

Board of Directors

Mr. Shailesh Khaitan, Director

Mr. Shankar Lal Gupta – Director

Mr. Binod Kumar Kesan, Non Executive, Independent Director

Mr. Vikram Gupta–Non Executive, Independent Director

Ms. Indu Tibrewala (resigned w.e.f 30.11.2019) – Non Executive, Independent Director

Ms. Suman Chakraborty (appointed w.e.f 30.11.2019) - Non Executive Additional Independent Director

Nomination & Remuneration

Committee

Ms. Indu Tibrewala – Chairperson
(resigned w.e.f 30.11.2019)

Ms. Suman Chakraborty-Chairperson
(appointed w.e.f 30.11.2019)

Mr. Binod Kumar Kesan

Mr. Vikram Gupta

Manager

Mr. Parimal Kanta Das

Chief Financial Officer

Md. Rafiullah

Company Secretary

Ms. Nayantara Agiwal

Stakeholder Relationship Committee

Mr. Vikram Gupta – Chairman

Ms. Indu Tibrewala (resigned w.e.f 30.11.2019)

Ms. Suman Chakraborty (appointed w.e.f 30.11.2019)

Mr. Binod Kumar Kesan

Registered & Corporate Office

46C, Rafi Ahmed Kidwai Road
3rd floor, Kolkata – 700016

Audit Committee

Mr. Binod Kumar Kesan – Chairperson

Mr. Vikram Gupta

Ms. Indu Tibrewala (resigned w.e.f 30.11.2019)

Ms. Suman Chakraborty (appointed w.e.f 30.11.2019)

Auditors

M/s. Vasudeo & Associates.

Chartered Accountants

5 & 6, Fancy Lane, 3rd Floor

Kolkata – 700 001

Registrar & Share Transfer Agent

Niche Technologies Private Limited

3A, Auckland Place

7th Floor, Room No. 7A & 7B

Kolkata – 700 017

Bankers

HDFC Bank Limited

2/6, Sarat Bose Road

Central Plaza, Kolkata

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Ninth Annual General Meeting (AGM) of the members of Shradha Projects Limited ("the Company") will be held on Tuesday the 29th day of September 2020 at 10.00 A.M. at its Registered office, 46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata-700016 to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt the Audited Annual Financial Statement (Standalone & Consolidated) of the Company for the financial year ended 31st March, 2020 together with the Reports of the Auditors and the Board of Directors thereon.
2. To appoint a Director in place of Mr. Shailesh Khaitan (DIN 00041247) who retires by rotation and, being eligible, offers himself for reappointment.

SPECIAL BUSINESS

3. **TO REAPPOINT VIKRAM GUPTA (DIN 07258574) AS INDEPENDENT DIRECTOR OF THE COMPANY FOR A SECOND TERM OF 5 YEARS, NOT LIABLE TO RETIRE BY ROTATION:**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 178 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of SEBI (LODR) Regulations, 2015 or any amendment thereto or modification thereof, approval of the members be and is hereby accorded for re-appointment of VIKRAM GUPTA (DIN 07258574) as an Independent Director of the Company, not liable to retire by rotation, for his second term of five consecutive years with effect from 11th August, 2020 to 10th August, 2025 not liable to retire by rotation."

"RESOLVED FURTHER THAT any of the Directors or Company Secretary of the company be and are hereby severally authorized to file necessary forms with ROC, Kolkata and do all such acts and execute and sign all documents, papers, forms etc as may be required to give effect to the said resolution and also do the necessary intimation to respective stock exchanges and other regulatory authorities."

4. **TO REAPPOINT BINOD KUMAR KESAN (DIN 00038489) AS INDEPENDENT DIRECTOR OF THE COMPANY FOR A SECOND TERM OF 5 YEARS, NOT LIABLE TO RETIRE BY ROTATION:**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 178 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of SEBI (LODR) Regulations, 2015 or any amendment thereto or modification thereof, approval of the members be and is hereby accorded for re-appointment of BINOD KUMAR KESAN (DIN 00038489) as an Independent Director of the Company, not liable to retire by rotation, for his second term of five consecutive years with effect from 11th August, 2020 upto 10th August, 2025."

“RESOLVED FURTHER THAT any of the Directors or Company Secretary of the company be and are hereby severally authorized to file necessary forms with ROC, Kolkata and do all such acts and execute and sign all documents, papers, forms etc as may be required to give effect to the said resolution and also do the necessary intimation to respective stock exchanges and other regulatory authorities.”

5. APPOINTMENT OF MRS. SUMAN CHAKRABORTY (DIN: 07533138) AS INDEPENDENT DIRECTOR

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 149,152 & 161 and any other applicable provisions of the Companies Act, 2013 and read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and in accordance with listing agreement, Mrs. Suman Chakraborty (DIN: 07533138) appointed as Additional Director of the Company by the Board of Directors w.e.f 30.11.2019 and who holds office up to the date of Annual General Meeting and being eligible, offers herself for appointment and in respect of whom the company has received a notice in writing from a member signifying his intention to propose the candidature of Mrs. Suman Chakraborty for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (five) consecutive years for a term upto 30.11.2024, not liable to retire by rotation.”

“RESOLVED FURTHER THAT any of the Directors or Company Secretary of the company be and are hereby severally authorized to file necessary forms with ROC, Kolkata and do all such acts and execute and sign all documents, papers, forms etc as may be required to give effect to the said resolution and also do the necessary intimation to respective stock exchanges and other regulatory authorities.”

NOTES:

1. An Explanatory statement pursuant to section 102 of the Companies Act, 2013 is attached herewith.
2. Member entitled to attend and vote at the ANNUAL GENERAL MEETING, 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. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of member not exceeding fifty (50) and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument appointing Proxy as per the format included in the Annual Report should be deposited at the Registered Office of the Company, duly completed and sign not less than FORTY-EIGHT HOURS before the commencement of the meeting.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

5. Pursuant to the provisions of Section 91 of Companies Act, 2013 and rules thereon read with Regulation 42(5) of SEBI (LODR) Regulations, 2015 the Register of Members and the Share Transfer Books of the Company will remain closed from **Wednesday, 23rd September, 2020 to Tuesday, 29th September, 2020 (both days inclusive)**.
6. In compliance with the MCA Circular No. 20/2020 dated 5 May, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12 May 2020 and owing to the difficulties involved in dispatching of, physical copies of the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report), the Annual Report for FY 2019-20 and Notice of AGM indicating the process and manner of Electronic Voting are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

Member may note that Notice and Annual Report 2019-20 has been uploaded on the website of the Company at www.shradhaprojects.com. The Notice can also be accessed from the websites of the Stock Exchanges where the shares are listed and traded, viz www.cse-india.com. The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com.

7. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R&T Agent of the Company i.e. Niche Technologies Pvt Ltd. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
8. Documents referred to in the accompanying Notice and the statement and other statutory registers are available for inspection by members at the Registered Office of the Company during office hours on all working days except Saturdays, Sundays and Holidays between 11:00 a.m. to 1:00 p.m. up to the date of Annual General Meeting.
9. As per the provisions of Section 72 of the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.occl.co.in. Members holding shares in physical form may email the same to Company's RTA, Niche Technologies Pvt Ltd at nichetechpl@nichetechpl.com. Members holding shares in electronic form may submit the same to their respective depository participant.
10. Members / proxies are requested to bring their attendance slip along with their copy of Annual Report to the meeting. As a measure of economy, copies of the Annual Report will not be distributed at the meeting. Members, who hold shares in dematerialised form, are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
11. As per Regulation 40 of SEBI (LODR) Regulations, 2015, as amended, transfer of securities would be carried out in dematerialised form only with effect from April 1, 2019, except in case of transmission or transposition of securities. However Members can continue to hold shares in physical form. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, M/s Niche Technologies Pvt Ltd, for assistance in this regard.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN and bank account

details for all members holding share in physical form. Therefore, the Members are requested to submit their PAN and Bank Account details to the Secretarial Department of the Company through email at ho@khaitanpaper.com or to Company's RTA, M/s. Niche Technologies Pvt Ltd through email at nichetechpl@nichetechpl.com. In this regard, the Members are requested to submit a duly signed letter along with self-attested copy of PAN Card(s) of all the registered Members (including joint holders). Members are also requested to submit original cancelled cheque bearing the name of the sole/ first holder. In case of inability to provide the original cancelled cheque, a copy of Bank Passbook / Statement of the sole / first holder duly attested by the Bank, not being a date earlier than one month may be provided. Members holding shares in demat form are requested to submit the aforesaid documents to their respective Depository Participant(s).

13. As per Regulation 40(7) of the SEBI (LODR) Regulations, 2015, as amended, read with Schedule VII to the said Regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall mandatorily furnish copies of their Income Tax Permanent Account Number (PAN) Card. In case of transmission of shares held in physical mode, it is mandatory to furnish a self-attested copy of the PAN Card of the legal heir(s) / Nominee(s).
14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
15. Members are requested to quote their Folio numbers / DP Id and Client Id in all communication / correspondence with the Company or its RTA.
16. Members are requested to send their queries, if any, relating to the accounts of the Company, well in advance, so that the necessary information can be made available at the meeting.
17. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
18. All documents, transfers, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's Registrar and Transfer Agent, Niche Technologies Pvt Ltd, at the address mentioned below:

NICHE TECHNOLOGIES PRIVATE LIMITED

7th Floor, Room No. 7A & 7B,

3A, Auckland Place, Kolkata 700 017

19. Additional information, as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of director seeking appointment / reappointment are given hereunder:
 - A. Mr. Shailesh Khaitan (DIN : 00041247)

Date of Birth	26.12.1955
Nationality	Indian
Designation	Promoter
Qualification	B. Com
Expertise	He has got extensive experience in investment and finance for more than 25 years.
Date of Appointment	03.08.2001
Shares held in the Company	11,78,150

Directorship in Other Public Limited Companies apart from this Companies as on 31.03.2015	Khaitan Chemicals and Fertilizers Ltd. Tribhuvan Properties Limited
Chairman/Member of the committees in which he is a Director apart from this Company as on 31st March, 2020	NIL

B) Mr. Binod Kumar Kesan (DIN 00038489)

Date of Birth	19.01.1958
Nationality	Indian
Designation	Director
Qualification	B.Com
Expertise	Accounts & Finance
Date of Appointment	25.09.2015
Shares held in the Company	NIL
Directorship in Other Public Limited Companies apart from this Companies as on 31.03.2015	Tribhuvan properties Ltd.
Chairman/Member of the committees in which he is a Director apart from this Company as on 31st March, 2020	NIL

C) Mr. Vikram Gupta (07258574)

Date of Birth	18.12.1981
Nationality	Indian
Designation	Independent Director
Qualification	B.Com
Expertise	Accounts & Finance
Date of Appointment	25.09.2015
Shares held in the Company	NIL
Directorship in Other Public Limited Companies apart from this Companies as on 31.03.2015	NIL
Chairman/Member of the committees in which he is a Director apart from this Company as on 31st March, 2020	NIL

D) Mrs. Suman Chakraborty (DIN: 07533138)

Date of Birth	03.01.1978
Nationality	Indian
Designation	Independent Director
Qualification	B.Com
Expertise	Accounts & Finance
Date of Appointment	30.11.2019
Shares held in the Company	NIL
Directorship in Other Public Limited Companies apart from this Companies as on 31.03.2020	NIL

Chairman/Member of the committees in which he is a Director apart from this Company as on 31st March, 2020	NIL
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THE PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS ARE AS UNDER:

20. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Secretarial Standards- 2 (SS-2) on General Meetings issued by the Institute of Company Secretaries Of India and Regulation 44 of SEBI (LODR) Regulations 2015, as well as the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, the Company is pleased to provide its' members with the facility to exercise their right to vote on resolutions proposed to be considered at the Twenty Ninth AGM by electronic means and the business may be transacted through e-Voting Services on all resolutions set forth in this notice. For the said purpose, the Board of Directors of the Company has engaged the services of National Securities Depository Limited (NSDL).
21. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members as on the cut- off date, i.e. Tuesday, 22nd day of September, 2020. Only those Members whose names are recorded in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting. The voting rights of the Members shall be in proportion to their share(s) of the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.
22. The remote e-voting period commences on **Saturday, the 26th day of September, 2020 (9.00.A.M. IST) and ends on Monday, the 28th day of September, 2020 (5.00 P.M. IST)**, after which remote e-voting will be blocked by NSDL. During this period members of the Company, holding shares as on the **cut-off date i.e Tuesday, 22nd day of September, 2020**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently or cast the vote again.
23. The facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM but shall not be entitled to cast their vote again.
24. The details of the procedure and instructions for e-voting/joining the Twenty Ninth AGM, as applicable are as follows:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 to Log-in to NSDL e-Voting system are mentioned below :

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contain your 'User ID' and your 'initial password'.
 - ii) If your email ID is not registered with the Depository, please follow steps mentioned below in notice in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
 - b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at

evoting@ nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

- d) Members can also use the one-time password (OTP) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, click on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 to cast vote electronically on NSDL e-Voting System are mentioned below :

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of Shradha Projects Limited
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

PROCEDURE FOR E-VOTING ON THE DAY OF AGM :

- a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- b) Only those Members/ shareholders, who will be present in the AGM and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- c) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

GENERAL INFORMATION FOR SHAREHOLDERS

25. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nSDL.com to reset the password.

26. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to evoting@nsdl.co.in. or contact Mr. Amit Vishal, Senior Manager/ Ms. Pallavi Mhatre, Manager of NSDL at Telephone Nos.: (022) 24994360 / (022) 24994545 or at e-mail id: evoting@nsdl.co.in or at NSDL, 'Trade World', 'A' Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai - 400013. For any further assistance, you may contact Mr. Jyotirmoy Banerjee, Investor Relations Manager at Telephone No.: (033) 22895796.
27. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as on the cut-off date i.e Tuesday, 22nd day of September, 2020, may cast their votes electronically through remote e-voting by obtaining the login ID and password by sending a request at evoting@nsdl.co.in or nichetechpl@nichetechpl.com. However, if he/she is already registered with NSDL for remote e-voting then he/she can use your existing user ID and password for casting your vote. If he/she forgets his/her password, he/she can reset the password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com.
28. Mr. Rohit Singhi , Practising Company Secretary (Membership No. A43484) has been appointed by the Board of Directors of the Company as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.
29. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same..
30. In accordance with Regulation 44(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the results will be declared within 48 hours of conclusion of AGM, in the prescribed format along with the report of the Scrutinizer and the same shall be placed on the website of the company www.occl.co.in and on the website of NSDL <http://www.evoting.nsdl.com> immediately after the declaration of result. The results shall also be immediately forwarded to the exchanges, where the shares of the company are listed & traded. The results shall also be displayed on the notice board at the registered office of the company.
31. **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:**
- If your email is already registered with Company/Depository participant, login details for e-voting will be sent on your registered email address.
 - In case you have not registered your email address with the Company / Depositories participant, please follow below instructions to register your email address for obtaining Annual Report and login details for e-voting:

Physical Holding	Send a request to the Niche Technologies Pvt Ltd , Registrar and Share Transfer Agent of the company at nichetechpl@nichetechpl.com . with scan copy of signed request letter, providing name of shareholder, Folio No., scanned copy of the share certificate (front and back) and self attested scan copy of Pan Card and Aadhar card for registering email address
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Demat Holding	Please contact your Depository Participant and register your email address as per the process advised by your DP.
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By Order of the Board

Place: Kolkata
Date: 03.09.2020

Nayantara Agiwal
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 3

Mr. Vikram Gupta was appointed as an Additional Director with effect from 12th August, 2015 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article 80 of Article of Association of the Company for a period of 5 years. He is Chairman of the Stakeholders Relationship Committee. pursuant to the provisions of Sections 149, 150, 152, 178 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of SEBI (LODR) Regulations, 2015 or any amendment thereto or modification thereof, Sri Vikram Gupta being eligible and seeking re-appointment, is proposed to be re-appointed as an Independent director for a term of 5 consecutive years.

In the Opinion of the Board, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and rules made thereunder and he is independent of the management A copy of draft letter for the appointment of , as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members, at the company's Registered office during normal business hours on working day upto the date of AGM. The Board considers that his continued association would be immense benefit to the company and it is desirable to continue to avail the services of as an Independent Director. Accordingly, the Board recommends the resolution to appoint as an Independent Director for the Approval of members.

Except, Mr. Vikram Gupta being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.3.

This Explanatory Statement may also be regarded as a disclosure under SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 is holding NIL Equity shares consisting NIL% of the paid up capital of the Company. This explanation, together with the accompanied notice is and should be treated as an abstract under Section 189 and 190 of the Companies Act, 2013 and rules made there under, in respect of the re-appointment of Vikram Gupta as an Independent Director. The resolution for seeks approval of members as an Special Resolution for the re-appointment of as an Independent Director of the Company, pursuant to the provisions of Section 149, 150, 152, 197 read with Schedule IV and other applicable provision of the Companies Act, 2013 and the rules made there under.

Item No. 4

Mr. Binod Kumar Kesan was appointed as an Additional Director with effect from 12th August, 2015 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article 80 of Article of Association of the Company for a period of 5 years. He is Chairman of the Audit Committee. pursuant to

the provisions of Sections 149, 150, 152, 178 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of SEBI (LODR) Regulations, 2015 or any amendment thereto or modification thereof, Sri Vikram Gupta being eligible and seeking re-appointment, is proposed to be re-appointed as an Independent director for a term of 5 consecutive years.

In the Opinion of the Board, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and rules made thereunder and he is independent of the management A copy of draft letter for the appointment of , as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members, at the company's Registered office during normal business hours on working day upto the date of AGM. The Board considers that his continued association would be immense benefit to the company and it is desirable to continue to avail the services of as an Independent Director. Accordingly, the Board recommends the resolution to appoint as an Independent Director for the Approval of members.

Except, Mr. Binod Kumar Kesan being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.3.

This Explanatory Statement may also be regarded as a disclosure under SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 is holding NIL Equity shares consisting NIL% of the paid up capital of the Company. This explanation, together with the accompanied notice is and should be treated as an abstract under Section 189 and 190 of the Companies Act, 2013 and rules made there under, in respect of the re-appointment of Binod Kumar Kesan as an Independent Director. The resolution for seeks approval of members as an Special Resolution for the re-appointment of as an Independent Director of the Company pursuant to the provisions of Section 149, 150, 152, 197 read with Schedule IV and other applicable provision of the Companies Act, 2013 and the rules made there under.

Item No. 5

Mrs. Suman Chakraborty was appointed as an Additional Director with effect from 30.11.2019 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article 80 of Article of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing Mrs. Suman Chakraborty's candidature for the office of Director of the Company.

The Board feels that presence of Mrs. Suman Chakraborty on the Board is desirable and would be beneficial to the company and hence recommend the resolution as set out in the Notice for the consideration and approval of members at the Annual General Meeting.

None of the Directors or their relatives are in any way concerned or interested, financially or otherwise, in the aforesaid resolution.

By Order of the Board

Place: Kolkata
Date: 03.09.2020

Nayantara Agiwal
Company Secretary

SHRADHA PROJECTS LIMITED

REPORT ON CORPORATE GOVERNANCE

BREIF STATEMENT ON THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to highest level of transparency, accountability and equity in all facets of its operation and all its interaction with stakeholders, lenders, Government and other business associates proper disclosure of relevant financial and non-financial information and enhancing shareholder value on a continuing basis.

MEETINGS OF THE BOARD:

The company has duly complied with section 173 of the Companies Act, 2013. During the year under review, **Six (6)** board meetings were convened and held. The date on which meetings were held on **28.05.2019, 21.08.2019, 12.09.2019, 30.11.2019, 14.12.2019 and 12.02.2020**. The maximum interval between any two meetings did not exceed 120 days.

Name of Director	Type	Executive/ Non-executive	No. of Meeting Attended	No. of other Director-ship *	Whether Attend Last AGM	Other Board Committee Membership
Mr. Shailesh Khaitan	Promoter	Non-executive	3	2	Yes	Nil
Mr. Shankar Lal Gupta	Promoter	Non-executive	5	1	Yes	Nil
Mr. Binod Kumar Kesan	Independent	Non-executive	5	1	Yes	3
Mr. Vikram Gupta	Independent	Non-executive	5	0	Yes	3
Ms. Indu Tibrewala	Independent	Non-executive	5	0	Yes	3

*Excluding Private Company

FORMAL ANNUAL EVALUATION:

Pursuant to the provisions of Companies Act, 2013, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee and Nomination and Remuneration Committee.

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, attendance of the meetings, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

MEETING OF INDEPENDENT DIRECTORS:

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors, Management Personnel. Such meetings are conducted informally to enable Independent Directors to discuss the matter pertaining to the Company's affairs and put forth their views to lead Independent Director. At present the Company has three Independent Directors i.e. Mr. Binod Kumar Kesan, Mr. Vikram Gupta, Ms. Suman Chakraborty. Ms. Indu tibrewala resigned from the directorship w.e.f 30.11.2019.

The meeting of Independent Directors was held on **12.09.2019** during the year.

COMMITTEES:

With a view to have a more focused attention on business and for better governance and accountability, and in accordance with the Companies Act 2013, your Board has re-constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee.

i) AUDIT COMMITTEE:

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Committee is governed by its terms of reference which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement. The Audit Committee at present comprise of three Non-executive Directors. There was a change in the constitution of the Audit Committee. Mrs. Indu Tibrewala resigned from the post of independent director and Ms. Suman Chakraborty was appointed as Additional Independent Director w.e.f 30.11.2019. The Audit Committee met **four times (4)** during the year i.e. on **28.05.2019, 12.09.2019, 14.12.2019, and 12.02.2020**. The composition of the Audit Committee is as follows;

Members	Type	Executive/ Non-executive	No. of Meeting Attended
Mr. Binod Kumar Kesan	Chairman	Non-executive Independent &	4/4
Mr. Vikram Gupta	Member	Non-executive Independent &	4/4
Mrs. Indu Tibrewala	Member	Non-executive Independent &	2/2
Mrs. Suman Chakraborty	Member	Non-executive Independent &	2/2

The broad terms of reference of the Committee includes: -

- To hold periodic discussion with statutory auditors and internal auditors concerning the accounts, internal audit system, scope of audit and observations of the auditor/internal auditors
- To review compliance with internal control system.
- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- To review the quarterly, half yearly and annual financial results of the Company before submission to the Board.
- To review periodically statements of transactions with related parties in the ordinary course of business.
- To investigate into any matter in relation to items specified in Section 177 of the Companies Act, 2013 or as may be referred to it by the Board.
- To make recommendation to the Board on any matter relating to the financial management of the Company.

ii) NOMINATION AND REMUNERATION COMMITTEE:

There was a change in the constitution of the Nomination & Remuneration Committee. Mrs. Indu Tibrewala resigned from the post of independent director and Ms. Suman Chakraborty was appointed as Additional Independent Director w.e.f 30.11.2019. One meeting of the Nomination and Remuneration Committee was held on 30th May, 2019. The composition of the Nomination and Remuneration Committee is as follows:-

Name of the Committee Members	Nature of Directorship	Membership
Ms. Indu Tibrewala/Ms. Suman Chakraborty	Independent Director	Chairman
Mr. Binod Kumar Kesan	Independent Director	Member

Mr. Vikram Gupta	Independent Director	Member
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The broad terms of reference of the Committee includes: -

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to remuneration for the Directors, Key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director(s) based on their performance and defined assessment criteria.

iii) STAKEHOLDER RELATIONSHIP COMMITTEE:

Pursuant to section 178(5) of Companies Act 2013 and revised Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has renamed its existing investor/Shareholder Grievance Committee as "**Stakeholder Relationship Committee**" and revised the terms of reference accordingly. The Stakeholder Relationship Committee at present comprise of Three Non- executive Directors. There was a change in the constitution of the Stakeholder Relationship Committee. Mrs. Indu Tibrewala resigned from the post of independent director and Ms. Suman Chakraborty was appointed as Additional Independent Director w.e.f 30.11.2019. Its composition can be seen as follows;

The Stakeholder Relationship Committee at present comprise of three Non-executive Directors. The Stakeholder Relationship Committee met once in the year i.e. **on 12.02.2020**. The composition of the Stakeholder Relationship Committee is as follows;

Members	Type	Executive/ Non-executive
Mrs. Indu Tibrewala/Ms. Suman Chakraborty	Chairman	Non-executive & Independent
Mr. Vikram Gupta	Member	Non-executive& Independent
Mr. Binod Kumar Kesan	Member	Non-executive & Independent

The broad terms of reference of the Committee includes: -

- Oversee and review all matters connected with the transfer of the Company's securities.
- Oversee the performance of Company's Registrars and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Monitor implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading.

DETAILS OF LAST 3 ANNUAL GENERAL MEETING

Information about last three Annual General Meeting

Year	Date	Time	Location of Registered Office
2017	20.09.2017	10.00 A.M.	46C, Rafi Ahmed Kidwai Road, 3rd floor, Kolkata - 700 016
2018	27.09.2018	10.00 A.M.	46C, Rafi Ahmed Kidwai Road, 3rd floor, Kolkata - 700 016
2019	23.09.2019	11.00 A.M.	46C, Rafi Ahmed Kidwai Road, 3rd floor, Kolkata - 700 016

- No Special resolution was passed in the Annual General Meeting on 23.09.2019
- No special resolution was proposed through postal ballot last year.

E-VOTING

On terms of Section 108 of the Companies Act, 2013, Rules framed there under and Clause 35B of the Listing Agreement, the Company is providing e-voting facility to its Members in respect of all Members' resolutions proposed to be passed at this Annual General Meeting.

MEANS OF COMMUNICATION

The unaudited Quarterly results of the Company are regularly submitted to the Stock Exchanges and published in News Papers in accordance with the Listing Agreement. The information is also available on the website of the company i.e. www.shradhaprojects.com

GENERAL SHAREHOLDER INFORMATION

A. Company Registration Details

The Company is registered in the State of West Bengal, India. The Corporate Identification Number (CIN) allotted to the Company by Ministry of Corporate Affairs (MCA) is **L27109WB1992PLC054108**.

B. Annual General Meeting

Date- 29.09.2020

Time - 10.00 A.M

Venue- 46C, Rafi Ahmed Kidwai Road, 3rd floor, Kolkata - 700 016

C. Financial Calendar (April - March)

Quarter ending June 30, 2020.	: On or before 15 th August, 2020
Quarter ending September 30, 2020.	: On or before 15 th November, 2020
Quarter ending December 31, 2020.	: On or before 15 th February, 2021
Yearly Financial Results 2020-2021	: On or before 30 th May, 2021

D. Book Closure

The Register of members and Share Transfer Book will remain closed from 23.09.2020 to 29.09.2020 (both days inclusive) on account of Annual General Meeting.

E. Dividend

No dividend is recommended for the year.

F. Listing at Stock Exchanges

1. The Calcutta Stock Exchange Association Ltd.

G. Stock Code

The Calcutta Stock Exchange Association Ltd: 12626

H. ISIN Number: INE851D01012

I. Depository Connectivity: NSDL and CDSL

J. STOCK MARKET DATA

Monthly high & low prices of Equity shares of the Company quoted at The Calcutta Stock Exchange during the year 2019-2020.

Month	Calcutta Stock Exchange Limited		
	High	Low	Volume
April'19	---	---	---
May'19	---	---	---
June'19	---	---	---
July'19	---	---	---
August'19	---	---	---
September'19	---	---	---
October'19	---	---	---
November'19	---	---	---
December'19	---	---	---
January'20	---	---	---
February'20	---	---	---

March'20	---	---	---
Total	---	---	---

K. REGISTRAR & TRANSFER AGENTS

Name

Niche Technologies (P) Ltd.

(For Physical & Demat Shares)

Address

3A, Auckland Place, 7th Floor, Room No
7A & 7B, Kolkata-700017

L. SHARE TRANSFER SYSTEM

Transfer of Shares are registered and processed by the Registrars & Share Transfer Agents within 15 days from the date of receipt, if the relevant documents are completed in all respect

M. DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2020

Sl. No.	No of Equity Shares held	No of Shares Holders	% of Shares Holders	No of Shares Held	% of Share Holding
1	Up to 500	1025	54.6958	2,21,090	2.8667
2	501 - 1000	771	41.1419	5,41,210	7.0174
3	1001 - 5000	48	2.5614	1,28,795	1.6700
4	5001 - 10000	10	0.5336	71,060	0.9214
5	10001-50000	11	0.5870	2,13,100	2.7631
6	50001-100000	2	0.1067	1,24,900	1.6195
7	100001 & above	7	0.3735	64,12,259	83.1420
	Total	1874	100.00	7712414	100.00

N. SHAREHOLDING PATTERN AS ON 31.03.2020

Category	No of Shares Held	% of Share Holding
Indian Promoters	4371549	56.68
Institution Investors	-	-
Private Corporate Bodies	2348035	30.45
Resident Individuals	992830	12.87
Total	7712414	100.00

O. ADDRESS FOR CORRESPONDENCE

REGISTERED OFFICE:

46C, RAFI AHMED KIDWAI ROAD,
3RD FLOOR, KOLKATA - 700 016

CEO/CFO CERTIFICATION

The Managing Director and Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Chief Financial Officer also gives quarterly certification on financial results while placing the financial results before the Board.

