include the consolidated Ind AS financial statements and our auditor’s report thereon. The Holding Company’s Board of Directors is responsible for the other information.

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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and those charged with governance for the consolidated Ind AS Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the Companies included in the Group and its associate company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement 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, Management is responsible for assessing the Group and its associate 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 Management either intends to liquidate the Group and its associate company or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the Companies included in the Group and its associate company are also responsible for overseeing the financial reporting process of the Group and its associate company.

**Auditor's Responsibilities for the Audit of the consolidated Ind AS 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 Act, we are also responsible for expressing our opinion on whether the Holding 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 Group and its associate 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 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 and its associate company 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 of which we are the independent auditors, 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 financial statements of which we are the independent auditors.

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 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.

**Other Matters**

The comparative figures of consolidated financial statements of the Group for the year ended March 31, 2019 were audited by another auditor whose report dated May 22, 2019 expressed an unqualified opinion.

**Report on Other Legal and Regulatory Requirements**

1. 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 the preparation of the aforesaid consolidation of the 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 including the Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the 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) Rules 2015, as amended.
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors of the Group and the report of the statutory auditor of its associate company, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary company, refer to our separate Report in "Annexure A".
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Companies included in the Group to its respective directors 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 Group and its associate company does not have any pending litigations which would impact its financial position
  - ii. The Group and its associate 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 any of the Companies included in the Group.

**For V.P. Thacker & Co.**  
Chartered Accountants  
Firm Registration No: 118696W

**Abuali Darukhanawala**  
Partner  
(Membership No: 108053)  
UDIN No: 20108053AAAAHX4539  
Place: Mumbai  
Date: July 28, 2020

### Annexure A to the Independent Auditors Report

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the consolidated Ind AS financial statements for the year ended on 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")

We have audited the internal financial controls with reference to consolidated Ind AS financial statements of KJMC Corporate Advisors (India) Limited (hereinafter referred to as 'the Holding Company') and its subsidiary company as of March 31, 2020 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"). 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 the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to these consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls 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 with reference to these consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

**Meaning of Internal Financial Controls with Reference to these consolidated Ind AS financial statements**

A Company's internal financial control over financial reporting with reference to these consolidated 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 consolidated Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) 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 with Reference to these consolidated Ind AS financial statements**

Because of the inherent limitations of internal financial controls over financial reporting with 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 with reference to these consolidated Ind AS financial statements to future

periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated 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**

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have maintained in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For V.P. Thacker & Co.**

Chartered Accountants  
Firm Registration No: 118696W

**Abuali Darukhanawala**

Partner  
(Membership No: 108053)  
UDIN No: 20108053AAAAHX4539  
Place: Mumbai  
Date: July 28, 2020

## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

### CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020 CIN: L67120MH1998PLC113888

(₹ in '000's)

PARTICULARS	NOTE NO.	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
<b>ASSETS</b>				
<b>(1) Financial Assets</b>				
(a) Cash and Cash equivalents	4	6,896	10,317	9,083
(b) Bank Balance other than (a) above	5	1,13,073	59,817	44,019
(c) Derivative financial instruments		-	-	-
(d) Receivables	6			
(I) Trade Receivables		10,153	5,484	8,775
(II) Other Receivables		-	-	-
(e) Loans		-	-	-
(f) Investments	7	1,26,680	1,59,271	1,93,175
(g) Other Financial assets	8	56,554	46,895	34,032
<b>(2) Non-Financial Assets</b>				
(a) Current tax assets (Net)	9	3,671	3,977	5,248
(b) Deferred Tax Assets (Net)	10	6,937	6,007	3,547
(c) Property, Plant & Equipment	11	7,631	8,726	11,262
(d) Intangible Assets		2	2	2
(e) Goodwill		20,477	20,477	20,477
(f) Other non-financial assets		7,274	6,347	25,265
<b>Total Assets</b>	12	<b>359,348</b>	<b>327,320</b>	<b>354,885</b>
<b>LIABILITIES &amp; EQUITY</b>				
<b>(1) Financial Liabilities</b>				
(a) Derivative Financial Instruments		-	-	-
(b) Payables				
(I) Trade Payables	13			
(i) Total outstanding dues of Micro Enterprises & Small Enterprises		-	-	-
(ii) Total outstanding dues of creditors other than Micro Enterprises & Small Enterprises		29,021	7,561	8,019
(II) Other Payables				
(i) Total outstanding dues of Micro Enterprises & Small Enterprises		-	-	-
(ii) Total outstanding dues of creditors other than Micro Enterprises & Small Enterprises		3,152	1,401	4,470
(c) Debt Securities		-	-	-
(d) Borrowings (Other than Debt Securities)	14	16,581	1,603	11,796
(e) Deposits		-	-	-
(f) Subordinated Liabilities		-	-	-
(g) Other financial liabilities	16	2,417	2,572	1,936
<b>(2) Non-Financial Liabilities</b>				
(a) Current Tax liabilities (Net)		-	-	-
(b) Provisions	17	2,395	1,835	1,498
(c) Deferred tax liabilities (Net)		-	-	-
(d) Other non-financial liabilities	18	2,785	1,721	1,195
<b>(3) Equity</b>				
(a) Equity Share Capital	19	39,264	35,064	31,364
(b) Other Equity	20	2,63,733	2,72,607	2,89,047
(c) Money Received against Share Warrants		-	2,956	5,560
<b>Total Liabilities and Equity</b>		<b>359,348</b>	<b>327,320</b>	<b>354,885</b>

Significant Accounting Policies and Notes to Accounts  
The above notes are integral part of the financial statements

1 to 40

**As per our report of even date attached**  
**For V. P. Thacker & Co.**  
Chartered Accountants  
Registration No: 118696W

**Abuali Darukhanawala**  
Partner  
Membership No. 108053

Place : Mumbai  
Date : 28th July 2020

For and on behalf of the Board of Director  
**KJMC CORPORATE ADVISORS (INDIA) Limited**

**Girish Jain**  
Whole Time Director  
DIN: 00151673

**Kartik Konar**  
Chief Financial Officer

Place : Mumbai  
Date : 28th July 2020

**Rajesh Jain**  
Director  
DIN: 00151988

**Bhavika Dalal**  
Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020**  
CIN: L67120MH1998PLC113888

(₹ in '000's)

PARTICULARS	NOTE NO.	For the year ended 31.03.2020	For the year ended 31.03.2019
Revenue from Operations			
Sale of Services		11,989	13,633
Brokerage Income (Net)	21	21,732	21,219
Profit on Mutual Fund & Currency Derivatives		358	514
Net gain/(Loss) on Fair Value Changes		8	13
Interest Income		5,532	5,421
Other Income	22	6,747	6,030
<b>Total Revenue</b>		<b>46,366</b>	<b>46,830</b>
Expenses:			
Employee Benefits Expense	23	26,314	25,579
Finance Costs	24	907	1,448
Depreciation and Amortization Expense	11	4,132	2,049
Other Expenses	25	21,701	23,160
<b>Total Expenses</b>		<b>53,054</b>	<b>52,236</b>
<b>Profit before tax</b>		<b>(6,688)</b>	<b>(5,406)</b>
Tax Expense:			
(1) Current tax		70	302
(2) Deferred tax		278	(1,952)
(3) MAT credit		(70)	(199)
(4) Prior period Items		122	817
		400	(1,032)
<b>Profit/(Loss) before Share in Associates' profit / Loss</b>		<b>(7,088)</b>	<b>(4,374)</b>
Add: Share in Associates' Profit		(784)	(11,257)
<b>Profit for the year</b>		<b>(7,872)</b>	<b>(15,631)</b>
<b>Other Comprehensive Income</b>			
(Items that will not be reclassified to P&L )			
Net gain/(Loss) on Fair Value Changes		(7,854)	(6,588)
Gratuity		(142)	50
Current tax		(1,594)	-
Deferred Tax		1,208	508
Mat Credit		928	-
<b>Total Comprehensive Income</b>		<b>(7,454)</b>	<b>(6,030)</b>
		<b>(15,326)</b>	<b>(21,661)</b>
Earnings per equity share:			
(1) Basic		(2.00)	(4.46)
(2) Diluted		(2.00)	(4.46)

Significant Accounting Policies and Notes to Accounts  
The above notes are integral part of the financial statements

1 to 40

**As per our report of even date attached**  
**For V. P. Thacker & Co.**  
Chartered Accountants  
Registration No: 118696W

**Abuali Darukhanawala**  
Partner  
Membership No. 108053

Place : Mumbai  
Date : 28th July 2020

For and on behalf of the Board of Director  
**KJMC CORPORATE ADVISORS (INDIA) Limited**

**Girish Jain**  
Whole Time Director  
DIN: 00151673

**Kartik Konar**  
Chief Financial Officer

Place : Mumbai  
Date : 28th July 2020

**Rajesh Jain**  
Director  
DIN: 00151988

**Bhavika Dalal**  
Company Secretary



**Notes to Consolidated financial statements for the year ended 31 March 2020**

**1. Corporate information**

KJMC Corporate Advisors (India) Ltd. ('the Company', 'KCAL') is a company limited by shares, incorporated on 9th March 1998 and domiciled in India. The CIN of the company is **L67120MH1998PLC113888** and its registration number is 113888. The Parent Company is in the business of providing Corporate Advisory, Financial Advisory, Equity Valuation and Investment Banking services. The Parent Company is also registered with SEBI as a Merchant Banker and Underwriter. The Parent Company has its registered office at Atlanta Society, Nariman Point, Mumbai, Maharashtra and its principal place of business is at 162, Atlanta Society, 16th floor, Nariman Point, Mumbai, Maharashtra, India.

The Audited Financial Statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On 28th July 2020, Board of Directors of the Company approved and recommended the audited financial statements for consideration and adoption by the shareholders in its annual general meeting.