CERTIFICATE OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company.

Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the Code applicable to them during the year ended March 31, 2019.

Date: 31.08.2020
Place: Kolkata

S. L. Gupta
(Director)
00041007

B K Kesan
(Director)
00038489

SHRADHA PROJECTS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

NBFCs in India

Shradha Projects Limited is a registered NBFC-ND with RBI and the company is listed with Calcutta Stock Exchange Ltd. The company is actively engaged in the fund based activities, providing loans and advances, inter corporate deposits, investment in shares & securities etc. SPL services today are readily available to individual, corporate, financial institutions etc.

Our Company is a professionally managed company, which focuses its vision on financial services & follows strict code of conduct of business by practicing fair business values with stake holders and society at large. It had been complying with all relevant enactments and status of the law in letter & in spirit. There is a strict adherence to ethics and responsibility towards all those who come within its corporate ambit.

Indian economy – Overview

As the fastest growing major economy in the world, India is expected to emerge as one of the top three economic powers of the world over the next 10-15 years, as per Central Statistics Organisation (CSO) and IMF (international Monetary Fund). Moody's upgradation of India's sovereign rating after 14 years, from Baa3 (lowest investment grade) to Baa2, also underlines the strength of its economic fundamentals.

After a temporary slowdown triggered by demonetisation and CIST (Good Services Tax), the economy started showing signs of recovery in the year. The revival in positivity was reflected in the pick-up of industrial production and a decline in retail inflation (as measured by the CPI) after a period of negativity. The farm, manufacturing and services sectors propelled this growth, which is expected to sustain in the coming year.

NBFCs in India

The Indian NBFC sector for the past three years have been giving stiff competition to established banks in the country and finally edged ahead as their portfolio of loans grew at a rate of 14.9% during the first half of 2018-19, compared to 6.2% in the case of banks. The credit granted by NBFCs as a percentage of GDP rose to 8%, displaying their significance in the country's financial ecosystem. While the bank credit reached a historical low during 2016-17, NBFCs recorded an increased credit performance during the same year, highlighting the growing popularity in the country. Retail NBFCs benefited immensely from lower interest rate and benign liquidity conditions in the last three years. It not only lowered their cost of funds and boosted margins but easy availability of capital allowed them to raise their share of the overall loan market at the expense of commercial banks. This came on the back of industry's equally fast growth in the previous three years. Retail NBFCs' loan book grew at a CAGR of 19.7% during the three years ending March 2017. This was nearly thrice the pace of growth (6.9%) in bank loan books during the period. This helped bridge the credit gap in the country and provided alternate sources of finance to individuals and entities with lower credit ratings. This rise was mainly on account of a subdued performance by banks on the back of events such as the demonetisation and the implementation of resuscitative actions such as the PCA and the AQR. This translated into a profit boom in the industry

SHRADHA PROJECTS LIMITED

and the combined net profit of NBFCs grew at a CAGR of 18.7% during three-year period ending March 2017, making NBFCs one of the best-performing sectors on the bourses during the period.

Opportunities and Threats

Rising entrepreneurship among the country's youth has bolstered demand for small-ticket loans because of the low interest burden associated with them. People are gradually opting for online loan facilities because of the inherent ease-of-use and speed of transactions. The market remains largely under-penetrated with the 15 major cities in India preferring loans against shares and properties, whereas the remaining 15 cities beyond the top-15 exhibiting a preference for microfinance. NBFCs lend to retail borrowere` without strong credit history and mid-level corporates who are usually not considered creditworthy by major banks, indicating the fact that there is still ample headroom for growth for NBFCs. With the banking sector bearing the brunt of rising NPA levels, they are becoming increasingly strict when it comes to disbursing loans, brightening prospects for NBFCs. Even if half of the lower-middle class makes the transition to upper-middle or middle class, they would still amount to 350 million people, indicating that there will be a sizeable chunk of the population for the NBFCs to cater to over the long-term. The Financial Intelligence Unit put 9,491 non-banking finance companies (82% of the total NBFCs in India) under the highrisk category because of noncompliance with Prevention of Money Laundering Act. With a large number of NBFCs getting into the market, the competition is becoming fierce as consume` have more alternatives to choose from. Unorganised money lenders continue to hold sway in the rural markets and are a significant threat to NBFCs in these areas.

Risks and mitigation

Though the industry is presently doing well, it possesses certain risks as well. One of them being the high interest rates levied on NBFCs which will affect them in two ways. First, it will compress industry's NIMs or the spread of yield on assets over cost of funds. Secondly, higher interest rate could hit the demand for retail loans, lowering industry's pace of growth. The fact that credit penetration of NBFCs in India is at 13% of GDP, which is significantly low in comparison to other emerging economies, reflects that there are still few challenges that need to be addressed immediately. One of the key challenges that NBFCs currently face is that they are extremely dependent on competitors, banks and capital markets for raising funds. This can prove detrimental to the sustainability of their growth and can cause lot of distress, as funds from these sources can dry up without much notice. A strong regulatory framework which allows opening up of refinance windows will help NBFCs raise low-cost funds and increase their lending penetration. Another critical factor that forms a challenge for NBFCs is lack of flexibility in classification of loans. The assumption of 'one-size fits all' doesn't work for NBFCs. The regulations need to consider the borrowers' profile and assets under classification. Other issues that need redressal include withdrawal of priority sector status of bank lending to NBFCs, disparity in treatment in terms of taxation for NBFCs and banks and minimum mandatory credit rating for deposit taking NBFCs.

Internal control systems

The Company's internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly.

SHRADHA PROJECTS LIMITED

The audit committee reviews reports presented by the internal Auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. It maintains constant dialogue with statutory and internal Auditors to ensure that internal control systems are operating effectively.

Human resources

The Company continues to emphasize on retaining, training and enhancing its human resource base. The Company recognizes the role that human capital plays in the modern workplace and aims to create a harmonious environment to enable the raising of employee productivity and hence allow employees to reach their full potential. The recruitment, training, appraisal programmes of the Company continued to run seamlessly, coupled with performance-based incentives and better-than-industry-rates of compensation. These efforts resulted in growing the human capital which translated into lower employee turnover rates.

Operations and financial performance

During the year, despite of uncertainty in the Indian market scenario in the last quarter of the year, our prudent business management tactics resulted in a net profit of ` 50 lac.

Cautionary statement

Statements in this report on management discussion and analysis, describing the Company's objectives, estimates, expectations or predictions are all 'forward-looking statements' within the meaning of the applicable securities, laws and regulations. These statements are based on certain assumptions and expectations regarding future events. The Company assumes no responsibility whatsoever to publicly amend, modify or revise any 'forward-looking statements' on the basis of any subsequent information, developments and events.

SHRADHA PROJECTS LIMITED

DIRECTOR'S REPORT

To
The Members
SHRADHA PROJECTS LIMITED

Your Directors have pleasure in presenting their 29th Annual Report and Audited Accounts of your Company for the year ended 31st March, 2020.

REVIEW OF OPERATION

Highlights of the company's performance for the year 2019-20 are reproduced for your consideration

(` in lacs)

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Revenue from operations	235.23	820.02
Other Income	87.32	12.71
Profit/Loss before Depreciation, Finance Costs, exceptional Items & tax expense	127.07	28.82
Less: Depreciation/Impairment	62.28	62.65
Profit/Loss before Finance Costs, exceptional Items & tax expense	64.79	-33.83
Less: Finance Costs	15.41	16.46
Profit/Loss before Exceptional Items & tax expense	49.38	-50.29
Add/Less: Exceptional Items	----	----
Profit/Loss before Tax expense	49.38	-50.29
Less: Tax Expense (Current & Deferred)	6.21	-3.24
Profit/Loss for the year (1)	43.17	-47.05
Total Comprehensive Income (2)	42.03	-46.72

CHANGE IN NATURE OF BUSINESS:

There has been no change in nature of business of the company during the F.Y. 2019-2020.

MATERIAL CHANGES AND COMMITMENTS:

There are no material changes and commitments affecting the financial position of the company have accrued between the date financial year of the Company and date of the report.

DIVIDEND:

Your Board of Directors has decided that the funds of the company are required for future expansion of the company and so the profits of the company for the year ended on 31st March 2020 shall be deployed for the said purpose. The Board has decided not to recommend any dividend for the year ended 31st March 2020.

TRANSFER TO RESERVE:

In view of loss incurred, your company has transferred Rs. 8.63 lacs to statutory reserve under section 45 IC of RBI Act 1934 for the year ended 31.03.20.

SHRADHA PROJECTS LIMITED

CHANGES IN SHARE CAPITAL:

The paid up Equity Share Capital as on 31st March, 2020 stood at ` 77,124,140/-. During the year under review, the Company has not issued any shares with differential voting rights, sweat equity shares nor granted any stock options. The company neither came out with rights, bonus, private placement and preferential issue.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has policy for Internal Financial Control System, commensurate with the size, scale and complexity of its operations. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. The scope and authority of the Internal Audit (IA) function is defined in the internal financial control policy. The Internal Auditor monitors and evaluates the efficiency and adequacy of Internal Financial control system in the Company, its compliance with operating systems, accounting procedures and policies. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board, the internal audit report on quarterly basis and some are reviewed by the committee. The observation and comments of the Audit Committee are placed before the board.

DIRECTORS AND KEY MANAGERIAL PERSON:

Directors

Mr. Shailesh Khaitan – Promoter

Mr. Shankar Lal Gupta - Promoter

Key Managerial Personnel

Mr. Parimal Kanta Das - Manager

Md. Rafiullah - Chief Financial Officer

Ms. Nayantara Agiwal - Company Secretary

Non-Executive, Non-Independent Directors

Mr. Binod Kumar Kesan - Non – executive Independent Director

Mr. Vikram gupta - Non – executive Independent Director

Ms. Indu Tibrewala - Non – executive Independent Woman Director

Appointment & Resignation:

Mr. Binod Kumar Kesan, Mr. Vikram Gupta continued as Independent Directors of the Company. Mrs. Indu Tibrewala resigned from the post of directorship w.e.f 30.11.2019 and Ms. Suman Chakraborty was appointed as additional Independent Director w.e.f 30.11.2019.

Mr. Parimal Kanta Das continued as Manager of the Company.

Ms. Nayantara Agiwal continued as Company Secretary of the Company.

SHRADHA PROJECTS LIMITED

Md. Rafiullah continued as Chief Financial Officer of the Company.

MEETINGS OF THE BOARD:

Six meetings of the Board of Directors were held during the year. For Further details please refer report on Corporate Governance of this Annual Report.

MANAGERIAL REMUNERATION:

The statement containing the disclosure as required in accordance with the provisions of Section 197(12) of the Companies Act 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure I. and forms a part of the Board Report. Further, none of the employees of the Company are in receipt of remuneration exceeding the limit prescribed under rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 so statement pursuant to Section 197(12) of the Companies Act 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required to be included.

DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES:

Your Company has no Subsidiary Company. Details of Associate Companies during the year under review is annexed as **Annexure II** (i.e. in Form AOC – I) and forms part of the Board Report.

AUDITORS & AUDITORS REPORT

STATUTORY AUDITORS: Pursuant to section 139(1) of Companies Act 2013 read with applicable rules thereon M/s. Vasudeo & Associates (FRN: 319299E) have been appointed as Statutory Auditors of the Company for a period of 5 year from the conclusion of 26th Annual General Meeting held in 2017 till the conclusion of the 31st Annual General Meeting to be held in the year 2022, subject to ratification by shareholders in every AGM. Pursuant to the Companies Amendments Act 2017 w.e.f. 07.05.2018 the proviso to section 139(1) of Companies Act 2013 in regard to the ratification of appointment of Statutory Auditor in every Annual General Meeting has been omitted.

SECRETARIAL AUDITOR: Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed **Mr. Rohit Singhi**, a Practicing Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as **Annexure III**.

INTERNAL AUDITOR: Pursuant to the provisions of Section 138 of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014 the Company has appointed **M/s. Jain Binod & Associates**, to undertake the Internal Audit of the Company F.Y 2019-2020. There stood no adverse finding & reporting by the Internal Auditor in the Internal Audit Report for the year ended 31st March 2020.

SHRADHA PROJECTS LIMITED

AUDITOR REPORTS: There are no qualifications, reservation or adverse remarks made by **M/s Vasudeo & Associates.**, the statutory Auditor, in their report. As regards to observation made by the Secretarial Auditor we are state that necessary steps are being taken to comply with the requirements.

The statutory Auditor has not reported any incident of fraud to the Audit committee of the company in the year under review.

MEETINGS OF THE COMMITTEES:

For details please refer report on Corporate Governance of this Annual Report.

RISK MANAGEMENT POLICY:

Pursuant to section 134(n) of Companies Act 2013 and revised clause 49 of Listing Agreement, your company has a robust Risk management framework to identify, evaluate business risk and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the competitive advantage. The framework has different risk models which help in identifying risk trends, exposure and potential impact analysis at a company level. The said policy is hosted on the website of the company (www.shradhaprojects.com).

VIGIL MECHANISM /WHISTLE BLOWER POLICY:

Your Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. The company has adopted a Whistle Blower policy to establish a vigil mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or ethics policy. The said policy is hosted on the website of the company (www.shradhaprojects.com).

CORPORATE SOCIAL RESPONSIBILITY:

The Clauses relating to Corporate Social Responsibility is not applicable to the Company

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, the details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure IV.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:

There are no significant material orders passed by the Regulators /Courts/Tribunals which would impact the going concern status of the Company and its future operations.

SHRADHA PROJECTS LIMITED

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

1. The Company has mortgaged its fixed assets viz Apartment No 206, 2nd floor, Apollo Arcade, ½ Old Palasia - Indore and Flat no. 402 situated at Twin Tower, 5/2 Old Palasia, Indore with IDBI as security on the Term Loan taken by M/s Khaitan Chemical & Fertilizers Limited of ` **10 Crores**.
2. The Company has given a Corporate Guarantee in favor of Indus Valley World School; a school runs by Gopal Chakrabortti Charitable Trust, affiliated by C.B.S.E. to be given to Allahabad bank, SME Finance Branch, 3, Red Cross Place, Kolkata – 700001 to facilitate them to avail various credit facilities from the bank towards a loan amounted to ` **3051 lacs**.
3. Further the Company has given corporate guarantee towards a Loan of ` **2521 Lacs** raised by B. D. Memorial Institute from Allahabad Bank.
4. The Company has given Corporate Guarantee towards a Loan of ` 3000 lacs raised by Khaitan Chemicals & Fertilizers Limited from State bank of India, Commercial Branch, Indore.
5. The Company has received Order u/s 143(3) of the Income Tax Act, 1961 for the financial year 2013-14 (AY 2014-15) in which certain additions were made by the Income Tax department while computing the tax liability of the company and accordingly demand of ` 4.87 lacs has been raised by the Authority. But an appeal has been preferred by the Company with CIT(Appeals) for defending the case and management is hoping that the case will be decided in the favour of the Company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid ` 0.73 lacs under protest to the Department.
6. The Company has received Order u/s 147/143(3) of the Income Tax Act, 1961 for the financial year 2009-2010 (Asst Year 2010-11) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ` 10.67 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CIT(Appeals) for defending the case and management is hoping that the case will be decided in favour of the Company, so no provision has been made in regard to demand raised by the Income Tax Department. The company has paid ` 0.73 lacs under protest to the Department.
7. In the Financial Year 2017-18, the Company has received Order u/s 17/16(5) of the Wealth Tax Act, 1957 for the financial year 2008-2009 to 2012-13 (AY 2009-2010 to 2013-2014) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of Rs. 21.05 lacs has been raised by the Authority. But an appeal has been preferred by the Company with CWT (Appeals) for defending the case and management is hoping that the case will be decided in the favour of the Company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid Rs. 4.21 lacs under protest to the Department.
8. The Company has received Order u/s 147/143(3) of the Income Tax Act, 1961 for the financial year 2010-2011 (Asst Year 2011-12) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of rs. 14.70 lacs has been raised by the Authority. But an appeal has been preferred by the Company

SHRADHA PROJECTS LIMITED

with CIT (Appeals) for defending the case and management is hoping that the case will be decided in the favour of the Company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid Rs. 2.94 lacs under protest to the Department.

DEPOSITS:

Your company is non deposit taking NBFC registered with RBI, thus the said clause is not applicable and the company does not accept any deposit. The Board of Directors has duly passed a resolution in their meeting giving effect to the aforesaid statement.

CONTRACTS/ TRANSACTIONS / ARRANGEMENTS WITH RELATED PARTIES:

All contracts/ arrangements/transactions with related parties entered by the company during the financial year were on an arm's length basis and were in the ordinary course of business and thus the provisions of section 188 of the Companies Act 2013 are not attracted and thus disclosure about details of contracts or arrangements or transactions with related parties referred to in section 188(1) in Form AOC-2 is not required. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or their relatives or other designated persons which could have a potential conflict with the interest of the Company at large. All Related Party Transactions are periodically placed before the Audit Committee as also the Board for approval. During the year under review the company has not taken any omnibus approval from Audit committee. A Related Party policy has been devised by the board of Directors for determining the materiality of transactions with related parties and dealing with them. Further your Directors draw your kind attention of the members to note no 37 to the financial statements which sets out related party transactions.

CORPORATE GOVERNANCE REPORT:

Pursuant to Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the report on Corporate Governance and Management Discussion & Analysis forms part of the Annual Report. The Certificate from Auditor of the company confirming compliance with the conditions of Corporate Governance as stipulated under 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 also constitute an integral part of the Annual Report.

DISCLOSURES ON POLICY AGAINST SEXUAL AND WORKPLACE HARASSMENT:

The Company believes that it is the responsibility of the organization to provide an environment to its employee which is free of discrimination, intimidation and abuse and also to protect the integrity and dignity of its employees and also to avoid conflicts and disruptions in the work environment. Further there stood no cases filed during the year under review.

SHRADHA PROJECTS LIMITED

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOES:

The Particulars in respect of conservation of energy and technology absorption are not applicable during the year under review. There is no earning and outgo in Foreign Exchange.

RESEARCH & DEVELOPMENT

The Company has not incurred any sum in respect of Research & Development for any of its activity.

DIRECTORS RESPONSIBILITY STATEMENT:

In terms of Section 134 (5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (a) That in the preparation of Annual Accounts, the applicable Accounting Standard has been followed alongwith proper explanations relating to material departures.
- (b) That 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 financial year and the Statement of Profit and Loss for that period.
- (c) That the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding assets of the Company and for preventing and detecting frauds and other irregularities.
- (d) That the Directors have prepared the Annual Accounts on Going Concern Basis.
- (e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

ACKNOWLEDGEMENTS:

Your Directors take the opportunity to thanks the Regulators, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board

Place: Kolkata

Date: 31.08.2020

S L GUPTA
Director
00041007

B K KESAN
Director
00038489

SHRADHA PROJECTS LIMITED

Annexure I to the Boards Report

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The Directors of the Company do not receive any salary. Thus there is no ratio of the remuneration of each director to the median remuneration of the employees.
- (ii) The salary of the Company Secretary increased 13.58%. Salary of the Manager increased 10.22%. Salary of the CFO increased 19.67%.
- (iii) The Median Remuneration of Employees as on March 31, 2020 is Rs 381210/-. The percentage decrease in the median remuneration of employees was 41.75% during the financial year.
- (iv) There were 6 (six) permanent employees (including CFO, Company Secretary & Manager) on the rolls of Company as on March 31, 2020;
- (v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- (vi) Name of the top ten employees in terms of remuneration is as follows:

S.No	Name of the Employee	Salary Received
1	Mr. Harsh Vardhan Agnihotri	` 1200000/-
2	Mr. I N Jha	` 381210/-
3	Mr Manoj Yadav	` 38000/-

SHRADHA PROJECTS LIMITED

Annexure II to the Boards Report

Form AOC- I

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

Statement containing salient features of the financial statements of subsidiaries/associates companies/joint ventures

Part A: Subsidiaries

Your Company has no Subsidiary Company during the year under review.

Part B: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies & Joint Ventures:

Name of Associates	Arati Marketing Private Limited	B.O. Construction Private Limited	Indus Valley World School Pvt. Ltd.	Khaitan Paper & Packaging Private Limited
Latest Audited Balance Sheet Date	As at 31 st March 2020	As at 31 st March 2020	As at 31 st March 2020	As at 31 st March 2020
Shares of Associate held by the company as on 31.03.2020	412675	1525400	450000	323500
Amount Of Investment in Associates	9,71,000.00	5,09,99,200.00	45,00,000.00	58,84,855.00
Extend of Holding %	22.75	39.12%	40.54%	20.74%
Description of how there is significant influence	Shareholding	Shareholding	Shareholding	Shareholding
Reason why the Associate is not consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Net worth attributable to Shareholding as per latest audited Balance sheet	94025.42	63605043.30	5114931.80	14943584.80
Profit/Loss for the year				
i. Considered in Consolidation	--	--	--	--
ii. Not Considered in Consolidation	--	--	--	--

SHRADHA PROJECTS LIMITED

Name of Associates	Lilac Properties Private Limited	Manoj Fincom Private Limited	Accord Properties Private Limited	Infra Private	Khaitan Commercial Services (P) Ltd.
Latest Audited Balance Sheet Date	As at 31 st March 2020	As at 31 st March 2020	As at 31 st March 2020	As at 31 st March 2020	As at 31 st March 2020
Shares of Associate held by the company as on 31.03.2020	126357	85500	136871		837000
Amount Of Investment in Associates	1,94,81,311.00	91,00,000.00	15719152		84,30,000.00
Extend of Holding %	44.41%	36.61%	47.19%		48.94%
Description of how there is significant influence	Shareholding	Shareholding	Shareholding		Shareholding
Reason why the Associate is not consolidated	Not Applicable	Not Applicable	Not Applicable		Not Applicable
Net worth attributable to Shareholding as per latest audited Balance sheet	25737815.50	15060987.90	22079729.10		29083603.16
Profit/Loss for the year					
i. Considered in Consolidation	--	--	--		--
ii. Not Considered in Consolidation	--	--	--		--

SHRADHA PROJECTS LIMITED

Name of Associates	Shradha Infra Realty Private Limited	Shradha Technopack Private Limited	The Majestic Packaging Co. Private Limited	Vibra Tech Infrastructure Private Limited	Khaitan Chemicals & Fertilizers Limited
Latest Audited Balance Sheet Date	As at 31 st March 2020	As at 31 st March 2020	As at 31 st March 2020	As at 31 st March 2020	As at 31 st March 2020
Shares of Associate held by the company as on 31.03.2020	124980	212100	568910	75787	4,57,63,640
Amount Of Investment in Associates	11005240.00	26293000.00	15703970	15548288.00	9,64,77,116.93
Extend of Holding %	40.72%	38.95%	47.73%	45.81%	47.18%
Description of how there is significant influence	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding
Reason why the Associate is not consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Net worth attributable to Shareholding as per latest audited Balance sheet	23713292.00	33131259.50	67631973.33	19031097.96	722119151.60
Profit/Loss for the year					
i. Considered in Consolidation	--	--	--	--	--
ii. Not Considered in Consolidation	--	--	--	--	--

FORM NO. MR- 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To,
The Members,
Shradha Projects Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shradha Projects Limited** (hereinafter called “The Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in my opinion, the Company has, during the audit period ended on **31st March, 2020** complied with the statutory provisions listed here-under 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 Shradha Projects Limited (“**The Company**”) for the period ended 31st March, 2020 according to the provisions of:

- i) The Companies Act, 2013 (**the Act**) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 (“**SCRA**”) and the Rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”) viz:-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period).
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit Period).
 - e) The Securities and Exchange Board of India (Issue and listing of Debt securities)

- Regulations, 2008; (Not Applicable to the Company during the Audit Period).
- f) The Securities and Exchange Board of India (Registrar to an issue and Share Transfer Agents) Regulations, 1993;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period).
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period).
 - i) The Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) Regulations, 2015;

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the audit period it was further observed that the company has not complied with certain provisions of Companies act 2013 and Securities and Exchange Board of India Act, 1992 ('SEBI Act').

Further the above non compliances do not have a major bearing on the Company's affairs

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was changes in the composition of the Board of Directors during the period under review for which necessary provisions of companies act 2013 has been complied.

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.

None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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 there are no specific events/actions which have any major bearing on the Company's affairs.

This report is to be read with my letter of even date which is annexed as "**Annexure-1**" which forms an integral part of this Secretarial Audit Report.

For Rohit Singhi & Co.
Company Secretary

Place: Kolkata
Date: 31.08.2020

Rohit Singhi
Proprietor
ACS No. - 43484
CP. No. 16021

UDIN: A043484B001028578

“ANNEXURE-1”

To,
The Members,
Shradha Projects Limited

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

1. Maintenance of Secretariat records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on 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 Secretariat records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Rohit Singhi & Co.
Company Secretary

Place: Kolkata
Date:31.08.2020

Rohit Singhi
Proprietor
ACS No. - 43484
CP. No. 16021
UDIN:A043484B001028578

SHRADHA PROJECTS LIMITED

Annexure -IV to the Boards Report

EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2020

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

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L27109WB1992PLC054108
2	Registration Date	13.01.1992
3	Name of the Company	SHRADHA PROJECTS LTD
4	Category/Sub-category of the Company	COMPANY LIMITED BY SHARE INDIAN NON-GOVT COMPANY
5	Address of the Registered office & contact details	46C,RAFI AHMED KIDWAI ROAD,3RD FLOOR,KOLKATA-700016
6	Whether listed company	LISTED
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Niche Technologies Pvt Ltd 71, Canning Street, Kolkata - 700 001

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of
1	Trading of Shares & Securities	6499	68.63
2	Lending Activity	6492	31.27

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES						
SN	Name and address of the Company	Address	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Arati Marketing (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U51909WB1996PTC080389	Associate	22.75	2(6)
2	B. O. Constructions Pvt. Ltd.	Farm No. 13/3, DLF, KH. No. 1355/2 MIN 1354, 1012, 1013, 1014, 1015, Chhatarpur Extn	U00000DL2000PTC103440	Associate	39.12	2(6)
3	Indus Valley World School (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U80301WB2008PTC125729	Associate	40.54	2(6)
4	Khaitan Commercial Services (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U63090WB2003PTC097165	Associate	48.94	2(6)
5	Khaitan Paper Packaging (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U36999WB1991PTC052008	Associate	20.74	2(6)
6	Khaitan Chemicals & Fertilizers Ltd.	A.B.Road, Village- Nimrani, KHARGONE Madhya Pradesh - 451569	L24219MP1982PLC004937	Associate	47.18	2(6)
7	Lilac Propertes (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U70109WB2010PTC151649	Associate	44.41	2(6)
8	Manoj Fincom (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U65993WB1997PTC083349	Associate	36.61	2(6)
9	Shradha Infra Realty Pvt. Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U70200WB2010PTC152202	Associate	40.72	2(6)
10	Shradha Technopack (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U21098WB2010PTC152203	Associate	38.95	2(6)
11	The Majestic Packaging (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U28992WB1976PTC030791	Associate	47.73	2(6)
12	Vibra Tech Infrastrucure (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U45400DL2007PTC171549	Associate	45.81	2(6)
13	Accord Infra Properties (P) LTd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U70109WB2010PTC151651	Associate	47.19	2(6)

CFO CERTIFICATION UNDER REGULATION 17(8)

To,
The Board of Directors
Shradha Projects Ltd.

1. We have reviewed financial statements and the Cash Flow Statement of Shradha Projects Ltd. for the year ended 31st March, 2020 and to take best of our knowledge & belief:
 - i) These statement do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

4. We have indicated to the Auditors and the Audit Committee:
 - (i) that there are no significant changes in internal control over financial reporting during the year.
 - (ii) that there are no significant changes in accounting policies during the year; and
 - (iii) that there are no instances of significant fraud of which we have become aware.