**2. Basis of preparation**

The Consolidated 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 and the Master Direction – Non-Banking Financial issued by RBI from time to time. The Consolidated financial statements have been prepared on a going concern basis. The Group uses accrual basis of accounting except in case of significant uncertainties

For all periods up to and including the year ended 31 March 2019, the Group had 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 and the Companies (Accounting Standards) Amendment Rules, 2016 and the NBFC Master Directions (hereinafter referred as '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 Group has applied Ind AS 101 'First-time Adoption of Indian Accounting Standards', for transition from previous GAAP to Ind AS. An explanation of how transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Group is provided in note no. 35.

**2.1 Presentation of financial statements**

The Group presents its Balance Sheet in order of liquidity.

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 on which the Management's estimates are based. Accounting estimates and judgments are used in various line items in the financial statements for e.g.

- Fair value of financial instruments [Refer note no. 3.12]
- Provision for tax expenses [Refer note no. 3.5(i)]
- Residual value and useful life of property, plant and equipment [Refer note no. 3.6].

**2.2 Principles of consolidation**

- (i) The consolidated financial statements incorporate the financial statements of the Parent Company and all its subsidiaries (from the date control is gained), being the entities that it controls. Control is evidenced where the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns. The financial statements of subsidiaries are prepared for the same reporting year as the Parent Company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Parent Company.

The Parent Company holds the entire shareholding in its subsidiaries and there are no contractual arrangements which rebut the control of the Parent Company over its subsidiaries. The financial statements of subsidiaries acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate. Intragroup balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements

- (ii) The Consolidated financial statements include results of the subsidiaries of KJMC Corporate Advisors (India) Limited (Parent Company), consolidated in accordance with Ind AS 110 'Consolidated Financial Statements'

Sr. No.	Name of Subsidiary	Country of Incorporation	Ownership Interest	
			31.03.2020	31.03.2019
1.	KJMC Capital Market Services Ltd	India	100%	100%
2.	KJMC Shares and Securities Ltd	India	100%	100%
3.	KJMC Credit Marketing Ltd	India	100%	100%

Figures for preparation of consolidated financial statements have been derived from the audited financial statements of the respective companies in the Group

(iii) Disclosure in terms of Schedule III of the Companies Act, 2013

(₹ in '000's)

	Net Assets , i.e. , total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
1	2	3	4	5
<b>Parent : KJMC Corporate Advisors (India) Ltd</b>	86.98%	2,63,545	59%	(8,966)
Subsidiaries -				
Indian				
KJMC Capital Market Services Limited	46.92%	142,163	33%	(5,063)
KJMC Shares and Securities Limited	9.51%	28,823	0%	(45)
KJMC Credit Marketing Limited	0.47%	1,428	3%	(468)
Minority interest in all subsidiaries	-	-	-	-
Associates (Investment as per the equity method ) -				
Indian				
KJMC Financial Services Limited			5%	(784)
Joint Ventures	-	-	-	-

### 3 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

#### 3.1 Revenue Recognition

- i) In accordance with Ind AS-115, the revenue is recognized at a time when performance obligation is satisfied.
  - a) Fees for valuation and financial advisory services are accounted as and when the service is rendered provided there is reasonable certainty of its ultimate realisation. Revenue is net of applicable indirect taxes
  - b) Interest Income on loan / deposits others are recognised on accrual basis, while Dividend / Interest on shares & securities are recognised when right to receive the Dividend are established.
  - c) Profit/(Loss) on sale of investment in shares and securities, are recognised upon transfer of control of such investment.

#### ii) Net gain on fair value changes

Investments are subsequently measured at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL), as applicable. The Company recognises gains/losses on fair value change of investments measured as FVOCI or FVTPL which is irreversible and even the realised gains/losses on subsequent sale of investments are recognized through FVOCI or FVTPL as applicable.

#### iii) Taxes

Incomes are recognised net of the Goods and Services Tax/ Service Tax, wherever applicable. Transaction price is accounted net of GST. Since GST is not received by the company on its own account, rather, it is collected by the Company on behalf of the government. Accordingly, it is excluded from revenue.

### 3.2 Expenditures

#### (i) Finance costs

Borrowing costs on deposits taken 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 value added services and products distribution, recovery charges and fees payable for management of portfolio 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.

### 3.3 Cash and cash equivalents

Cash and cash equivalents include cash on hand and balance with banks in current account

### 3.4 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 Group becomes party to the contractual provisions of the financial instruments. For tradable securities, the Group 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.

#### Initial measurement.

All financial assets are recognised initially at cost including transaction costs that are attributable to the acquisition of financial assets

#### Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into four categories

- (a) Debt instruments at FVOCI
- (b) Debt & Equity instruments at FVTPL
- (c) Equity instruments designated at FVOCI

### (a) Debt instruments at FVOCI

The Group subsequently classifies its financial assets as FVOCI, only if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVOCI category are measured at each reporting date at fair value with such changes being recognised in other comprehensive income (OCI). The interest income on these assets is recognised in profit or loss.

### (b) Debt and Equity instruments at FVTPL

The Group classifies financial assets which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the Balance Sheet at fair value. Interest and dividend incomes are recorded in interest income and dividend income, respectively according to the terms of the contract, or when the right to receive the same has been established. Gain and losses on changes in fair value of debt instruments are recognised on net basis through profit or loss.

The Group's investments into equity(trading portfolio), mutual funds, Government securities (trading portfolio) and certificate of deposits for trading have been classified under this category.

### (c) Equity investments designated under FVOCI

All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value. The Group has strategic investments in equity for which it has elected to present subsequent changes in the fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable.

All fair value changes of the equity instruments, excluding dividends, are recognised in OCI and not available for reclassification to profit or loss, even on sale of investments.

### Impairment of Trade receivable and other financial assets

In accordance with IND\_AS 109, the Company applied Expected Credit Loss (ECL) model for measurement and recognition of impairment loss.

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 recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

### (ii) 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 .

#### Initial measurement

All financial liabilities other than Deposits taken are recognised at cost. The Company's financial liabilities include trade payables, other payables, debt securities and other borrowings.

#### Subsequent measurement

After initial recognition, all deposits taken subsequently measured at Net Present Value using the EIR [Refer note no. 3.1(i)]. Any gains or losses arising on derecognition of liabilities are recognized 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.

### (iii) 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 recognized amounts with an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

### (IV) Investment in subsidiaries

Investment in subsidiaries is recognized at cost and are 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.

## 3.4 Taxes

### (a) Current 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.

Current tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in other equity. 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.

**(b) 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 recognized for all taxable temporary differences and deferred tax assets are recognized 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 utilized.

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 utilized. Unrecognized deferred tax assets, if any, are reassessed at each reporting date and are recognized 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 realized 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 recognized outside profit or loss is recognized 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.

**3.5 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 written down value method over the useful life of assets.
- (b) Useful lives of assets are determined by the Management by an internal technical assessment except where such assessment suggests a life significantly different from those prescribed by Schedule II – Part C of the Companies Act, 2013 where the useful life is as assessed and certified by a technical expert.

- (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.

**3.6 Intangible assets and amortisation thereof**

Intangible assets, representing website development expenses are initially recognized at cost and subsequently carried at cost less accumulated amortization and accumulated impairment. The intangible assets are amortized using the straight line method over a period of three years, which is the Management's estimate of its useful life.

**3.7 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.

**3.8 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.

**3.9 Foreign currency translation**

The Group's financial statements are presented in Indian Rupee, which is also the Group's functional currency.

**Initial recognition**

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

**Conversion**

Foreign currency monetary items are re-translated using the exchange rate prevailing at the reporting date. Non- monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

### Exchange differences

All exchange differences are accounted in the Statement of Profit and Loss.

### 3.10 Retirement and other employee benefits

#### (a) Gratuity

The Group has not created any Gratuity Fund to which payment for present liability of future payment of gratuity can be made. However, provision for gratuity is made in the books based on the actuarial valuation report provided by an approved valuer. The actuarial liability as determined by an appointed actuary using the projected unit credit method are recognised as a liability. Gains and losses through remeasurements of the net defined benefit liability/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. The effect of any planned amendments are recognised in Statement of Profit and Loss. Remeasurements are not reclassified to profit or loss in subsequent periods.

#### (b) Provident fund

Provident Fund Contributions are made to Recognized Provident Fund.

### 3.11 Leases

With effect from 1 April 2019, the Group has applied Ind AS 116 'Leases' for all long term and material lease contracts covered by the Ind AS. The Group has adopted modified retrospective approach as stated in Ind AS 116 for all applicable leases on the date of adoption.

#### Measurement of Lease Liability

At the time of initial recognition, the Group measures lease liability as present value of all lease payments discounted using the Group's cost of borrowing. Subsequently, the lease liability is –

- (i) increased by interest on lease liability;
- (ii) reduced by lease payments made; and

- (iii) remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.

#### Measurement of Right-of-use assets

At the time of initial recognition, the Group measures 'Right-of-use assets' as present value of all lease payments discounted using the Group's cost of borrowing w.r.t said lease contract. Subsequently, 'Right-of-use assets' is measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any remeasurement of the lease liability specified in Ind AS 116 'Leases'.

Depreciation on 'Right-of-use assets' is provided on straight line basis over the lease period.

The exception permitted in Ind AS 116 for low value assets and short term leases has been adopted by Group."

### 3.12 Fair value measurement

The Group measures its Investments and Deposits (Both Given and Taken) 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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value measurement has been done for investments and Deposits (Both Given and Taken). Listed investments have been valued at the market price at which the respective investments were quoting as on 31.03.2020. Unlisted investments have been valued on the basis of the valuation certificates issued by an approved valuer. Both deposits given and taken have been valued at the Net present value applying the EIR method.