Md. Rafiullah
(Chief Financial Officer)

INDEPENDENT AUDITOR'S REPORT

To the Members of

SHRADHA PROJECTS LIMITED

Report on the Audit of the Ind AS Standalone Financial Statements

Opinion

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

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

Basis for Opinion

We conducted our audit in accordance with 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 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 Ind AS financial statements under the provisions of the Act and 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 Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and informing our opinion there on, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	How the matter was addressed in our audit:
1.	<p>Transition to Ind AS</p> <p>The Company has adopted Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 from April 01, 2019 and the effective date of such transitions April 01, 2018. For periods upto and including the year ended March 31, 2019, the Company had prepared and presented its financial statements in accordance with Accounting Standards prescribed under the section 133 of the Act (Indian GAAP).</p> <p>Accordingly, for transition to IndAS, the Company has prepared its financial statements for the year ended March 31, 2020, together with the comparative financial information for the previous year ended March 31,2019 and the opening Balance Sheet as at April 01, 2018 under IndAS.</p> <p>Ind AS are new and complex accounting standards which require considerable judgment and interpretation in their implementation. Further, Ind AS 101 (“First-time Adoption of Indian Accounting Standards”) allows two categories of exceptions to the first-time adopters, which mainly includes prohibition to retrospective application of certain requirements of IndAS and exemption from some requirements of IndAS.</p> <p>We consider this transition and the required disclosures to be a key audit matter because new accounting policies have been adopted by the Company to comply with these standards. Note No. A (ii) “Significant Accounting Policies”and Note No.35 “First time Adoption” to the IndAS financial statements provides detailed information on the significant policies, critical judgement and estimation along with details of exemptions applied from certain requirements under IndAS, based on which these Ind AS financial statements are prepared.</p>	<p>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> - Assessed the Company’s process to identify the impact of adoption and transition to IndAS; - Evaluated the design of internal controls and tested the operating effectiveness of key internal controls around the process of preparation of standalone IndAS financial statements; - Reviewed the mandatory and optional exemptions and exceptions allowed by IndAS and availed by the Company in applying the first-time adoption principles of IndAS 101; - Obtained an understanding of the governance over the determination of key judgments; - Evaluated and tested the key assumptions and judgments adopted by management in line with principles under IndAS; <p>Assessed the disclosures made as required by the relevant IndAS; and</p> <ul style="list-style-type: none"> - Determined the appropriateness of the methodologies and models used along with the responsibility of the outputs.

Sr. No.	Key Audit Matters	How the matter was addressed in our audit:
2.	<p>Impairment loss allowance of loans</p> <p>Impairment loss allowance of loans (“Impairment loss allowance”) is a key audit matter as the company has significant credit risk exposure. The value of loans on the balance sheet is significant and there is a high degree of complexity and judgment involved for the Company in estimating individual and collective credit impairment provisions, write-offs against these loans and to additionally determine the potential impact of unprecedented COVID-19 pandemic on asset quality and provision of the Company.</p> <p>The Company’s model to calculate expected credit loss (“ECL”) is inherently complex and judgment is applied in determining the three-stage impairment model (“ECL Model”), including the selection and input of forward-looking information. ECL provision calculations require the use of large volumes of data. The completeness and reliability of data can significantly impact the accuracy of the modelled impairment provisions. The accuracy of data flows and the implementation of related controls are critical for the integrity of the estimated impairment provisions.</p>	<p>We started our audit procedures with the understanding of the internal control environment related to Impairment loss allowance. Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Company.</p> <p>We also assessed whether the impairment methodology used by the Company is in accordance with the assumptions and methodology approved by the Board of Directors of the Company, which is based on and in compliance with Ind AS 109, “Financial instruments”. More particularly, we assessed the approach of the Company regarding the definition of default, Probability of Default, Loss Given Default and incorporation of forward-looking information for the calculation of ECL. For loans which are assessed for impairment on a portfolio basis, we performed particularly the following procedures:</p> <ul style="list-style-type: none"> - tested the reliability of key data inputs and related management controls; - checked the stage classification as at the balance sheet date as per definition of default; - validated the ECL model and calculation; - calculated the ECL provision manually for a selected sample; and - We have checked the provision on Loan Assets as per Income Recognition, Asset Classification and Presentation (“IRACP”) norms as required under RBI circular dated March 13, 2020. We have checked the DPD and provision in accordance with the RBI regulations in that regard, further considering the Regulatory Packages issued by RBI dated March 27, 2020, April 17, 2020 and May 23, 2020.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Report on Corporate Governance but does not include the Ind AS financial statements and our auditor's report thereon. The above mentioned other information are expected to be made available to us after the date of this auditor's report.

Our opinion on the Ind AS financial statements does not cover the other information and accordingly, we do not express any form of assurance conclusion thereon.

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed 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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 this 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 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 adequate internal financial controls with reference to 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the 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. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2019 and the transition date opening balance sheet as at April 01, 2018 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us whose report for the year ended March 31, 2019 and March 31, 2018 dated May 28, 2019 and May 30, 2018 respectively expressed unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the 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 Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the 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, and 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note No.41 to the Ind AS financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place:- 5 & 6, Fancy Lane 3rd Floor,
Room No. 9, Kolkata- 700 001

For VASUDEO & ASSOCIATES
Chartered Accountants

Dated: The 31st Day of July, 2020

CA. SAURABH MODI
(Partner)
Membership. No. 303815
Firm Reg No. 319299E

UDIN- 20303815AAAABK8759

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of **SHRADHA PROJECTS LIMITED** of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company.
2. (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) As explained to us, no material discrepancies have been noticed on physical verification of inventories as compared to the book records.
3. The company has given loans to Three (3) companies covered in the register maintained under section 189 of the Companies Act, 2013.

In our opinion the terms and conditions on which loans have been granted to companies, firms or other parties listed in the registers maintained under section 189 of the Companies Act, 2013 are not prejudicial to the interest of the company.

The parties have been regular in the payment of interest.

There is no overdue amount of loan granted to companies, firms or limited liability partnerships or other parties listed in the registers maintained under section 189 of the Companies Act, 2013.

4. In our opinion and according to information and explanation given to us, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of sections 185 and section 186 of the Companies Act, 2013.
5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.
6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
7. In respect of statutory dues:
 - A. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

B. According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute *except the below mentioned cases -*

Statement of Disputed Dues

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	4.87 Lacs	Asst. Year 2014-2015	CIT (A) - Kolkata	Refer Note No. 41(i)
Income Tax Act, 1961	Income Tax	10.67 Lacs	Asst. Year 2010-2011	CIT (A) - Kolkata	Refer Note No. 41(ii)
Income Tax Act, 1961	Income Tax	14.70 Lacs	Asst. Year 2011-2012	CIT (A) - Kolkata	Refer Note No. 41(iv)
Wealth Tax Act, 1957	Wealth Tax	21.05 Lacs	AY 2009-2010 to 2013-2014	CIT (A) - Kolkata	Refer Note No. 41(iii)

8. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in the repayment of loans and borrowings to a financial institution, bank, government or dues to debenture holders.
9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanations give to us and based on our examination of the records of the Company, 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 Act.
12. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private

placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.

15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
16. The Company is a Non Banking Financial Company and is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly have obtained the required registration certificate from the Reserve Bank of India.

Place:- 5 & 6, Fancy Lane 3rd Floor,
Room No. 9, Kolkata- 700 001

For VASUDEO & ASSOCIATES
Chartered Accountants

Dated: The 31st Day of July, 2020

UDIN-20303815AAAABK8759

CA. SAURABH MODI
(Partner)
Membership. No. 303815
Firm Reg No. 319299E

“Annexure B” to the Independent Auditor’s Report of even date on the Ind AS Standalone financial statements of SHRADHA PROJECTS LIMITED

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

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

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the

company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

Place:- 5 & 6, Fancy Lane 3rd Floor,
Room No. 9, Kolkata- 700 001

For VASUDEO & ASSOCIATES
Chartered Accountants

Dated: The 31st Day of July, 2020

UDIN- 20303815AAAABK8759

CA. SAURABH MODI
(Partner)
Membership. No. 303815
Firm Reg No. 319299E

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

46C, RAFI AHMED KIDWAI ROAD, 3RD FLOOR, KOLKATA 700016

Standalone Balance Sheet as at 31st March, 2020

` in lacs

	Note No.	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
ASSETS				
1 FINANCIAL ASSETS				
a	1	11.07	5.45	3.40
b	2	32.57	30.70	29.08
c				
<u>Receivables:</u>				
i		-	-	-
ii	3	61.56	-	-
d	4	967.13	876.80	1,162.26
e	5	3,248.72	3,031.84	3,031.56
f	6	189.68	435.79	218.40
2 NON FINANCIAL ASSETS				
a	7	270.01	280.62	280.62
b	8	75.78	74.05	68.08
c	9	21.80	16.16	11.25
d	10	46.97	101.71	101.71
e	11	148.55	210.83	137.89
f	12	101.01	96.57	97.17
Total Assets		5,174.84	5,160.52	5,141.42
LIABILITIES AND EQUITY				
I LIABILITIES				
1 FINANCIAL LIABILITIES				
a	13			
<u>Payables</u>				
<u>i Trade Payables</u>				
- total outstanding dues of micro enterprises and small enterprises				
- total outstanding dues of creditors other than micro enterprises and small enterprises				
<u>ii Other Payables</u>				
- total outstanding dues of micro enterprises and small enterprises				
- total outstanding dues of creditors other than micro enterprises and small enterprises				
b	14	139.28	190.83	124.95
2 NON FINANCIAL LIABILITIES				
a	15	25.15	1.30	1.36
II EQUITY				
a	16	771.24	771.24	771.24
b	17	4,239.17	4,197.14	4,243.87
Total Liabilities and Equity		5,174.84	5,160.52	5,141.42

Significant Accounting Policies : Note A

The accompanying notes are an integral part of the Financial Statements: Note 1 to Note 44

As per our report of even date annexed

For and on behalf of the Board of Directors

For Vasudeo & Associates

Chartered Accountants

Firm Registration No. 319299E

S. L. GUPTA

Director

DIN- 00041007

B. K. KESAN

Director

DIN - 00038489

CA. SAURABH MODI

Partner

Membership No. 303815

UDIN -

MD. RAFIULLAH

Chief Financial Officer

PAN- BLWPR4409L

N. AGIWAL

Company Secretary

PAN- BDJPA6622B

Place: Kolkata

Dated: The 31st day of July, 2020

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

46C, RAFI AHMED KIDWAI ROAD, 3RD FLOOR, KOLKATA 700016

Statement of Profit and Loss for the year ended 31st March, 2020

` in lacs

	Particulars	Note No.	2019-20	2018-19
I	Revenue from Operations			
i	Interest Income	18	96.36	120.56
ii	Dividend Income	19	23.74	23.43
iii	Rental Income	20	3.05	3.05
iv	Fees and Commission Income	21	38.02	-
vii	Sale of products (including Excise Duty)	22	74.06	701.26
ix	Others Operating Income(to be specified)	23	-	(28.28)
	Total Revenue from Operations		235.23	820.02
II	Other Income	24	87.32	12.71
III	Total Income (I+II)		322.55	832.73
IV	EXPENSES			
i	Finance Costs	25	15.41	16.46
v	Impairment on Financial Instruments	26	0.23	-
vii	Purchase of stock-in-trade	27	77.36	961.41
viii	Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	28	38.32	(217.39)
x	Employee Benefits Expense	29	28.22	27.46
xi	Depreciation, Amortisation and Impairment	30	62.28	62.65
xii	Other Expenses	31	51.35	32.43
	Total Expenses (IV)		273.17	883.02
V	Profit/(Loss) before Exceptional Items and Tax (III - IV)		49.38	(50.29)
VI	Exceptional Items		-	-
VII	Profit/(Loss) before Tax (V - VI)		49.38	(50.29)
VIII	Tax Expense:			
	Current Tax	32	11.47	1.74
	Deferred Tax		(5.26)	(4.98)
IX	Profit/(Loss) for the period from continuing operations (VII - VIII)		43.17	(47.05)
X	Profit/(loss) from discontinued operations		-	-
XI	Tax Expense of discontinued operations		-	-
XII	Profit/(loss) from discontinued operations(After tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		43.17	(47.05)
XIV	Other Comprehensive Income			
a.i	Items that will not be reclassified to profit or loss	33	(1.52)	0.40
a.ii	Income tax relating to items that will not be reclassified to profit or loss		0.38	(0.07)
	Other Comprehensive Income for the period (Net of Tax) (XIV)		(1.14)	0.33
XV	Total Comprehensive Income for the period (XIII + XIV)		42.03	(46.72)
XVI	Earnings Per Share	34		
i	Basic (Equity Share Face Value ` 10/- each)		0.56	(0.61)
ii	Diluted (Equity Share Face Value ` 10/- each)		0.56	(0.61)

Significant Accounting Policies : Note A

The accompanying notes are an integral part of the Financial Statements: Note 1 to Note 44

As per our attached report of even date

For and on behalf of the Board of Directors

For Vasudeo & Associates

Chartered Accountants

Firm Registration No. 319299E

S. L. GUPTA

Director

DIN- 00041007

B. K. KESAN

Director

DIN - 00038489

CA. SAURABH MODI

Partner

Membership No. 303815

UDIN -

MD. RAFIULLAH

Chief Financial Officer

PAN- BLWPR4409L

N. AGIWAL

Company Secretary

PAN- BDJPA6622B

Place: Kolkata

Dated: The 31st day of July, 2020

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

46C, RAFI AHMED KIDWAI ROAD, 3RD FLOOR, KOLKATA 700016

Cash Flow Statement for the year ended 31st March, 2020

	<u>2019-20</u> ` in lacs	<u>2018-19</u> ` in lacs
A. <u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit Before Tax & Extraordinary Items	49.38	(50.29)
<u>Adjustment for :</u>		
Depreciation & Amortization Expenses	62.28	62.65
Interest Expenses on Loan	15.41	16.46
Provision for Standard Assets - w/back	-	(0.72)
Provision for Standard Asset	0.23	-
Loss on sale of Investment	8.78	-
Sundry Balance W/off	0.92	0.02
Loss on sale of Property, Plant & Equipment	-	2.37
Operating Profit before Working Capital Adjustment	137.00	30.49
<u>Changes in Working Capital</u>		
(Increase)/Decrease in Other Receivables	(61.56)	-
(Increase)/Decrease in Loan	(90.56)	286.18
(Increase)/Decrease in Investment	(218.40)	0.11
(Increase)/Decrease in Other Financial Assets	246.11	(217.39)
(Increase)/Decrease in Inventory	10.61	-
(Increase)/Decrease in Current Tax Asset	(1.73)	(5.97)
(Increase)/Decrease in Other Non-Financial Assets	(5.37)	0.58
Increase/(Decrease) in Other Non-Financial Liabilities	23.85	(0.06)
Cash Generated from Operation	39.95	93.94
Less: Payment of Taxes	11.47	1.74
Net cash flow from operating activities (A)	28.48	92.20
B. <u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of Property, Plant & Equipment	-	(145.94)
Proceeds from sale of Property, Plant & Equipment	-	8.00
Sale of Investment	45.96	-
(Increase)/Decrease in Fixed Deposits (incl. Accrued Interest)	(1.87)	(1.62)
Net cash realised from Investing Activities (B)	44.09	(139.56)

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

46C, RAFI AHMED KIDWAI ROAD, 3RD FLOOR, KOLKATA 700016

Cash Flow Statement for the year ended 31st March, 2020

	<u>2019-20</u> ` in lacs	<u>2018-19</u> ` in lacs
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/ (Decrease) in Borrowings	(51.55)	65.88
Interest Expenses on Loan	(15.41)	(16.46)
Net cash realised from financing activities (C)	(66.96)	49.42
Net increase/(Decrease) in cash and cash equivalent	5.61	2.06
Opening Cash & Cash Equivalent	5.46	3.40
Closing Cash & Cash Equivalent	11.07	5.46
<u>CLOSING CASH & CASH EQUIVALENT</u>		
Cash at Bank	8.56	2.72
Cash in Hand	2.51	2.74
	11.07	5.46

Explanations:

1. The above Statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard 7 'Statement of Cash Flows'.
2. Previous year figures have been rearranged/ regrouped wherever necessary to conform to the current year's classification.

This is the Statement of Cash Flows referred to in our report of even date.

For Vasudeo & Associates
Chartered Accountants
Firm Registration No. 319299E

For and on behalf of the Board of Directors

S. L. GUPTA
Director
DIN- 00041007

B. K. KESAN
Director
DIN - 00038489

CA. SAURABH MODI
Partner
Membership No. 303815
UDIN -

MD. RAFIULLAH
Chief Financial Officer
PAN- BLWPR4409L

N. AGIWAL
Company Secretary
PAN- BDJPA6622B

Place: Kolkata

Dated: The 31st day of July, 2020

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

46C, RAFI AHMED KIDWAI ROAD, 3RD FLOOR, KOLKATA 700016

Statement of Change in Equity for the year ended 31st March, 2020

A. Equity Share Capital

Balance at the beginning of the reporting period i.e. 1st April 2018	771.24
Changes in Equity Share Capital during the year	-
Balance at the end of the reporting period i.e. 31st March 2019	771.24
Changes in Equity Share Capital during the year	-
Balance at the end of the reporting period i.e. 31st March 2020	771.24

` in lacs

B. Other Equity

	Reserve & Surplus						Other Comprehensive Income	Total
	Security Premium Reserve	Reserve Fund	Capital Redemption Reserve	Amalgamation Reserve	State Govt Capital Subsidy	Retained Earnings	Equity Instrument through Other Comprehensive Income	
Balance at the beginning of the reporting period i.e. 1st April 2018	1,088.78	413.95	3.36	1,167.82	2.50	1,568.08	-	4,244.49
Changes in account policy/prior period errors	-	-				-	-	-
Fair value change of Investments (net of deferred tax)	-	-				-	(0.62)	(0.62)
Restated balance as at 1st April, 2018	1,088.78	413.95	3.36	1,167.82	2.50	1,568.08	(0.62)	4,243.87
Profit/(Loss) for the Year	-	-	-	-	-	(47.05)	0.33	(46.72)
Transfer to/ (from) Retained Earnings	-	-	-	-	-	10.62	(10.62)	-
Balance at the end of the reporting period i.e. 31st March 2019	1,088.78	413.95	3.36	1,167.82	2.50	1,531.65	(10.92)	4,197.14

SHRADHA PROJECTS LIMITED
CIN: L27109WB1992PLC054108
46C, RAFI AHMED KIDWAI ROAD, 3RD FLOOR, KOLKATA 700016
Statement of Change in Equity for the year ended 31st March, 2020

	Reserve & Surplus						Other Comprehensive Income	Total
	Capital Reserve	General Reserve	Capital Redemption Reserve	Amalgamation Reserve	State Govt Capital Subsidy	Retained Earnings	Equity Instrument through Other Comprehensive Income	
Balance at the beginning of the reporting period i.e. 1st April 2019	1,088.78	413.95	3.36	1,167.82	2.50	1,531.65	(10.92)	4,197.14
Profit/(Loss) for the Year	-	-				43.17	(1.14)	42.03
Transfer to/ (from) Retained Earnings	-	8.63				(8.63)	-	-
Balance at the end of the reporting period i.e. 31st March 2020	1,088.78	422.58	3.36	1,167.82	2.50	1,566.18	(12.05)	4,239.17

This is the Statement of Changes in Equity referred to in our report of even date.

For Vasudeo & Associates
Chartered Accountants
Firm Registration No. 319299E

For and on behalf of the Board of Directors

CA. SAURABH MODI
Partner
Membership No. 303815
UDIN -

Place: Kolkata
Dated: The 31st day of July, 2020

S. L. GUPTA
Director
DIN- 00041007

B. K. KESAN
Director
DIN - 00038489

MD. RAFIULLAH
Chief Financial Officer
PAN- BLWPR4409L

N. AGIWAL
Company Secretary
PAN- BDJPA6622B

SHRADHA PROJECTS LIMITED**CIN: L27109WB1992PLC054108****Notes on Financial Statements for the year ended 31st March, 2020**

	<u>As at</u> <u>31.03.2020</u> <u>` in lacs</u>	<u>As at</u> <u>31.03.2019</u> <u>` in lacs</u>	<u>As at</u> <u>01.04.2018</u> <u>` in lacs</u>	
1	<u>Cash and Cash Equivalents</u>			
i	Cash on hand	2.51	2.74	1.25
ii	Balances with Banks -- In Current Accounts	8.56	2.71	2.15
		11.07	5.45	3.40
2	<u>Bank Balances other Cash and Cash Equivalents</u>			
i	Fixed Deposit with original maturity for more than 12 months *	27.85	26.27	24.90
ii	Fixed Deposit with original maturity for less than 12 months but more than 3 months**	4.72	4.43	4.18
		32.57	30.70	29.08
	* <u>Fixed Deposit with original maturity for more than 12 months represents</u>			
a)	The Company has taken lien facility on Current Account maintained with HDFC (Kolkata) against Fixed Deposit of Rs. 27.85 Lacs, Prev. Year Rs. 26.27 Lacs (includes Accrued Interest)			
3	<u>Receivables</u>			
i	<u>Trade Receivables</u>			
a	Receivables considered good - Secured	-	-	-
b	Receivables considered good - Unsecured	-	-	-
		-	-	-
ii	<u>Other Receivables</u>			
	Commission/Retainership Charges Receivable	61.56	-	-
		61.56	-	-
4	<u>Loans</u>			
i	<u>At amortised cost</u>			
a	<u>Loans repayable on Demand(Unsecured, Considered Good)</u>			
	To Related Parties	814.56	809.00	1,048.17
	To Others	155.00	70.00	117.00
	Total - Gross	969.56	879.00	1,165.17
	Less: Impairment loss allowance	2.43	2.20	2.91
	Total - Net (i)	967.13	876.80	1,162.26

SHRADHA PROJECTS LIMITED**CIN: L27109WB1992PLC054108****Notes on Financial Statements for the year ended 31st March, 2020**

	<u>As at</u> <u>31.03.2020</u> <u>` in lacs</u>	<u>As at</u> <u>31.03.2019</u> <u>` in lacs</u>	<u>As at</u> <u>01.04.2018</u> <u>` in lacs</u>
(A) Secured/Unsecured			
(a) Secured	-	-	-
(b) Covered by Bank/Government Guarantees	-	-	-
(c) Unsecured	969.56	879.00	1,165.17
Total (A) - Gross	<u>969.56</u>	<u>879.00</u>	<u>1,165.17</u>
Less: Impairment loss allowance	2.43	2.20	2.91
Total (A) - Net	<u>967.13</u>	<u>876.80</u>	<u>1,162.26</u>
(B) (i) Loans in India			
(a) Private Sector	969.56	879.00	1,165.17
Total (B) (i) - Gross	<u>969.56</u>	<u>879.00</u>	<u>1,165.17</u>
Less: Impairment loss allowance	2.43	2.20	2.91
Total (B) (i) - Net	<u>967.13</u>	<u>876.80</u>	<u>1,162.26</u>
(ii) Loans outside India	-	-	-
Less: Impairment loss allowance	-	-	-
Total (B) (ii) - Net	<u>-</u>	<u>-</u>	<u>-</u>
Total (B) (i+ii)	<u>967.13</u>	<u>876.80</u>	<u>1,162.26</u>
(C) Stage wise break up of loans			
a Low Credit Risk (Stage 1)	967.13	876.80	1,162.26
b Significant increase in Credit Risk (Stage 2)	-	-	-
c Credit impaired (Stage 3)	-	-	-
	<u>967.13</u>	<u>876.80</u>	<u>1,162.26</u>
ii At fair value through other comprehensive income	-	-	-
iii At fair value through profit or loss	-	-	-
iv At fair value designated at fair value through profit or loss	-	-	-
Total (i+ii+iii+iv)	<u>967.13</u>	<u>876.80</u>	<u>1,162.26</u>
6 Other Financial Assets			
(At Cost or NRV, whichever is lower)			
Inventories (As per Note No. 6A)	189.68	435.79	218.40
	<u>189.68</u>	<u>435.79</u>	<u>218.40</u>
8 Current Tax Assets (Net)			
Balance with Income Tax Authorities	57.59	57.59	39.83
Balance with GST Authorities	-	1.24	0.11
Advance Tax (Net of Provision)	18.19	15.22	28.14
	<u>75.78</u>	<u>74.05</u>	<u>68.08</u>

SHRADHA PROJECTS LIMITED**CIN: L27109WB1992PLC054108****Notes on Financial Statements for the year ended 31st March, 2020**

	<u>As at</u> <u>31.03.2020</u> <u>` in lacs</u>	<u>As at</u> <u>31.03.2019</u> <u>` in lacs</u>	<u>As at</u> <u>01.04.2018</u> <u>` in lacs</u>
9			
<u>Deferred Tax Asset (Net)</u>			
On Depreciation	21.28	16.02	11.04
Financial assets - Investments at FVTOCI	0.52	0.14	0.21
	<u>21.80</u>	<u>16.16</u>	<u>11.25</u>
10			
<u>Investment Property</u>			
<u>At Amortized Cost</u>			
Land at Panipat	46.97	46.97	46.97
Flat at Vipul Business Park (Gurugram)	-	54.74	54.74
	<u>46.97</u>	<u>101.71</u>	<u>101.71</u>
12			
<u>Other Non-Financial Assets</u>			
<u>(Unsecured Considered Good)</u>			
Prepaid Expenses	7.66	2.28	2.89
Advances to Staffs	-	0.02	-
Advances for Property	91.26	91.26	91.26
Other Advances	-	-	0.01
Security Deposits	2.09	3.01	3.01
	<u>101.01</u>	<u>96.57</u>	<u>97.17</u>

SHRADHA PROJECTS LIMITED**CIN: L27109WB1992PLC054108****Notes on Financial Statements for the year ended 31st March, 2020**

		<u>As at</u> <u>31.03.2020</u>		<u>As at</u> <u>31.03.2019</u>		<u>As at</u> <u>01.04.2018</u>	
5	<u>Investments</u>	<u>No. of</u> <u>Shares</u>	<u>` in lacs</u>	<u>No. of</u> <u>Shares</u>	<u>` in lacs</u>	<u>No. of</u> <u>Shares</u>	<u>` in lacs</u>
I	<u>(A) At Amortised Cost</u>						
	<u>Equity Instruments:</u>						
	i <u>(Quoted, Non trade Investments)</u>						
	<u>IN ASSOCIATE COMPANIES</u>						
	Khaitan Chemicals & Fertilizers Ltd. (extent of holding - 47.18%)	4,57,63,640	964.77	4,57,63,640	964.77	4,57,63,640	964.77
	Total (i)	4,57,63,640	964.77	4,57,63,640	964.77	4,57,63,640	964.77
	ii <u>(Unquoted, Non-Trade Investments)</u>						
	<u>IN ASSOCIATE COMPANIES</u>						
	Accord Infra Properties (P) Ltd. (extent of holding- 47.19%)	1,36,871	157.19	1,36,871	157.19	1,36,871	157.19
	Arati Marketing (P) Ltd. (extent of holding- 22.75%)	4,12,675	9.71	4,12,675	9.71	4,12,675	9.71
	B.O.Constructions Pvt. Ltd. (extent of holding- 39.12%)	15,25,400	728.39	10,70,400	509.99	10,70,400	509.99
	Indus Valley Worlds School (P) Ltd (extent of holding- 40.54%)	4,50,000	45.00	4,50,000	45.00	4,50,000	45.00
	Khaitan Commercial Services (P) Ltd (extent of holding- 48.94%)	8,37,000	84.30	8,37,000	84.30	8,37,000	84.30
	Khaitan Paper Packaging (P) Ltd (extent of holding- 20.74%)	3,23,500	58.85	3,23,500	58.85	3,23,500	58.85
	Lilac Properties (P) Ltd. (extent of holding- 44.41%)	1,26,357	194.81	1,26,357	194.81	1,26,357	194.81
	Manoj Fincom (P) Ltd (extent of holding- 36.61%)	85,500	91.00	85,500	91.00	85,500	91.00
	Shobhan Enterprises (P) Ltd. (extent of holding- 8.05%)	9,60,000	226.00	9,60,000	226.00	9,60,000	226.00

SHRADHA PROJECTS LIMITED**CIN: L27109WB1992PLC054108****Notes on Financial Statements for the year ended 31st March, 2020**

	<u>As at</u> <u>31.03.2020</u>		<u>As at</u> <u>31.03.2019</u>		<u>As at</u> <u>01.04.2018</u>	
Shradha Infra Realty Pvt. Ltd. (extent of holding- 40.72%)	1,24,980	110.05	1,24,980	110.05	1,24,980	110.05
Shradha Technopack Pvt. Ltd. (extent of holding- 38.95%)	2,12,100	262.93	2,12,100	262.93	2,12,100	262.93
The Majestic Packaging Pvt. Ltd. (extent of holding- 47.73%)	5,68,910	157.04	5,68,910	157.04	5,68,910	157.04
Vibra Tech Infrastructure (P) Ltd. (extent of holding- 45.81%)	75,787	155.49	75,787	155.49	75,787	155.49
Total (ii)	58,39,080	2,280.76	53,84,080	2,062.36	53,84,080	2,062.36
iii <u>(Unquoted, Non-Trade Investments)</u>						
<u>In other Companies</u>						
Tribhuvan Properties Ltd.	1,733	1.74	1,733	1.74	1,733	1.74
Ravina Export Pvt. Ltd.	250	0.25	250	0.25	250	0.25
Total (iii)	1,983	1.99	1,983	1.99	1,983.0	1.99
Total (A)(i+ii+iii)	5,16,04,703	3,247.52	5,11,49,703	3,029.12	5,11,49,703	3,029.12