(₹ in '000's)

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
<b>Note - 4: Cash and Cash Equivalents</b>			
Cash in Hand	320	132	117
Balance with Banks			
- On Current Accounts	6,576	10,185	8,966
	<b>6,896</b>	<b>10,317</b>	<b>9,083</b>
<b>Note - 5: Bank balances other than cash and cash equivalents</b>			
Unclaimed dividend account	83	145	145
<b>In Fixed Deposit Accounts</b>			
with Maturity Less than 12 Months'	112,990	59,672	43,874
	<b>113,073</b>	<b>59,817</b>	<b>44,019</b>
<b>Note - 6:Receivables</b>			
<b>(I) Trade Receivables</b>			
Considered Good	10,153	5,484	8,775
<b>Unsecured, considered good</b>			
Considered Doubtful	1,000	1000	1000
Less:- Provision for Doubtful Debts	(1,000)	(1,000)	(1,000)
	<b>10,153</b>	<b>5,484</b>	<b>8,775</b>
<b>(II) Other Receivables</b>	-	-	-
<b>Total</b>	<b>10,153</b>	<b>5,484</b>	<b>8,775</b>
<b>Note - 7 : Investments</b>			
<b>(A) At Cost</b>			
Investment in Associates	25,431	26,216	37,474
Tax free bonds of Indian Railway Finance Corporation Ltd	4,000	4,000	4,000
2.50% Non Convertible cummulative Redemable Preference shares FV Rs.100	11,500	11,500	11,500
	<b>40,931</b>	<b>41,716</b>	<b>52,974</b>
<b>(B) At fair value through Other Comprehensive Income</b>			
<b>(i) In equity instruments</b>			
<b>Equity Shares</b>	100,286	106,735	98,267
Add: Fair value gains/(losses)	(16,146)	(239)	12,010
	<b>84,140</b>	<b>106,496</b>	<b>110,277</b>
<b>(C) At fair value through Other Profit &amp; Loss</b>			
<b>i) Mutual Fund</b>			
Equity Shares	1,616	11,020	29,838
Add: Fair value gains/(losses)	(7)	39	86
	<b>1,609</b>	<b>11,059</b>	<b>29,924</b>
<b>Grand Total (A+B+C)</b>	<b>126,680</b>	<b>159,271</b>	<b>193,175</b>
<b>Out of the above</b>			
In India	126,680	159,271	193,175
Outside India	-	-	-
	<b>126,680</b>	<b>159,271</b>	<b>193,175</b>



## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

(₹ in '000's)

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
<b>Note - 8 Other financial assets</b>			
<b>Security Deposit to Related parties</b>			
Unsecured, considered good	19,117	25,000	25,000
Interest Accrued & Impact of EIR	5,885		
	25,002	25,000	25,000
<b>Security Deposit to others</b>			
Unsecured, considered good	11,366	21,861	8,711
Interest Accrued & Impact of EIR	17		
Other advances	20,169	34	321
	<b>56,554</b>	<b>46,895</b>	<b>34,032</b>
<b>Note 9: Current Tax Assets</b>			
Advance Income Tax	15,596	20,285	21,154
Less: Provision for Taxation	(11,925)	(16,308)	(15,906)
	<b>3,671</b>	<b>3,977</b>	<b>5,248</b>
<b>Note - 10: Deferred Taxation</b>			
Deferred Tax Asset			
Unabsorbed Business Losses/Depreciation	1,739	1,628	89
Fixed Asset	1,149	1,129	955
Long Term Capital Loss	2,913	2,450	2,339
Speculation Loss	2	-	-
Fair Value of Investments_MF	1	-	-
Fair Value of Investments -_OCI	530	516	-
Gratuity_ FTPL	149	-	-
Gratuity_OCI	474	357	289
<b>Deferred tax Asset</b>	<b>6,957</b>	<b>6,080</b>	<b>3,672</b>
Deferred Tax Liability			
Gratuity_ FTPL	-	(8)	-
Gratuity_OCI	-	(1)	-
Fixed Assets	(20)	(64)	125
<b>Deferred Tax Liabilities</b>	<b>(20)</b>	<b>(73)</b>	<b>125</b>
<b>Deferred Tax Asset/ (Liability) -Net</b>	<b>6,937</b>	<b>6,007</b>	<b>3,547</b>

Note -11 : Property, Plant , Equipment

Description	Gross Block				Depreciation			Net Block		
	As on 01.04.2019	Additions/ Adjustments during the year	Deductions/ Adjustments during the year	Impairment/ Reversal during the year	As at 31.03.2020	As at 01.04.2019	Provided during the year	Deductions/ Adjustments during the year	As at 31.03.2020	As at 31.03.2019
Right of Use Assets - BLDG	-	3,756	-	-	3,756	-	2,620	-	2,620	1,136
Computers	6,160	414	-	-	6,574	5,626	526	-	6,152	422
Furniture & Fixtures	6,555	-	-	-	6,555	6,317	70	-	6,387	168
Office Equipments	4,568	38	-	-	4,606	4,301	155	-	4,456	150
Vehicles	4,036	-	-	-	4,036	2,927	488	-	3,415	621
Office Premises	29,430	-	-	-	29,430	22,852	1,444	-	24,296	5,134
<b>Total (A)</b>	<b>50,749</b>	<b>4,208</b>	-	-	<b>54,957</b>	<b>42,023</b>	<b>5,303</b>	-	<b>47,326</b>	<b>8,726</b>

**Fixed Assets - Intangible**

Description	Gross Block				Depreciation			Net Block		
	As at 01.04.2019	Additions/ Adjustments during the year	Deductions/ Adjustments during the year	Impairment/ Reversal during the year	As at 31.03.2020	As at 01.04.2019	Provided during the year	Deductions/ Adjustments during the year	As at 31.03.2020	As at 31.03.2019
Computer Software	45	-	-	-	45	43	-	-	43	2
<b>Total (B)</b>	<b>45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45</b>	<b>43</b>	<b>-</b>	<b>-</b>	<b>43</b>	<b>2</b>
<b>Total (A+B)</b>	<b>50,794</b>	<b>4,208</b>	<b>-</b>	<b>-</b>	<b>55,002</b>	<b>42,066</b>	<b>5,303</b>	<b>-</b>	<b>47,369</b>	<b>8,728</b>

Note -11 : Property, Plant , Equipment

Description	Gross Block				Depreciation			Net Block		
	As at 01.04.2019	Additions/ Adjustments during the year	Deductions/ Adjustments during the year	Impairment/ Reversal during the year	As at 31.03.2020	As at 01.04.2019	Provided during the year	Deductions/ Adjustments during the year	As at 31.03.2020	As at 31.03.2019
Office Premises	29,430	-	-	-	29,430	21,008	1,844	-	22,852	8,422
Furniture & Fixtures	6,555	-	-	-	6,555	6,266	51	-	6,317	238
Computers	5,750	667	257	-	6,160	5,300	447	121	5,626	534
Office Equipments	4,465	131	28	-	4,568	4,210	99	8	4,301	267
Vehicles	4,036	-	-	-	4,036	2,688	239	-	2,927	1,109
<b>Total (A)</b>	<b>50,236</b>	<b>798</b>	<b>285</b>	<b>-</b>	<b>50,749</b>	<b>39,472</b>	<b>2,680</b>	<b>129</b>	<b>42,023</b>	<b>10,764</b>

**Fixed Assets - Intangible**

Description	Gross Block				Depreciation			Net Block		
	As at 01.04.2019	Additions/ Adjustments during the year	Deductions/ Adjustments during the year	Impairment/ Reversal during the year	As at 31.03.2020	As at 01.04.2019	Provided during the year	Deductions/ Adjustments during the year	As at 31.03.2020	As at 31.03.2019
Computer Software	45	-	-	-	45	43	-	-	43	2
<b>Total (B)</b>	<b>45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45</b>	<b>43</b>	<b>-</b>	<b>-</b>	<b>43</b>	<b>2</b>
<b>Total (A+B)</b>	<b>50,281</b>	<b>798</b>	<b>285</b>	<b>-</b>	<b>50,794</b>	<b>39,515</b>	<b>2,680</b>	<b>129</b>	<b>42,066</b>	<b>10,766</b>

## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

(₹ in '000's)

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
<b>Note - 12: Other non financial assets</b>			
Deposit/Balances with Service Tax Dept & dues from Government	742	398	855
Advance to suppliers and others	1,730	1,645	20,662
MAT credit Entitlement	4,120	3,148	3,336
Prepaid Expenses	682	1,156	412
	<b>7,274</b>	<b>6,347</b>	<b>25,265</b>
<b>Note - 13 : Trade Payables</b>			
(A) Micro & Small Enterprises	-	-	-
(B) Others	29,021	7,561	8,019
	<b>29,021</b>	<b>7,561</b>	<b>8,019</b>
<b>Other Payables</b>			
(A) Micro & Small Enterprises	-	-	-
(B) Others	3,152	1,401	4,470
	3,152	1,401	4,470
	<b>32,173</b>	<b>8,962</b>	<b>12,489</b>
<b>Note - 14: Borrowings (Other than Debt Securities)</b>			
<b>(A) In India</b>			
<b>At Amortised cost</b>			
Vehicle Loan	1,231	1,603	1,946
(Refer Additional Information below)			
<b>Cash credit from bank repayable on demand (Secured)</b>			
(Cash credit from bank is secured against equitable mortgage of premises belonging to its subsidiary Company and Corporate Guarantee given by the said subsidiary. The cash credit is repayable on demand and carries interest @ MCLR + 2.15%.)	-	-	9,850
Secured Loan from HDFC Bank	15,412	-	-
Loans from Related Parties (Unsecured)	(62)	-	-
	<b>16,581</b>	<b>1,603</b>	<b>11,796</b>
<b>Note - 16: Other financial Liabilities</b>			
Employees dues	2,334	2,427	1,791
Interim Dividend Payable	83	145	145
	<b>2,417</b>	<b>2,572</b>	<b>1,936</b>
<b>Note - 17: Provisions</b>			
Provision for Ex-Gratia	2,395	1,835	1,498
	<b>2,395</b>	<b>1,835</b>	<b>1,498</b>
<b>Note - 18: Other non-financial liabilities</b>			
Statutory dues	1,608	1,721	1,195
Deferred Lease Liability - INDAS	1,177	-	-
	<b>2,785</b>	<b>1,721</b>	<b>1,195</b>

(₹ in '000's)