(B) At fair value through other comprehensive income**Equity Instruments:****(Quoted, Non trade Investments)****IN OTHER COMPANIES**

	<u>No. of</u> <u>Shares</u>	<u>` in lacs</u>	<u>No. of</u> <u>Shares</u>	<u>` in lacs</u>	<u>No. of</u> <u>Shares</u>	<u>` in lacs</u>
Chambal Fertilisers and Chemicals Ltd	600	0.65	600	1.00	600	0.98
Dharamsi Morarji Chemical	1	0.01	1	0.01	1	0.01
Gujrat Fluro Chemical Ltd.	100	0.29	100	1.10	100	0.78
Nirma Ltd.	10	0.00	10	0.00	10	0.00
Octal Credit Capital Ltd	5000	0.24	5000	0.57	5,000	0.62
Orient Paper & Inds Ltd.	100	0.01	100	0.04	100	0.04
Rama Phosphate Ltd	1	0.00	1	0.00	1	0.00
Total (B)	5,812	1.20	5,812	2.72	5,812	2.43

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Financial Statements for the year ended 31st March, 2020

	<u>As at</u> <u>31.03.2020</u>	<u>As at</u> <u>31.03.2019</u>	<u>As at</u> <u>01.04.2018</u>
(C) Mutual Fund			
(Unquoted, Non trade Investments)	-	-	0.01
Total (C)	-	-	0.01
(D) Designated at fair value through profit or loss			
	-	-	-
Total Gross I=(A+B+C+D)	5,16,10,515	3,248.72	5,11,55,515
	-	-	-
	-	-	-
II i Investment outside India	-	-	-
ii Investment in India	5,16,10,515	3,248.72	5,11,55,515
Total Gross II	5,16,10,515	3,248.72	5,11,55,515
	-	-	-
III Less: Allowance for Impairment Loss	-	-	-
IV Total Net IV = I - III	5,16,10,515	3,248.72	5,11,55,515
	-	-	-
Cost of quoted investments	968.03	968.03	968.03
Aggregate cost of unquoted investments	2,282.75	2,064.35	2,064.36

***Shares held in Physical form**

* Chambal Fertilisers and Chemicals Ltd, Gujarat Fluro Chemical Limited, Nirma Limited, Orient Paper Ltd and Rama Phosphate Ltd are held in physical mode.

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Financial Statements for the year ended 31st March, 2020

	<u>F.V.</u>	<u>2019-20</u>		<u>2018-19</u>		<u>2017-18</u>	
		<u>Qty.</u>	<u>` in lacs</u>	<u>Qty.</u>	<u>` in lacs</u>	<u>Qty.</u>	<u>` in lacs</u>
6							
<u>INVENTORIES</u>							
<u>FINANCIAL</u>							
<u>Shares (Non Trade, Quoted)</u>							
<u>Fully Paid up</u>							
Radico Khaitan Ltd.		71,000	189.68	55,000	217.39	-	-
<u>In Unquoted Shares</u>							
B.O.Construction Pvt Ltd	10	-	-	4,55,000	218.40	4,55,000	218.40
TOTAL		<u>71,000</u>	<u>189.68</u>	<u>5,10,000</u>	<u>435.79</u>	<u>4,55,000</u>	<u>218.40</u>
7							
<u>NON FINANCIAL</u>							
<u>Jewellery & Painting</u>							
Jewellery & Painting *		-	270.01	-	280.62	-	280.62
TOTAL		<u>-</u>	<u>270.01</u>	<u>-</u>	<u>280.62</u>	<u>-</u>	<u>280.62</u>

*** NO QTY DETAIL AVAILABLE OF JEWELLERY AND PAINTING

Notes on Financial Statements for the year ended 31st March, 2020

11 Property, Plant & Equipment

` in lacs

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2019	Addition	Disposal/ Deduction	As at 31.03.2020	As at 01.04.2019	For the Year	Adjustment for Disposal	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Land	5.85	-	-	5.85	0.44	0.03	-	0.47	5.38	5.41
Building ^	12.89	-	-	12.89	8.22	0.23	-	8.45	4.44	4.67
Furniture & Fixtures	2.91	-	-	2.91	2.76	-	-	2.76	0.15	0.15
Ivory Items	2.58	-	-	2.58	-	-	-	-	2.58	2.58
Motor Car	330.92	-	-	330.92	132.90	62.02	-	194.92	136.00	198.02
Total	355.15	-	-	355.15	144.32	62.28	-	206.60	148.55	210.83
Previous Year	277.95	145.94	68.74	355.15	140.05	62.65	58.36	144.34	210.81	-

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2018	Addition	Disposal/ Deduction	As at 31.03.2019	As at 01.04.2018	For the Year	Adjustment for Disposal	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
Land *	5.85	-	-	5.85	0.41	0.02	-	0.43	5.42	5.44
Building ^	12.89	-	-	12.89	7.99	0.24	-	8.23	4.66	4.90
Furniture & Fixtures	2.91	-	-	2.91	2.76	-	-	2.76	0.15	0.15
Ivory Items	2.58	-	-	2.58	-	-	-	-	2.58	2.58
Motor Car	253.72	145.94	68.74	330.92	128.89	62.39	58.36	132.92	198.00	124.83
Total	277.95	145.94	68.74	355.15	140.05	62.65	58.36	144.34	210.81	137.90
Previous Year	277.95	-	-	277.95	83.15	56.90	-	140.05	137.90	-

For Property, Plant and Equipment and Intangible Assets existing as on 1st April 2018, i.e. the date of transition to Ind AS for the company, the company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets also as per the option available under para D7AA of Ind AS 101 "First Time Adoption".

SHRADHA PROJECTS LIMITED**CIN: L27109WB1992PLC054108****Notes on Financial Statements for the year ended 31st March, 2020**

	<u>As at</u> <u>31.03.2020</u> <u>` in lacs</u>	<u>As at</u> <u>31.03.2019</u> <u>` in lacs</u>	<u>As at</u> <u>01.04.2018</u> <u>` in lacs</u>
13			
	<u>Payables</u>		
i	<u>Trade Payables</u>		
a	Total outstanding dues of creditors to micro enterprises & small enterprises		
	-	-	-
b	Total outstanding dues of creditor to other than micro enterprises & small enterprises		
	-	-	-
	-	-	-
ii	<u>Other Payables</u>		
a	Total outstanding dues of creditors to micro enterprises & small enterprises		
	-	-	-
b	Total outstanding dues of creditor to other than micro enterprises & small enterprises		
	-	-	-
	-	-	-
14			
	<u>Borrowings (Other than Debt Securities)</u>		
I	<u>(A) At amortised cost</u>		
a	<u>Term Loans (Secured)</u>		
	From banks		
	139.28	190.83	116.90
b	<u>Loan repayable on demand (Secured)</u>		
i	From Banks *		
	-	-	8.05
	139.28	190.83	124.95
	Total (A)		
	139.28	190.83	124.95
	(B) <u>At fair value through profit or loss</u>		
	-	-	-
	(C) <u>Designated at fair value through profit or loss</u>		
	-	-	-
	139.28	190.83	124.95
	Total I=(A+B+C)		
	139.28	190.83	124.95
II	i Borrowings in India		
	139.28	190.83	124.95
	ii Borrowings outside India		
	-	-	-
	139.28	190.83	124.95
	Total II=(i+ii)		
	139.28	190.83	124.95

SHRADHA PROJECTS LIMITED**CIN: L27109WB1992PLC054108****Notes on Financial Statements for the year ended 31st March, 2020**

<u>As at</u> <u>31.03.2020</u> <u>` in lacs</u>	<u>As at</u> <u>31.03.2019</u> <u>` in lacs</u>	<u>As at</u> <u>01.04.2018</u> <u>` in lacs</u>
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Nature of Security and terms of repayment for Secured borrowings

- * Nature of Security: Loan amounting ` 139.28 Lacs (P.Y. ` 190.83 lacs) is secured against hypothecation of Motor Vehicle.

15 Other Non-Financial Liabilities

Statutory Dues Payable	19.07	0.31	0.63
Liabilities for Expenses	6.08	0.99	0.73
	<u>25.15</u>	<u>1.30</u>	<u>1.36</u>

17 Other Equity**a Securities Premium Reserve**

Balance at the beginning of the year	1,088.78	1,088.78	1,088.78
Addition during the year	-	-	-
Balance at the at the end of the year	<u>1,088.78</u>	<u>1,088.78</u>	<u>1,088.78</u>

b Reserve Fund

Balance at the beginning of the year	413.95	413.95	413.95
Addition during the year	8.63	-	-
Balance at the at the end of the year	<u>422.58</u>	<u>413.95</u>	<u>413.95</u>

c Capital Redemption Reserve

Balance at the beginning of the year	3.36	3.36	3.36
Addition during the year	-	-	-
Balance at the at the end of the year	<u>3.36</u>	<u>3.36</u>	<u>3.36</u>

d State Govt Capital Subsidy

Balance at the beginning of the year	2.50	2.50	2.50
Addition during the year	-	-	-
Balance at the at the end of the year	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>

e Amalgamation Reserve

Balance at the beginning of the year	1,167.82	1,167.82	1,167.82
Addition during the year	-	-	-
Balance at the at the end of the year	<u>1,167.82</u>	<u>1,167.82</u>	<u>1,167.82</u>

SHRADHA PROJECTS LIMITED**CIN: L27109WB1992PLC054108****Notes on Financial Statements for the year ended 31st March, 2020**

	<u>As at</u> <u>31.03.2020</u> <u>` in lacs</u>	<u>As at</u> <u>31.03.2019</u> <u>` in lacs</u>	<u>As at</u> <u>01.04.2018</u> <u>` in lacs</u>
f <u>Retained Earnings</u>			
Balance at the beginning of the year	1,521.03	1,568.08	1,568.08
Fair value change of Investments (net of deferred tax)	-	-	-
Restated balance at the beginning of the year	<u>1,521.03</u>	<u>1,568.08</u>	<u>1,568.08</u>
Profit / (Loss) for the year	43.17	(47.05)	-
Transfer to Reserve Fund	(8.63)	-	-
Transfer from Other Comprehensive Income	-	-	-
Balance at the at the end of the year	<u>1,555.56</u>	<u>1,521.03</u>	<u>1,568.08</u>
g <u>Other Comprehensive Income</u>			
Balance at the beginning of the year	(0.30)	(0.62)	-
Addition during the year	(1.14)	0.33	(0.62)
Less: Transfer to Retained Earnings	-	-	-
Balance at the at the end of the year	<u>(1.43)</u>	<u>(0.30)</u>	<u>(0.62)</u>
Total Other Equity (a+b+c+d+e+f+g)	<u>4,239.17</u>	<u>4,197.14</u>	<u>4,243.87</u>

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Financial Statements for the year ended 31st March, 2020

	<u>2019-20</u>		<u>2018-19</u>		<u>2017-18</u>	
	<u>No. of Shares</u>	<u>` in lacs</u>	<u>No. of Shares</u>	<u>` in lacs</u>	<u>No. of Shares</u>	<u>` in lacs</u>
16 <u>Equity Share Capital</u>						
a <u>Authorised Share Capital</u>						
Ordinary Equity Shares of ` 10/- each with voting rights	10240000	1,024.00	10240000	1,024.00	10240000	1,024.00
Ordinary Preference Shares of ` 10/- each	2490000	249.00	2490000	249.00	2490000	249.00
Ordinary Preference Shares of ` 100/- each	1000	1.00	1000	1.00	1000	1.00
	<u>12731000</u>	<u>1,274.00</u>	<u>12731000</u>	<u>1,274.00</u>	<u>12731000</u>	<u>1,274.00</u>
b <u>Issued Share Capital</u>						
Ordinary Equity Shares of ` 10/- each with voting rights	7712414	77,124.14	7712414	77,124.14	7712414	77,124.14
	<u>7712414</u>	<u>77,124.14</u>	<u>7712414</u>	<u>77,124.14</u>	<u>7712414</u>	<u>77,124.14</u>
c <u>Subscribed and Paid-up Share Capital</u>						
Ordinary Equity Shares of ` 10/- each with voting rights	7712414	771.24	7712414	771.24	7712414	771.24
	<u>7712414</u>	<u>771.24</u>	<u>7712414</u>	<u>771.24</u>	<u>7712414</u>	<u>771.24</u>

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Financial Statements for the year ended 31st March, 2020

2019-20

2018-19

2017-18

d Reconciliation of the number of shares at the beginning and at the end of the year

<u>Equity Shares</u>	<u>2019-2020</u>		<u>2018-2019</u>		<u>2017-2018</u>	
	<u>No. of Shares</u>	<u>` in lacs</u>	<u>No. of Shares</u>	<u>` in lacs</u>	<u>No. of Shares</u>	<u>` in lacs</u>
At the beginning of the year	7712414	771.24	7712414	771.24	7712414	771.24
Issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	7712414	771.24	7712414	771.24	7712414	771.24

e Rights Attached to the Shares

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

f Details of the Shareholder holding shares more than 5 %

Name of the Shareholder	As at 31st March 2020		As at 31st March 2019		As at 31st March 2018	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Majestic Packaging Co. Pvt. Ltd.	26,26,529	34.06%	26,26,529	34.06%	26,26,529	34.06%
Shailesh Kumar Khaitan	11,78,150	15.28%	11,78,150	15.28%	11,78,150	15.28%
Khaitan Chemical & Fertilizers Pvt. Ltd.	9,48,000	12.29%	9,48,000	12.29%	9,48,000	12.29%
Arati Marketing Pvt Ltd	8,38,875	10.88%	8,38,875	10.88%	8,38,875	10.88%
Swapna Khaitan	3,97,105	5.15%	3,97,105	5.15%	3,97,105	5.15%

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Financial Statements for the year ended 31st March, 2020

	<u>2019-20</u> <u>` in lacs</u>	<u>2018-19</u> <u>` in lacs</u>
I <u>Revenue From Operations</u>		
18 <u>Interest Income</u>		
A <u>On Financial Assets measured at Amortised Cost</u>		
i Interest on Loans	94.32	118.76
iii Interest on deposits with Banks	2.04	1.80
Total (A)	<u>96.36</u>	<u>120.56</u>
B <u>On Financial Assets measured at fair value through OCI</u>	-	-
C <u>On Financial Assets measured at fair value through profit or loss</u>	-	-
Total (A+B+C)	<u>96.36</u>	<u>120.56</u>
19 <u>Dividend Income</u>		
Dividend from Shares lying as Non Current Investments	22.89	22.89
Dividend from shares lying as Inventories	0.85	0.54
	<u>23.74</u>	<u>23.43</u>
20 <u>Rental Income</u>		
Rental Income from Operating Leases	3.05	3.05
	<u>3.05</u>	<u>3.05</u>
21 <u>Fees and Commission Income</u>		
Fees and Commission Income	38.02	-
	<u>38.02</u>	<u>-</u>
22 <u>Sales of Products</u>		
Sales of Equity Shares	-	701.26
Sales of Jewellery & Painting	74.06	-
	<u>74.06</u>	<u>701.26</u>
23 <u>Other Operating Income</u>		
Provision for Standard Assets W/Off	-	0.72
Net gain / (loss) on Future & Options	-	(29.32)
Speculation Profit	-	0.32
	<u>-</u>	<u>(28.28)</u>