Particulars	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
<b>Note - 19: Equity Share Capital</b>			
<b>Authorised:</b>			
5,000,000 (Previous Year: 5,000,000) Equity shares of ₹10/- each	50,000	50,000	50,000
<b>Issued, Subscribed and Paid up :</b>			
3,926,440 (Previous Year: 3,506,440) Equity shares of ₹10/-each, fully paid up.	39,264	35,064	31,364
	<b>39,264</b>	<b>35,064</b>	<b>31,364</b>

(a) **Additional Information**

(₹ in '000's)

**Reconciliation of Shares outstanding at the beginning and at the end of the year**

Particulars	As at 31.03.2020		As at 31.03.2019	
	No of Shares	Amount	No of Shares	Amount
Shares outstanding at the beginning of the year	3,506,440	39,264	3,136,440	35,064
Shares issued during the year	420,000	4,200	370,000	3,700.00
	3,926,440	43,464	3,506,440	38,764
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3,926,440	43,464	3,506,440	38,764

(b) **Terms/ Rights attached to Shares**

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

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

(c) **Details of Shareholders holding more than 5% shares of the Company:**

Equity Shares of Rs 10 each	As at 31.03.2020		As at 31.03.2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
I. C. Jain HUF	220,500	5.61%	220,500	7.03%
Chand Devi Jain	1,480,458	37.70%	1,380,458	39.87%
Rajnesh Jain	380,518	9.69%	220,518	6.29%
Girish Jain	380,518	9.69%	220,518	6.29%

(d) **Terms and Rights attached to Convertible Warrants:**

Convertible Warrants nos.7,90,000 of the face value of Rs.10 each at a premium of Rs. 18.15 per warrant, were allotted to promoters on preferential basis on March 15,2018, at the consideration equivalent to 25% of the price fixed per warrant. The warrant-holders are entitled to apply for one equity share of Rs.10 each fully paid against every warrant held on payment of the balance 75% of the price fixed, within a period of 18 months from the date of allotment of the warrants, i.e., 15th March, 2018. The Board has approved conversion of 3,70,000 warrants into 3,70,000 Equity shares on request received from warrant holders and the same were allotted on 23rd January, 2019 & The Board has approved conversion of 4,20,000 warrants into 4,20,000 Equity shares on request received from warrant holders and the same are allotted on 22<sup>nd</sup> May, 2019

(₹ in '000's)

Particulars	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
<b>Note - 20: Other Equity</b>			
<b>General Reserve</b>			
As per last Balance sheet	71,197	71,197	71,197
Add: Addition during the year	-	-	-
Less: Deduction during the year	-	-	-
Closing Balance	<b>71,197</b>	<b>71,197</b>	<b>71,197</b>
<b>Capital Reserve</b>			
As per last Balance sheet	2,250	2,250	-
Add: Addition during the year	-	-	2,250
Less: Deduction during the year	-	-	-
Closing Balance	<b>2,250</b>	<b>2,250</b>	<b>2,250</b>
<b>Securities Premium</b>			
As per last Balance sheet	86,338	79,622	79,622
Add: Addition during the year	7,623	6,716	-
Less: Deduction during the year	-	-	-
Closing Balance	<b>93,961</b>	<b>86,338</b>	<b>79,622</b>

## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

Particulars	(₹ in '000's)		
	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
<b>Revaluation Reserve</b>			
As per last Balance sheet	5,331	6,826	6,826
Add: Addition during the year	-	-	-
Less: Deduction during the year	1,171	1,495	-
Closing Balance	<b>4,160</b>	<b>5,331</b>	<b>6,826</b>
<b>Surplus/(Deficit) in the statement of profit and loss</b>			
As per last Balance sheet	101,289	116,920	116,920
Profit for the period	(7,872)	(15,631)	-
<b>Amount available for appropriation</b>	<b>93,417</b>	<b>101,289</b>	<b>116,920</b>
Less : Appropriations	-	-	-
	<b>93,417</b>	<b>101,289</b>	<b>116,920</b>
<b>Other Reserve</b>			
Opening	6,202	12,232	-
current period Fair Value through OCI	(7,454)	(6,030)	12,232
	<b>(1,252)</b>	<b>6,202</b>	<b>12,232</b>
Balance carried forward	92,165	107,491	129,152
<b>Total</b>	<b>263,733</b>	<b>272,607</b>	<b>289,047</b>

Particulars	(₹ in '000's)	
	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>Note - 21: Revenue from Operations</b>		
Sale of Services	11,989	13,633
Brokerage Income (Net)	21,732	21,219
Profit on Sale of MF & Currency	358	514
Net gain/(Loss) on Fair Value Changes	8	13
Interest Income	5,532	5,421
	<b>39,619</b>	<b>40,800</b>
<b>Note - 22: Other Income</b>		
Dividend Income	1,745	1,323
Interest Income _Others	3,228	2,024
Rent Income	308	343
Infrastructural Support Services Income	789	239
Others	677	2,101
	<b>6,747</b>	<b>6,030</b>

**STATEMENT OF CHANGES IN EQUITY**

(₹ in '000's)

Particulars	For the year ended	
	31st March 2020	31st March 2019
Balance of the Beginning of the year	35,064,400	31,364,400
Changes in equity	4,200,000	3,700,000
	<b>39,264,400</b>	<b>35,064,400</b>

**Other Equity for the year ended 31st March 2020**

**Reserves and Surplus**

(₹ in '000's)

Particulars	Note No	General Reserve	Securities Premium	Other Comprehensive Income	Profit & Loss A/c	Revaluation Reserve	Capital reserve	Total
Balance as on 31.03.2019	19	71,197	86,338	6,202	101,289	5,331	2,250	272,607
Profit after tax		-	-	-	(7,872)	(1,171)	-	(9,043)
Addition		-	7,623	-	-	-	-	7,623
Other Comprehensive Income (Net of tax)		-	-	(7,454)	-	-	-	(7,454)
		71,197	93,961	(1,252)	93,417	4,160	2,250	263,733
Transfer to Reserve		-	-	-	-	-	-	-
<b>Balance as on 31.03.2020</b>		<b>71,197</b>	<b>93,961</b>	<b>(1,252)</b>	<b>93,417</b>	<b>4,160</b>	<b>2,250</b>	<b>263,733</b>

**Other Equity for the year ended 31st March 2019**

**Reserves and Surplus**

(₹ in '000's)

Particulars	Note No	General Reserve	Securities Premium	Other Comprehensive Income	Profit & Loss A/c	Revaluation Reserve	Capital reserve	Total
Balance as on 31.03.2018	19	71,197	79,622	12,232	116,920	6,826	2,250	289,047
Addition		-	6,716	-	-	-	-	6,716
Profit after tax		-	-	-	(15,631)	(1,495)	-	(17,126)
Other Comprehensive Income (Net of tax)		-	-	(6,030)	-	-	-	(6,030)
		71,197	86,338	6,202	101,289	5,331	2,250	272,607
Transfer to Reserve		-	-	-	-	-	-	-
<b>Balance as on 31.03.2019</b>		<b>71,197</b>	<b>86,338</b>	<b>6,202</b>	<b>101,289</b>	<b>5,331</b>	<b>2,250</b>	<b>272,607</b>

**For V. P. Thacker & Co.**  
Chartered Accountants  
Registration No: 118696W

**Abuali Darukhanawala**  
Partner  
Membership No. 108053  
Place : Mumbai  
Date : 28th July 2020

For and on behalf of the Board of Directors  
**KJMC CORPORATE ADVISORS (INDIA) Limited**

**Girish Jain**  
Whole Time Director  
DIN: 00151673

**Rajnish Jain**  
Director  
DIN: 00151988

**Kartik Konar**  
Chief Financial Officer  
Place : Mumbai  
Date : 28th July 2020

**Bhavika Dalal**  
Company Secretary



## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

	(₹ in '000's)	
Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>Note - 23: Employee Benefit Expense</b>		
Salaries and Wages	24,661	24,193
Contribution/Provision to Provident and other Funds	922	881
Staff Welfare Expenses	731	505
	<b>26,314</b>	<b>25,579</b>
<b>Note - 24: Finance costs</b>		
Interest to Bank	212	924
Interest to Others	630	463
Other Financial Charges	65	61
	<b>907</b>	<b>1,448</b>
<b>Note -11: Depreciation and amortisation Expenses</b>		
Depreciation A/c.	5,303	3,544
Less : Adjusted with Revaluation Reserve	1,171	1,495
	<b>4,132</b>	<b>2049</b>
<b>Note - 25: Other expenses</b>		
Advertisement	47	55
Auditors Remuneration (for break up refer below)	325	325
Business Promotion Expenses	904	1,045
Electricity expenses	486	479
Insurance Charges	191	188
Loss on Sale of Investment (Net)	-	-
Legal Expenses	37	878
Motor Car Expenses	596	581
Professional fees	1,714	2,654
Miscellaneous expenses	4,560	2,105
Web Site Charges	44	
Rent & Other Infrastructural Support Service	1,599	3,652
Office Maintenance & Utility Expenses		
- Building	-	-
- Office	2,357	2,351
Subscription and membership fees	1,503	1,263
Sub-brokerage expenses	1,352	2,017
Stack Exchange & Other Allied Expenses	1,617	1,174
Printing & Stationery Expenses	528	521
Travelling & Conveyance Expenses	3,449	3,493
Advance W/off	-	5
ROC/BSE Filling Charges	392	374
	<b>21,701</b>	<b>23,160</b>
Statutory Auditor's Remuneration		
Audit Fees	165	206
For Taxation matters	20	10
For Other Services/Limited Review	111	88
Reimbursement of Expenses	26	22
	<b>322</b>	<b>326</b>

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2020

#### 26. Contingent Liabilities:

Claims against the Group for the Financial Year 2019-20 is NIL ( PY 2018-19 is NIL)

27. Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) ₹ NIL (Previous Year ₹ NIL)

28. Disclosure required by Micro, Small and Medium Enterprises (Development) Act, 2006. As per requirement of Section 22 of Micro, Small & Medium Enterprises (Development) Act, 2006 following information is disclosed:

(₹ in 000's)

Sr. No	Particulars	Year Ended	
		31.03.2020	31.03.2019
(i)	Principal amount remaining unpaid to any supplier as at the end of each accounting year.	Nil	Nil
(ii)	Interest due on (i) above remaining unpaid	Nil	Nil
(iii)	Amounts paid beyond the appointed day during the accounting year	Nil	Nil
(iv)	Interest paid on (iii) above	Nil	Nil
(v)	Interest due and payable on (iii) above	Nil	Nil
(vi)	Interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(vii)	Interest remaining unpaid of the previous years for the purpose of disallowance under the Income Tax Act, 1961	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

**29. Earnings and Expenditure in Foreign Currency**

Earnings in Foreign Currency - C.Y ₹ 1365 ('000') (P.Y ₹ 1842 ( in'000')).  
Expenditure in Foreign Currency – C.Y ₹ 573 ('000') (P.Y ₹ 206 ( in'000')).

**30. Obligations on long-term, non-cancellable operating leases**

The lease rentals charged during the period and the obligations on long-term, non-cancellable operating leases payable as per the rentals stated in the respective agreements are as follows:

(₹ in 000's)

Particulars	Year Ended	
	31.03.2020	31.03.2019
Lease rental recognized during the year	2785	2785
Lease obligation Payable		
Within one year of the balance sheet date	990	2785
Due in a period between one year and five years	280	1240

**31. Earnings Per Share**

(₹ in 000's)

Particulars	For the Year ended	
	31.03.2020	31.03.2019
Net Profit / (Loss) for the year (₹ in '000's)	(7872)	(15,631)
The weighted average Number of Equity Share (Nos.)- (Basic)	39,26,440	35,06,440
The weighted average Number of Equity Share (Nos.)- (Diluted)	39,26,440	35,06,440
Face Value (₹)	10	10
Earnings Per Share (Basic)	(2.00)	(4.46)
Earnings Per Share (Diluted)	(2.00)	(4.46)

**32. Related party disclosures under Accounting Standard 18**

**I. List of related parties**

**a. Subsidiary Company's**

KJMC Capital Market Services Limited  
KJMC Shares and Securities Limited  
KJMC Credit Marketing Limited

**b. Key Management Personnel**

Mr.Girish Jain - Whole Time Director  
Mr.Kartik Konar - Chief Financial Officer  
Ms.Bhavika Dalal - Company Secretary

**c. Relatives of Key Management Personnel**

Mr.Inderchand Jain - Father of Whole time Director  
Mrs.Chanddevi Jain - Mother of Whole time Director

Mr.Pankaj Jain	- Brother of Whole time Director
Mrs.Archana Jain	- Sister in law of Whole time Director
Mr.Rajnesh Jain	- Brother of Whole time Director
Mrs.Shraddha Jain	- Sister in law of Whole time Director
Mrs.Aditi Girish Jain	- Wife of Whole time Director
Miss.Aayushi Jain	- Niece of Whole time Director
Master Pratham Jain	- Nephew of Whole time Director

**d. Enterprises over which key management personnel/relatives are able to exercise significant influence:**

Puja Trades & Investments Private Limited  
 Prathamesh Enterprises Private Limited  
 KJMC Platinum Builders Private Limited  
 KJMC Investment Company  
 KJ Diamond Real Estate Private Limited  
 AKIP Venture Private Limited  
 Puja Trades & Investments Pvt Ltd  
 KJMC e.Business Ventures Private Limited  
 KJ Golden Real Estate Private Limited  
 KJMC Realty Private Limited  
 Maximus Management Advisory Services Private Limited  
 KJMC Trading & Agency Ltd

**e. Associates**

KJMC Financial Services Limited

**Transactions during the year with related parties:**

(₹ in 000's)

Sr. No	Nature of Transactions with related parties	Associates		Key Management Personnel and Relatives of Key Management Personnel		Enterprises over which key management personnel/relatives are able to exercise significant influence	
		31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019
<b>1</b>	<b>Rent Paid</b>						
	Puja Trades & Investments Pvt Ltd.	-	-	-	-	480	480
	KJMC Financial Services Ltd	30	30	-	-		
<b>2</b>	<b>Professional fees Paid</b>						
	Khandelwal Jain & Company	-	-	-	-	-	351
<b>3</b>	<b>Professional fees Received</b>						
	Maximus Management Advisory Services Pvt. Ltd.	-	-	-	-	-	1,000
<b>4</b>	<b>Board Meeting Fees</b>						
	I.C.Jain	-	-	20	20	-	-
	Rajnesh Jain	-	-	48	19	-	-
	Shraddha Jain	-	-	36	16	-	-
<b>5</b>	<b>Sales of Shares</b>						
	Chand Devi Jain	-	-	-	-	447	-
<b>6</b>	<b>Salary</b>						
	Girish Jain	-	-	10416	3,700	-	-
	Rajnesh Jain			600			
	Shraddha Jain			600			
	Aditi Jain			1344			
<b>7</b>	<b>Brokerage,Commission and Income Earned</b>						
	KJMC Financial Services Ltd	25	146				
	Prathmesh Enterprises Private Ltd					31	34
	Puja Trades & Investments Pvt Ltd					50	14
	Mr.Inderchand Jain			3	4		
	Inderchand Jain HUF			2	3		
	Mrs. Chand Devi Jain			3	27		
	Mr. Pankaj Jain				1		
	Mrs. Archana Jain			161	78		

(₹ in 000's)

Sr. No	Nature of Transactions with related parties	Associates		Key Management Personnel and Relatives of Key Management Personnel		Enterprises over which key management personnel/relatives are able to exercise significant influence	
		31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019
	Mr. Rajnesh Jain			180	3		
	Rajnesh Jain HUF			2	2		
	Mrs. Shradha Jain			316	45		
	Mr. Girish I Jain			2	3		
	Girish I Jain HUF			4	3		
	Mrs. Aditi Jain			4	31		
	Master Pratham Jain			2	2		
	Master Anmol Jain				2		
	Miss Aayushi Jain			2	2		
<b>8</b>	<b>Infrastructural Support Services Received</b>						
	KJMC Financial Services Ltd	238	238	-	-		
<b>9</b>	<b>Depository Income</b>						
	KJMC Financial Services Ltd	10	40				
	KJMC Platinum Builders Pvt. Ltd					1	1
	KJMC Realty Pvt. Ltd					1	1
	Prathmesh Enterprises Private Ltd					1	1
	Puja Trades & Investments Pvt Ltd					5	5
	KJMC Trading and Agency					2	1
	Mr. Inderchand Jain			1			
	Mrs. Chand Devi Jain			3	6		
	Mr. Pankaj Jain				1		
	Mrs. Archana Jain			3	4		
	Mr. Rajnesh Jain			3	1		
	Mrs. Shradha Jain			8	5		
	Mr. Girish I Jain				1		
	Girish I Jain HUF			1	1		
	Mrs. Aditi Jain			1	5		
	Master Anmol Jain			1			
<b>10</b>	<b>Sale of Shares</b>						
	Puja Trades & Investment Pvt. Ltd	-		-	-		1,650
<b>11</b>	<b>Reimbursement Received</b>						
	KJMC Financial Services Ltd	62	28				
	KJMC Assets Management Co Ltd					-	3
	KJMC Trading & Agency Ltd					12	-
	Puja Trades & Investments Pvt. Ltd					32	29
	Prathamesh Enterprises Pvt. Ltd					-	38
	Khandelwal Jain & Co					35	30
<b>12</b>	<b>Reimbursement of Expenses Paid</b>						
	Puja Trades & Investments Pvt Ltd					207	242
	Rajnesh Jain			-	10		
<b>13</b>	<b>Rent received</b>						
	Prathmesh Entreprises Pvt. Ltd.				-		28
<b>14</b>	<b>Net Receivable</b>						
	Puja Trades & Investments Pvt Ltd. (Security Deposit)	-	-	-	-	3,000	3,000
	KJMC Financial Services Ltd (Security Deposit)	11,500	11,500	-	-		
	Rajnesh Jain (Security Deposit)	-	-	1,500	1,500	-	-
	Inderchand Jain (Security Deposit)			9000	9000		

Managerial Remuneration is Calculated as per as per schedule V of the Companies Act, 2013

**33. Financial risk management objective and policies**

The Group's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, loans, trade receivables, other receivables, and cash and cash equivalents that are derived directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group management oversees the management of these risks.

**a) Market risk:**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, trade receivables and other financial instruments.

**1) Interest rate risk:**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair value of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that future cash flows of floating interest bearing investments will vary because of fluctuations in interest rates.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short-term loan from banks.

(₹ in '000's)

	As at 31st March'20	As at 31st March'19	As at 1st April'18
Variable rate borrowings*	15,412	-	9,850

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact of change in interest rate of borrowings, as follows:

(₹ in '000's)

	Increase/ decrease in basis points	Effect on Profit before tax
As on 31 March 2020	+ 50 / - 50	77.06
As on 31 March 2019	+ 50 / - 50	-
As on 1 April 2018	+ 50 / - 50	49.25

**2) Foreign currency risk:**

The Group enters into transactions in currency other than its functional currency. The Group renders valuation services to customers situated outside India and to the extent of the debtors outstanding in foreign currency it is exposed to foreign currency risk. Each company in the Group analyses currency risk as to which balances are outstanding in currency other than the functional currency of that company. The management has taken a position not to hedge this currency risk.

The Group companies undertakes transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are not hedged considering the insignificant impact and period involved on such exposure.

The Group Company's exposure to the risk of changes in exchange rates relates primarily to the Group Company's outstanding debtors in foreign currencies:

(₹ in '000's)

Particulars	As at 31st March'20	As at 31st March'19	As at 1st April'18
Debtors Outstanding in foreign currency	412.31	340.12	204.43

The following table demonstrates the sensitivity to a reasonably possible change in exchange rates on that portion of debtors affected. With all other variables held constant the impact of the change in exchange rate on the company's profit before tax is as follows:

(₹ in '000's)

	Increase/ decrease in percentage points	Effect on Profit before tax
As on 31 March 2020	+5 / -5	20.62
As on 31 March 2019	+5 / -5	17.01
As on 1 April 2018	+5 / -5	10.22

**b) Credit Risk:**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group Company's receivables from customers, deposits and loans given, investments and balances at bank.

The Group Company's measures the expected credit loss on trade receivables, loans given to customers/borrowers based on historical trend, industry practices and the business environment in which the entity operates. Expected Credit Loss(ECL) on loans and trade receivables is calculated based on past trends based on the historical data.

Based on the ECL assessment, there is no requirement of provision for the credit losses, hence the Group company's have not provided for any credit losses during the current period.

Credit risk on cash and cash equivalents is limited as the Group Company's generally invest in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in equity shares, Mutual Funds.

**c) Liquidity Risk:**

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The Group Company's principal source of liquidity are cash and cash equivalents and the cash flow i.e. generated from operations. The Group Company's consistently generates strong cash flows from operations which together with the available cash and cash equivalents and investments provides adequate liquidity in short terms as well in the long term.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at:

(₹ in '000's)

	Carrying Amount / fair value	31-Mar-20			
		Less than 1 year	2-5 years	More than 5 years	Total
<b>Financial Liabilities</b>					
Other payables	32,173	32,173	-	-	32,173
Borrowings	16,581	15,755	829	-	16,581
Other financial liabilities	2,417	2,417	-	-	2,417
	<b>51,171</b>	<b>50,345</b>	<b>829</b>	<b>-</b>	<b>51,171</b>

(₹ in '000's)

	Carrying Amount / fair value	31-Mar-19			
		Less than 1 year	2-5 years	More than 5 years	Total
<b>Financial Liabilities</b>					
Other payables	8,962	8,962	-	-	8,962
Borrowings	1603	372	1,231	-	1603
Other financial liabilities	2,572	2,572	-	-	2,572
	<b>13,137</b>	<b>11,906</b>	<b>1,231</b>	<b>-</b>	<b>13,137</b>

(₹ in '000's)

	Carrying Amount / fair value	1-Apr-18			
		Less than 1 year	2-5 years	More than 5 years	Total
<b>Financial Liabilities</b>					
Other payables	12,489	12,489	-	-	12,489
Borrowings	11,796	10,193	1,603	-	11,796
Other financial liabilities	1,936	1,936	-	-	1,936
	<b>26,221</b>	<b>24,618</b>	<b>1,603</b>	<b>-</b>	<b>26,221</b>

**ii) Capital Management**

For the purpose of Group Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Group Company's Capital Management is to maximize shareholder value. The Group company's manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using gearing ratio, which is Net debt divided by total capital.



## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

(₹ in'000's)

	As at 31-Mar-20	As at 31-Mar-19	As at 1-Apr-18
Gross debt (inclusive of long term and short term borrowing)	16,581	1,603	11,796
Less: Cash and cash equivalents	119,969	70,134	53,102
<b>Net debt</b>	<b>-103,388</b>	<b>-68,531</b>	<b>-41,306</b>
Total equity	302,997	310,627	325,971
<b>Total capital</b>	<b>199,609</b>	<b>242,096</b>	<b>284,665</b>
<b>Gearing ratio</b>	<b>-51.80%</b>	<b>-28.31%</b>	<b>-14.51%</b>

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019

### iii) Categories of financial instruments and fair value thereof

(₹ in'000's)

Particulars	As at 31 March 2020			As at 31 March 2019			As at 1 April 2018		
	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL	Amortised Cost
<b>A) Financial assets (other than investment in subsidiaries &amp; Assoc)</b>									
Cash and cash equivalents	-	-	6896	-	-	10317	-	-	9083
Bank Balance other than (a) above	-	-	113073	-	-	59817	-	-	44019
Trade Receivable			10153			5484			8775
Investments	84,140	1609	40931	106496	11059	41716	110277	29924	52974
Other financial assets	-	-	56,554	-	-	46,895	-	-	34,032
<b>total financial assets</b>	<b>84140</b>	<b>1609</b>	<b>227607</b>	<b>106496</b>	<b>11059</b>	<b>164229</b>	<b>110277</b>	<b>29924</b>	<b>148883</b>
<b>B ) Financial liabilities</b>									
Other payables	-	-	32,173	-	-	8,962	-	-	12,489
Borrowings	-	-	16,581	-	-	1603	-	-	11,796
Other financial liabilities	-	-	2,417	-	-	2,572	-	-	1,936
<b>total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>51,171</b>	<b>-</b>	<b>-</b>	<b>13,137</b>	<b>-</b>	<b>-</b>	<b>26,221</b>

The management assessed that cash and cash equivalents and bank balances, trade receivables, other financial assets, certain investments, trade payables and other current liabilities approximate their fair value largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the year presented.

### iv) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group assets and liabilities.

Disclosures of fair value measurement hierarchy for assets and liabilities as at 31 March 2020

(₹ in'000's)

Financial assets	As at 31 March 2020				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
<b>Financial assets measured at FVTOCI</b>					
Investments	84,140	84,140	69,105	-	15,035
<b>Financial assets measured at FVTPL</b>					
Investments	1,609	1,609	1,609	-	-
<b>Financial assets measured at amortised cost</b>					
Investments	40,931	40,931	-	40,931	-
<b>Total</b>	<b>1,26,680</b>	<b>1,26,680</b>	<b>70,714</b>	<b>40,931</b>	<b>15,035</b>

(₹ in '000's)

Financial assets	As at 31 March 2019				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
<b>Financial assets measured at FVTOCI</b>					
Investments	1,06,496	1,06,496	63,871	-	42,625
<b>Financial assets measured at FVTPL</b>					
Investments	11,059	11,059	11,059	-	-
<b>Financial assets measured at amortised cost</b>					
Investments	41,716	41,716	-	41,716	-
<b>Total</b>	<b>1,59,271</b>	<b>1,59,271</b>	<b>74,930</b>	<b>41,716</b>	<b>42,625</b>

(₹ in '000's)

Financial assets	As at 1 April 2018				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
<b>Financial assets measured at FVTOCI</b>					
Investments	1,10,277	1,10,277	78,038	-	32,239
<b>Financial assets measured at FVTPL</b>					
Investments	29,924	29,924	29,924	-	-
<b>Financial assets measured at amortised cost</b>					
Investments	52,974	52,974	-	52,974	-
<b>Total</b>	<b>1,93,175</b>	<b>1,93,175</b>	<b>1,07,962</b>	<b>52,974</b>	<b>32,239</b>

**Fair Value Hierarchy :**

- Investments included in Level 1 of fair value hierarchy are based on prices quoted in stock exchange and/ or NAV declared by the funds.
- Investments included in Level 2 of fair value hierarchy have been valued based on inputs from banks and other recognised institutions such as FIMMDA/ FEDAI
- Investments included in Level 3 of fair value hierarchy have been valued using acceptable valuation techniques such as Net Asset Value and/ or Discounted Cash Flow Method.

Note : All financial instruments for which fair value is recognized or disclosed are categorized within the Fair Value Hierarchy described as above, based on the lowest level input that is significant to the fair value measurement as a whole.

**34. Employee Benefits plans**

Defined Benefit plans

A. Gratuity

The Gratuity plan is governed by the payment of Gratuity Act, 1972 . Only KJMC Capital Market Services Ltd, the subsidiary company is covered by the above Act. However, the parent company provides gratuity benefits to the whole time director of the company. The Group has not created any fund for the payment of the gratuity liability but has created a provision for gratuity liability based on Actuary Valuer report.

Movement in defined benefits obligations

(₹ in '000's)

Particulars	As at	As at
	31st March 2020	31st March 2019
<b>Present Value of Benefit Obligation at the Beginning of the Period</b>	<b>1835</b>	<b>1498</b>
Interest Cost	140	115
Current Service Cost	178	273
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	-	-
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	131	4
Actuarial (Gains)/Losses on Obligations - Due to Experience	12	(55)
<b>Present Value of Benefit Obligation at the End of the Period</b>	<b>2396</b>	<b>1835</b>

## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

### Reconciliation of net liability / asset

(₹ in '000's)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Opening Net Liability</b>	<b>1835</b>	<b>1498</b>
Expenses Recognized in Statement of Profit or Loss	419	387
Expenses Recognized in OCI	142	(50)
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	-	-
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>2396</b>	<b>1835</b>

### Expenses charged to the statement of Profit and Loss

(₹ in '000's)

Particulars	As at 31st March 2020	As at 31st March 2019
Current Service Cost	278	273
Net Interest Cost	140	115
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
<b>Expenses Recognized</b>	<b>418</b>	<b>388</b>

### Measurement (gains)/ Losses in other comprehensive income.

(₹ in '000's)

Particulars	As at 31st March 2020	As at 31st March 2019
Actuarial (Gains)/Losses on Obligation For the Period	142	(50)
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
<b>Net (Income)/Expense For the Period Recognized in OCI</b>	<b>142</b>	<b>(50)</b>

### Amount recognized in Balance Sheet.

(₹ in '000's)

Particulars	As at 31st March 2020	As at 31st March 2019
(Present Value of Benefit Obligation at the end of the Period)	(2396)	(1835)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(2396)	(1835)
<b>Net (Liability)/Asset Recognized in the Balance Sheet</b>	<b>(2396)</b>	<b>(1835)</b>

### Change in the Fair Value of Plan Assets

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Fair Value of Plan Assets at the Beginning of the Period</b>	<b>-</b>	<b>-</b>
Interest Income	-	-
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
(Expenses and Tax for managing the Benefit Obligations- paid from the fund)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
<b>Fair Value of Plan Assets at the End of the Period</b>	<b>-</b>	<b>-</b>

**B. Defined Contribution Scheme**

The Employee's Provident Funds Scheme, 1952 is applicable only to KJMC Capital Market Services Ltd a wholly owned subsidiary of the parent company. However, the parent company extends provident fund benefits to its whole time director. The employer contribution to the Provident Fund together with the employee deduction is deposited in the Recognized Provident Fund and is charged as an expense as and when accrued and incurred.

Other than the above, the Group Company's does not operate any superannuation, pension, ESOP or any other defined benefit or defined contribution scheme for the benefit of its employees.

**35. First-time adoption of Ind AS**

These are the Group's first financial statements prepared in accordance with Ind AS.

The Group has prepared its Ind AS compliant financial statements for year ended on 31 March 2020, the comparative period ended on 31 March 2019 and an opening Ind AS Balance Sheet as at 1 April 2018 (the date of transition), as described in the summary of significant accounting policies. This note explains the principal adjustments made by the Group in restating its previous GAAP financial statements, including the Balance Sheet as at 1 April 2018 and the financial statements as at and for the year ended 31 March 2019.

For periods ended up to the year ended 31 March 2019, the Group had prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

**(A) Mandatory exceptions and optional exemptions availed**

Set out below are the applicable Ind AS 101 mandatory exceptions and optional exemptions applied in the transition from previous GAAP to Ind AS, which were considered to be material or significant by the Group.

**Mandatory exceptions**

The Group has adopted all relevant mandatory exceptions set out in Ind AS 101 which are as below:

(i) Estimates

Ind AS 101 prescribes that an entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

The Group Ind AS estimates as at the transition date are consistent with the estimates as at the same date made in conformity with previous GAAP.

(ii) De-recognition of financial assets and financial liabilities

As set out in Ind AS 101, the Group has applied the de-recognition requirements of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

(iii) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

(iv) Impairment of financial assets

As set out in Ind AS 101, an entity shall apply the impairment requirements of Ind AS 109 retrospectively if it does not entail any undue cost or effort. The Group has assessed impairment of financial assets in conformity with Ind AS 109.

**Optional exemptions availed**

(i) Investment in subsidiary

Ind AS 101 provides a one time option to a first-time adopter either to measure its investment in subsidiaries as per previous GAAP carrying value or at fair value on the date of transition.

The Group has elected to measure its investment in subsidiary as per previous GAAP carrying value.

## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

(ii) Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be material.

The Group has elected to apply this exemption for such contracts/arrangements.

(iii) Property, Plant and Equipment

The Group has elected to continue with carrying value for all of its property, plant and equipment as recognized in its Indian GAAP financial statements as its deemed cost at the date of transition. This exemption is also used for intangible assets covered by Ind AS 38, Intangible Assets. Accordingly the management has elected to measure all of its property, plant and equipment and intangible assets at their Indian GAAP carrying value.

**(B) Reconciliations between Ind AS and previous GAAP are given below**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for previous periods. The following table represent the reconciliations from previous GAAP to Ind AS

**Reconciliation of equity as at date of transition 1 April 2018 and as at 31 March 2019**

(₹ in '000's)

	Notes to First time Adoption	As at 31st March 2019			As at 1st April 2018		
		Previous GAAP	Adjustment	Ind AS	Previous GAAP	Adjustment	Ind AS
<b>ASSETS</b>							
<b>Financial Assets</b>							
Cash and Cash equivalents		10317	-	10,317	9,083	-	9,083
Bank Balance other than (a) above		59,817	-	59,817	44,019	-	44,019
Receivables							
(l) Trade Receivables		5484	-	5484	8775	-	8775
Investments	1&3	1,65,425	(6154)	159271	1,73,419	19756	1,93,175
Other Financial assets		46895	-	46895	34032	-	34032
<b>Non-Financial Assets</b>							
Current tax assets (Net)		3977	-	3977	5248	-	5248
Deferred Tax Assets (Net)		5,499	508	6007	3547	-	3547
Property, Plant & Equipment		8726	-	8726	11262	-	11262
Intangible Assets		2	-	2	2	-	2
Goodwill		20477		20477	20477		20477
Other non-financial assets		6347		6347	25265		25265
<b>Total assets</b>		<b>3,32,966</b>	<b>(5,646)</b>	<b>327320</b>	<b>2,63,428</b>	<b>19756</b>	<b>354885</b>
<b>Financial Liabilities</b>							
<b>(a) Payables</b>							
Other payables		8962		8962	12489		12489
Borrowings		1,603	-	1,603	11796	-	11796
Other financial liabilities	4	2572	-	2572	1936	-	1936
<b>Non-Financial Liabilities</b>							
Provisions	2	2066	(231)	1835	1698	(200)	1498
Other non-financial liabilities		1721	-	1721	1195	-	1195
<b>Equity</b>							
Equity Share Capital		35,064	-	35,064	31,364	-	31,364
Other Equity	1 to 4	278022	(5415)	272607	269,091	19,956	289,047
Money Received against Share Warrants		2,956		2,956	5,560		5,560
<b>Total liabilities and equity</b>		<b>3,32,966</b>	<b>(5,646)</b>	<b>3,27,320</b>	<b>2,63,428</b>	<b>19756</b>	<b>354885</b>

Reconciliation of equity as at 1 April 2018 and as at 31 March 2019 summarized in below table

(₹ in '000's)

Particulars	As at 31-Mar-19	As at 01-Apr-18
Equity as reported under previous GAAP (A)	3,16,042	3,06,015
Adjustments		
Impact due to fair valuation of investment designated under FVOCI	(5415)	19892
Fair valuation of investment classified under FVTPL	-	64
(B)	(5,415)	19,956
(A+B)	3,10,627	3,25,971

Reconciliation of total comprehensive income for the year ended 31 March 2019

(₹ in '000's)

PARTICULARS	Previous GAAP	Adjustment	Ind AS
Sale of Services	13,633	-	13,633
Brokerage Income (Net)	21,219	-	21,219
Profit on Mutual Fund & Currency Derivatives	7572	(7058)	514
Net gain/(Loss) on Fair Value Changes	-	13	13
Interest Income	4553	868	5421
Other Income	5094	936	6030
<b>Total Revenue</b>	<b>52071</b>	<b>(5241)</b>	<b>46,830</b>
Expenses:			
Employee Benefits Expense	25,559	20	25,579
Finance Costs	1129	319	1448
Depreciation and Amortization Expenses	2049	-	2049
Other Expenses	23,012	148	23160
<b>Total Expenses</b>	<b>51,749</b>	<b>487</b>	<b>52,236</b>
<b>Profit Before Tax</b>	<b>322</b>	<b>(5728)</b>	<b>(5,406)</b>
Tax Expense:			
(1) Current tax	302	-	302
(2) Deferred tax	(1952)	-	(1952)
(3) MAT Credit	(199)	-	(199)
(4) Earlier Period Taxes	817	-	817
	<b>(1032)</b>	<b>-</b>	<b>(1032)</b>
<b>Profit/(Loss) before Share in Associates' profit / Loss</b>	<b>1354</b>	<b>(5728)</b>	<b>(4374)</b>
Add: Share in Associates' Profit	2356	(13613)	(11257)
<b>Profit for the Year</b>	<b>3710</b>	<b>(19341)</b>	<b>(15631)</b>
<b>Other comprehensive income (OCI)</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Net gain/(Loss) on Fair Value Changes	-	(6588)	(6588)
Remeasurement gains/(losses) on defined benefit plans	-	50	50
Tax impact on above	-	508	508
Other comprehensive income for the year (net of tax)	-	(6,030)	(6,030)
<b>Total</b>	<b>3710</b>	<b>(25,371)</b>	<b>(21,661)</b>



## 22<sup>ND</sup> ANNUAL REPORT 2019 - 2020

Reconciliation of total comprehensive income for the year ended 31 March 2019 summarised in below table

(₹ in '000's)

Particulars	Year Ended 31st March, 2019
<b>Profit after tax as reported under Previous GAAP</b>	3,710
Adjustments resulting in increase/(decrease) in profit after tax as reported under Previous GAAP :	
I) Others	(19)
I ) Gain/(Loss) on fair valuation of Investments classified under FVTPL	(180)
II) INDAS Impact in Share in Associates	(13,613)
Profit after tax as reported under Ind AS	(10,102)
I ) Gain/(Loss) on fair valuation of Investments classified under FVOCI	(12,117)
II) Other Comprehensive Income (loss)	50
III) Tax impact on above adjustments	508
<b>Total Comprehensive Income (after tax) as reported under Ind AS</b>	<b>(21,661)</b>

### Notes to first time adoption of Ind AS

#### (1) Fair valuation of investments subsequently measured under FVTPL and FVOCI

Under the previous GAAP, investments in mutual funds were classified as current investments. Investments in mutual funds 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 retained earnings (net of related deferred taxes) as at the date of transition and subsequently in the Statement of Profit and Loss for the year ended 31 March 2020.

Investments in equity shares were classified as long term investments and were carried at cost less impairment other than temporary under the previous GAAP. 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 retained earnings (net of related deferred taxes) as at the date of transition and subsequently in the other comprehensive income for the year ended 31 March 2020.

#### (2) Re-measurement of defined benefit plan 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 other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the Statement of Profit and Loss for the year. There is no impact on the total equity.

#### (3) Components of other comprehensive income (OCI)

Under Ind AS, following items has been recognised in other comprehensive income in the Statement of Profit and Loss of the Company:

- Re-measurement gains/(losses) on defined benefit plans
- Changes in fair value of FVOCI equity instruments.

All above adjustments, except re-measurement gains/(losses) on defined benefit plans as set out in note (2) above, are recognized in other comprehensive income reserve (net of related deferred taxes) as at the date of transition and for the year ended 31 March 2019 and subsequently in the OCI section in the Statement of Profit and Loss for the year ended 31 March 2019.

#### Impact of Ind AS adoption on the Statement of Cash Flows for the year ended 31 March 2019

There are no material adjustments on transition to Ind AS in the Statement of Cash Flows for the year ended 31 March 2019.

36. The Mumbai Bench of the Hon'ble National Company Law Tribunal (NCLT) vide its Order dated April 27, 2020 has granted approval for the Scheme of Amalgamation between KJMC Commodities Market India Limited ("the Transferor Company") with KJMC Capital Market Services Limited ("the Transferee Company") and their respective shareholders ("Scheme"). The Appointed date for the said Scheme of Amalgamation is April 1, 2018. KJMC Commodities Market India Limited ("the Transferor Company") and KJMC Capital Market Services Limited ("the Transferee Company") are both the wholly owned subsidiary companies of KJMC Corporate Advisors (India) Limited. KJMC Commodities Market India Limited ("the Transferor Company") shall stand dissolved, without winding-up, on the Scheme becoming effective. In view of the same, KJMC Capital Market Services Limited continues to be a wholly owned subsidiary of KJMC Corporate Advisors (India) Limited.

37. The Mumbai Bench of the Hon'ble National Company Law Tribunal (NCLT) vide its Order dated 3rd March 2020 had granted approval for the Scheme of Amalgamation of KJMC Asset Management Company Limited (KAMCL) ("the First Transferor Company") and KJMC Investment Trust Company Limited (KITCL) ("the Second Transferor Company") with KJMC Financial Services Limited ("the Transferee Company") and their respective shareholders ("Scheme"). KJMC Asset Management Company Limited (KAMCL) ("the First Transferor Company") and KJMC Investment Trust Company Limited (KITCL) ("the Second Transferor Company") both are the wholly owned subsidiary companies of KJMC

Financial Services Limited ("the Transferee Company"). The copy of order is received from the Hon'ble National Company Law Tribunal (NCLT) and duly filed with the Office of Registrar of Companies, Mumbai. The Appointed date for the sanctioned Scheme of Amalgamation is 1st April 2018. Accordingly, the figures for the previous financial year have been restated/recasted to give effect to the Scheme of Amalgamation with effect from 1st April 2018.

38. The COVID -19 pandemic has caused disruption to businesses and economic activity which has been reflected in recent fluctuations in markets across the globe. It is difficult to assess definite future impact of COVID -19 on business operations at this point of time where lifting of 100% lockdown is not certain. However, we are confident to sail through this crisis smoothly through our consumers, our committed employees and our quality of leadership.
39. The Management has identified the Company's operations with a single business segment of merchant banking operations in India. Since the business operations of the company are primarily concentrated in India, the company is considered to operate only in domestic segment. All the assets of the Company are located in India.
40. Previous year figures have been regrouped or reclassified wherever necessary in order to make them comparable and shown in brackets.

As per our report of even date attached  
**For V. P. Thacker & Co.**

Chartered Accountants  
Registration No: 118696W

**Abuali Darukhanawala**  
Partner  
Membership No. 108053

Place : Mumbai  
Date : 28th July 2020

For and on behalf of the Board of Director  
**KJMC CORPORATE ADVISORS (INDIA) Limited**

**Girish Jain**  
Whole Time Director  
DIN: 00151673

**Kartik Konar**  
Chief Financial Officer

Place : Mumbai  
Date : 28th July 2020

**Rajnish Jain**  
Director  
DIN: 00151988

**Bhavika Dalal**  
Company Secretary

# KJMC CORPORATE ADVISORS INDIA LIMITED

**Registered Office:** 162, Atlanta, 16th Floor,  
Nariman Point, Mumbai-400021.  
Tel. No.: 022-4094 5500. Email: investor.corporate@kjmc.com

## PROXY

Form No. MGT-11

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

CIN : L67120MH1998PLC113888  
 Name of the Company : KJMC Corporate Advisors (India) Limited  
 Registered office : 162, Atlanta, 16th Floor, Nariman Point, Mumbai - 400021.  
 Name of the Member(s) : .....  
 Registered address : .....  
 E-mail Id : .....  
 Folio No/ Clint ID/DP ID : .....

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

1. Name : ..... Address : .....  
 E-mail Id : ..... Signature : ..... or failing him
2. Name : ..... Address : .....  
 E-mail Id : ..... Signature : ..... or failing him
3. Name : ..... Address : .....  
 E-mail Id : ..... Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22<sup>nd</sup> Annual General Meeting of the Company, to be held on Thursday, December 24, 2020 at 10.30 a.m. at Kamalnayan Bajaj Hall, Bajaj Bhavan, Jammalal Bajaj Marg, Nariman Point, Mumbai – 400021 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars of Resolution	Optional	
		For	Against
<b>Ordinary Business</b>			
1.	Adoptions of Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon.		
2.	Re-appointment of Mr. Inderchand Jain (DIN: 00178901), who is liable to retire by rotation.		
<b>Special Business</b>			
3.	Appointment of Statutory Auditors to fill casual vacancy		
4.	Appointment of Statutory Auditors of the Company and fix their remuneration		
5.	Appointment of Mr. Vijay Joshi (DIN: 00151550) as an Independent Director of the Company		
6.	Increasing the investment limits in excess of the prescribed limit of the Company.		
7.	Borrowing money in excess of the prescribed limit by the Company.		
8.	Creation of mortgage or charge		

Signed this ..... day of ..... 2020



Signature of Shareholder

Signature of Proxy holder(s)

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

### KJMC CORPORATE ADVISORS (INDIA) LIMITED

**Registered Office :** 162, Atlanta, 16th Floor, Nariman Point, Mumbai - 400 021.

### ATTENDANCE

(To be handed over at the entrance of the Meeting Hall)

22<sup>nd</sup> Annual General Meeting – December 24, 2020

I hereby record my presence at the 22<sup>ND</sup> ANNUAL GENERAL MEETING of the company held on Thursday, December 24, 2020 at 10.30 a.m. at Kamalnayan Bajaj Hall, Bajaj Bhavan, Jammalal Bajaj Marg, Nariman Point, Mumbai – 400021.

Full name of Member (IN BLOCK LETTERS) .....

Reg.Folio No./Demat ID .....

No. of shares held .....

Full name of Proxy (IN BLOCK LETTERS) .....

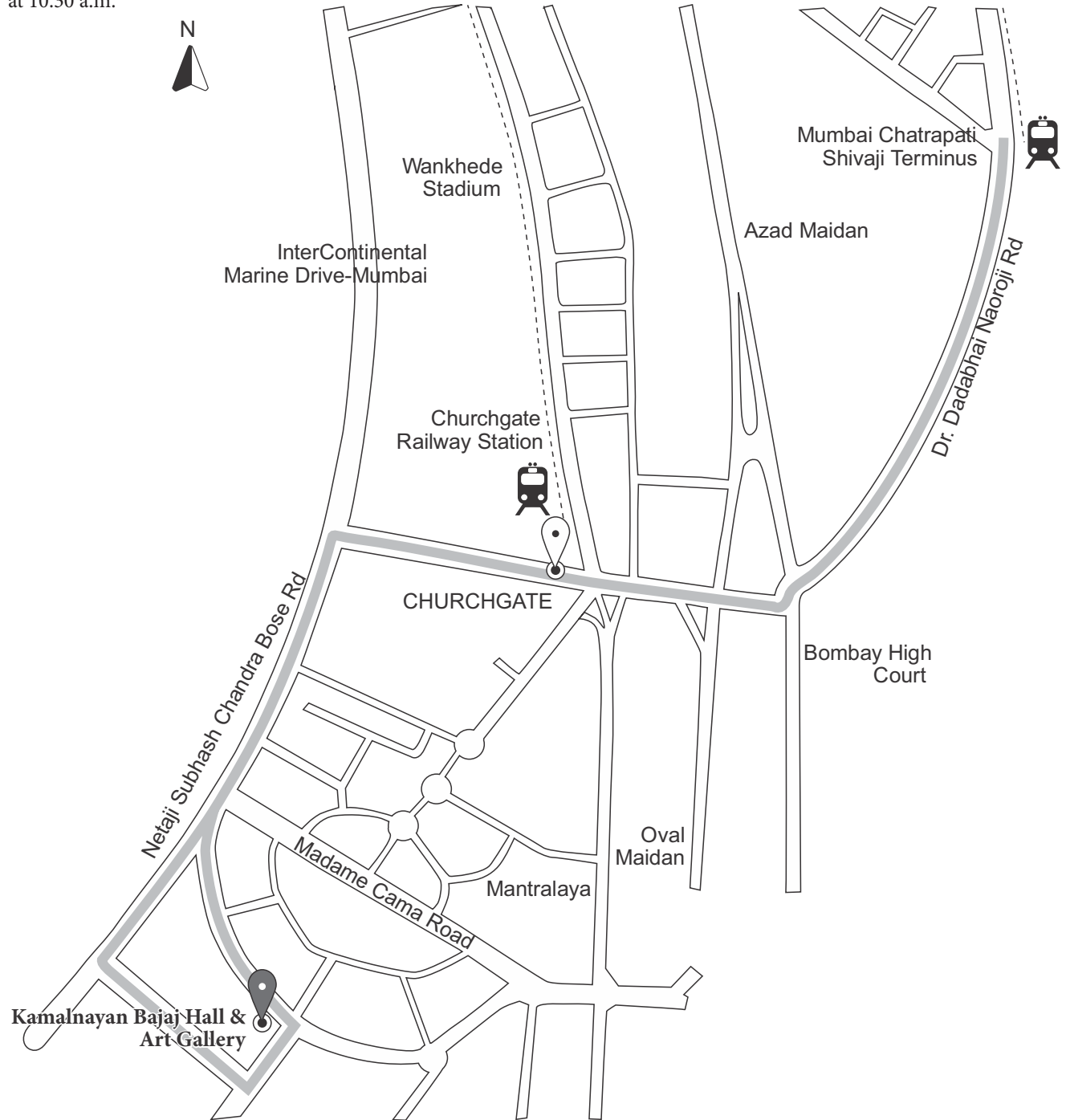
Member's / Proxy Signature

### REQUEST TO MEMBERS

Members are requested to send their question(s), if any, to the Company Secretary/Chief Financial Officer at the Registered Office of the Company, on or before December 18, 2020, so that the answers/details can be kept ready at the Annual General Meeting.

**Route map to the AGM Venue of:**

KJMC Corporate Advisors (India) Limited  
22<sup>nd</sup> Annual General Meeting  
Thursday, December 24, 2020  
at 10.30 a.m.



**Venue:**

Kamalnayan Bajaj Hall,  
Bajaj Bhavan, Jammalal Bajaj Marg,  
Nariman Point,  
Mumbai - 400 021



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To,



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Registered Office: 162, 16th Floor, Atlanta,  
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