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Financial Statements for the year ended 31st March, 2020

	<u>2019-20</u> <u>` in lacs</u>	<u>2018-19</u> <u>` in lacs</u>
24 Other Income		
Interest Income on Income Tax Refund	2.32	12.71
Retainership Income	85.00	-
	<u>87.32</u>	<u>12.71</u>
25 Finance Costs		
A On Financial liabilities measured at Amortised Cost		
i Interest on borrowings		
From Banks	15.41	15.78
From Others	-	0.56
ii <u>Other borrowing costs</u>		
Loan Processing Fees	-	0.12
B On Financial liabilities measured at fair value through profit or loss	-	-
	<u>15.41</u>	<u>16.46</u>
26 Impairment on Financial Instruments		
A On Financial Instruments measured at Amortised Cost		
Loans	0.23	-
	<u>0.23</u>	<u>-</u>
27 Purchase of Stock in Trade		
Purchases of Shares	55.16	961.41
Purchases of Jewellery & Painting	22.20	-
	<u>77.36</u>	<u>961.41</u>
28 Changes in Inventories of Stock-In-Trade		
Opening Stock in trade	716.41	499.02
Less: Transfer to Investment	218.40	-
	<u>498.01</u>	<u>499.02</u>
Less: Closing Stock in trade	459.69	716.41
	<u>38.32</u>	<u>(217.39)</u>
29 Employee Benefits Expense		
Salaries	28.07	27.46
Staff Welfare Expenses	0.15	-
	<u>28.22</u>	<u>27.46</u>

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Financial Statements for the year ended 31st March, 2020

	<u>2019-20</u> <u>` in lacs</u>	<u>2018-19</u> <u>` in lacs</u>
30 Depreciation and Amortisation Expense		
Depreciation of Tangible Assets	62.28	62.65
	<u>62.28</u>	<u>62.65</u>
31 Other Expenses		
Rates & Taxes	0.31	1.86
Rent	0.06	0.06
<u>Payment to Auditors</u>		
For Statutory Audit	0.28	0.28
For Tax Audit	0.05	0.05
Insurance Charges	6.06	6.48
Motor Car Running & Maintenance	8.88	6.04
Repair & Maintenance	0.81	1.16
Loss on Sale of Property, Plant & Equipment	-	2.37
Listing Fee	0.25	0.25
Travelling & Conveyance Expenses	1.92	4.56
Loss on Sale of Investment (Property)	8.78	-
Sundry Balances Written Off	0.92	0.02
Internal Audit Fee	0.10	-
Printing & Stationery Expenses	0.30	0.30
Professional Fee	20.95	6.04
Miscellaneous Expenses	1.68	2.96
	<u>51.35</u>	<u>32.43</u>
32 TAX EXPENSE		
Income Tax for earlier year	(2.93)	1.74
<u>Current Tax</u>		
Provision for Income Tax	14.40	-
	<u>11.47</u>	<u>1.74</u>

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Financial Statements for the year ended 31st March, 2020

	<u>2019-20</u> <u>` in lacs</u>	<u>2018-19</u> <u>` in lacs</u>
33		
<u>OTHER COMPREHENSIVE INCOME</u>		
<u>Items that will not be reclassified to profit or loss</u>		
Fair value change of Investments	(1.52)	0.40
Tax expense on the above	0.38	(0.07)
	<u>(1.14)</u>	<u>0.33</u>
34		
<u>Earning per Shares</u>		
Nominal Value of Equity Shares (₹)	10.00	10.00
a) Profit / (Loss) for the period (in ` lacs)	43.17	(47.05)
b) Weighted Average Number of Equity Shares	77,12,414	77,12,414
Basic EPS (a/b)	0.56	(0.61)
c) Weighted Average Number of Equity Shares	77,12,414	77,12,414
Diluted EPS (a/c)	0.56	(0.61)

NOTE A

SIGNIFICANT ACCOUNTING POLICIES

A. Statement of compliance

A(i) In accordance with the notification issued by the Ministry of Corporate Affairs (“the MCA”), the Company has adopted Indian Accounting Standards (referred to as “Ind AS”) notified under Section 133 of the Companies Act, 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, from 1st April, 2019 and the effective date of such transition is 1st April, 2018. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the RBI (collectively referred to as “the Previous GAAP”).

A(ii) Previous period numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 First time Adoption of Indian Accounting Standards, the Company has presented a reconciliation from the Previous GAAP to Ind AS of Other Equity as at 1st April, 2018 and 31st March, 2019 and of the Total Comprehensive Income for the period ended 31st March 2019. Refer Note No. 35 for the details of first-time adoption exemptions availed by the Company.

B. Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with Ind AS notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Ind AS at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The preparation of financial statements require the use of certain significant accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities.

The management believes that the estimates used in preparation of financial statements are prudent and reasonable.

Actual results could differ from those estimates and the differences between the actual results and the estimates would be recognised in the periods in which the results are known / materialised.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest Lakhs, except otherwise indicated.

Comparative information has been restated to accord with changes in presentations made in the current year, except where otherwise stated.

The accounting policies for some specific items are disclosed in the respective notes to the financial statements.

The financial statements of the Company are presented as per Schedule III (Division III) to the Act applicable to Non-Banking Financial Companies (NBFCs), as notified by the MCA.

C. Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company, it can be reliably measured and it is reasonable to expect ultimate collection.

Revenue from Operations is recognised in the Statement of Profit and Loss on an accrual basis as stated herein below:

- i) Interest income from financial assets is recognised by applying the Effective Interest Rate (‘EIR’) to the gross carrying amount of financial assets, other than credit-impaired assets and those classified as

measured at Fair Value through Profit or Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVTOCI).

Any subsequent changes in the estimation of the future cash flows having impact on EIR are recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

- ii) Interest Income on credit impaired financial assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial assets.
- iii) Income or net gain on fair value changes for financial assets classified as measured at FVTPL and FVTOCI.
- iv) Revenue from trading in securities/intraday transactions is accounted for on trade date basis.
- v) Income from dividend is recognised when the Company's right to receive such dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

D Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Interest expense includes origination costs that are initially recognised as part of the carrying value of the financial liability and amortized over the expected life using the EIR. It also includes expenses related to borrowing which are not part of effective interest as not directly related to loan origination.

E Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current Tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantially enacted at the reporting period.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases.

Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unused tax credits and unused tax losses being carried forward, to the extent that it is probable that taxable profits will be available in future against which these can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

F Property, Plant and Equipment

Property, plant and equipment shown in the balance sheet consists of assets used in the provision of services or for administrative purposes.

Initial and subsequent recognition

Property, plant and equipment are initially recognised at cost together with borrowing cost capitalized for qualifying assets. Cost comprises the purchase price and any directly attributable cost of bringing the asset to the location and its working condition for its intended use. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment, if any.

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

Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

Depreciation

Depreciation commences when the assets are ready for their intended use. It is recognised to write down the cost of the property, plant and equipment to their residual values over their useful lives, using the straight-line basis. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The Company has adopted the useful life as specified in Schedule II to the Act. Premium paid on Leasehold Land is amortized over a period of Lease.

Depreciation on assets purchased / sold during the period is recognised on a pro-rata basis.

G Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, balances with banks, cheques on hand, remittances in transit and short-term investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

H Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker (CODM). The CODM assess the financial performance and position of the Company and makes strategic decisions.

Financial Instruments

Classification of financial instruments

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets which are explained below:

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

Recognition of Financial Instruments:

Financial assets and financial liabilities are recognised when entity becomes a party to the contractual provisions of the instruments. Loans & advances and all other regular way purchases or sales of financial assets are recognised and derecognised on the trade date basis.

Initial Measurement of Financial Instruments:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Subsequent Measurement:

(A) Financial Assets

Financial Assets carried at Amortised Cost:

These financial assets comprise bank balances, Loans, Trade Receivables, other receivables, investments and other financial assets.

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

Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI):

A financial asset is measured at FVTOCI, if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through Profit or Loss (FVTPL):

Financial assets at FVTPL include financial held for trading and financial assets designated upon initial recognition as at FVTPL. A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Any differences between the fair values of financial assets classified as FVTPL and held by the Company on the balance sheet date is recognised in the Statement of Profit and Loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gain on fair value changes" under Revenue from Operations and if there is a net loss the same is recognised in "Net loss on fair value changes" under Expenses in the Statement of Profit and Loss.

Effective Interest Rate (EIR) Method:

The EIR is a method of calculating the amortised cost of a debt instrument and of allocating interest income or expense over the relevant period.

The EIR for financial assets or financial liability is computed:

- a) At the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability on initial recognition.
- b) By considering all the contractual terms of the financial instrument in estimating the cash flows.
- c) Including all fees received between parties to the contract that are integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Impairment of Financial Assets:

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and FVTOCI at each reporting date based on evidence or information that is available without undue cost or effort.

The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses.

No Expected credit losses are recognised on equity investments.

Derecognition of Financial Assets:

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

On derecognition of a financial asset accounted under Ind AS 109 in its entirety:

- a) for financial assets measured at amortised cost, the gain or loss is recognised in the Statement of Profit and Loss.
- b) for financial assets measured at fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves may be reclassified within equity.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset shall be allocated between the part that continues to be recognised and the part that is derecognised, on the basis of the relative fair values of those parts on the date of the transfer.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, it recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, it continues to recognise the financial asset and also recognises a liability for the proceeds received.

Modification/ revision in estimates of cash flows of financial assets:

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset in accordance with Ind AS 109, the Company recalculates the gross carrying amount of the financial asset and recognises a modification gain or loss in the Statement of Profit and Loss.

(B) Financial Liabilities & Equity Instruments Classification as debt or equity:

Financial liabilities and equity instruments issued are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An Equity Instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 - "Financial Instruments".

Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method except for those designated in an effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the EIR method.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Fair value measurement

On initial recognition, all the financial instruments are measured at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or

- b) In the absence of a principal market, in the most advantageous market for the asset or liability The Principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

Level 1 financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments: Those that include one or more unobservable input that is significant to the measurement as whole.

Write-offs

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

First time adoption

These financial statements, for the year ended 31st March, 2020 are the first financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March, 2019 the Company prepared its financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2020 together with the comparative period data as at and for the year ended 31st March, 2019 as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2018 i.e. the Company's date of transition to Ind AS. In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below.

Deemed cost for property, plant and equipment and Investment Property

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

Derecognition of financial assets and financial liabilities

As per Ind AS 101 – An entity shall apply the exception to the retrospective application in case of “derecognition of financial assets and financial liabilities” wherein a first-time adopter shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. For example, if a first-time adopter derecognised non-derivative financial assets or non-derivative financial liabilities in accordance with its previous GAAP as a result of a transaction that occurred before the date of transition to Ind AS, it shall not recognise those assets and liabilities in accordance with Ind AS (unless they qualify for recognition as a result of a later transaction or event). The Company has opted not to re-evaluate financial assets derecognised in the past and to apply the derecognition requirements prospectively for transactions occurring on or after the transition date.

Mandatory Exceptions

Following mandatory exceptions are applicable to the Company:

Estimates

The estimates at 1st April, 2018 and at 31st March, 2019 are consistent with those made for the same dates in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies).

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1st April 2018, the date of transition to Ind AS and as at 31st March, 2019.

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 existed at the date of transition to Ind AS.

Earnings Per Share ('EPS')

Basic EPS per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Impairment losses on loans and advances

The measurement of impairment losses across all categories of financial asset requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These are based on the assumptions which are driven by a number of factors resulting in future changes to the impairment allowance.

A collective assessment of impairment takes into account data from the loan portfolio (such as credit quality, nature of assets underlying assets financed, levels of arrears, credit utilization, loan to collateral ratios etc.), and the concentration of risk and economic data (including levels of unemployment, country risk and performance of different individual groups). These significant assumptions have been applied consistently to all period presented.

The impairment loss on loans and advances is disclosed in more detail in Note No. 1.14.6 Overview of the ECL principles

Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model, if so, then it will be a prospective change to the classification of those assets.

Contingent liabilities and provisions other than impairment of loan portfolio

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Fair Value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Other estimates

These include contingent liabilities, useful lives of tangible assets etc.

Foreign currency transactions and translations

Transactions in foreign currencies are translated to the functional currency of the Company (i.e. INR) at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date and the related foreign currency gains or losses are recognised in the Statement of Profit and Loss.

Recent accounting pronouncements

MCA notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2020.

H. Retirement Benefits

Gratuity is charged to Profit & Loss Account on the basis of contribution made to the Khaitan Group of Industries (Trust) maintained by LIC Of India.

Notes on Financial Statements for the Year ended 31st March, 2020

35 FIRST TIME ADOPTION OF IND AS

These financial statements, for the year ended 31st March, 2020, are the first financial statements which have been prepared in accordance with Ind AS. For periods up to and including the year ended 31st March, 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). The Company follows directions prescribed by the Reserve Bank of India ('RBI') for Non-Banking Finance Company ('NBFC'). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2020, together with the comparative period data as at and for the year ended 31st March, 2019, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2018, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April, 2018 and the financial statements as at and for the year ended 31st March, 2019.

Ind AS 101 "First-time Adoption of Indian Accounting Standards" provides a suitable starting point for accounting in accordance with Ind AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the Opening Balance Sheet as per Ind AS as at 1st April, 2018 ('the transition date') by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, reclassifying items from previous GAAP to Ind AS as required under Ind AS and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain mandatory exceptions and optional exemptions out of which the ones which are relevant for the Company are as detailed below:

Mandatory exceptions to the retrospective application of Ind AS

(i) Estimates

The estimates at 1st April, 2018 and at 31st March, 2019 are consistent with those made for the same dates in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies). The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1st April 2018, the date of transition to Ind AS and as at 31st March, 2019.

(ii) 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 existed at the date of transition to Ind AS.

Voluntary exemptions availed

(i) Deemed Cost for Property, Plant and Equipment and Investment Property

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

(ii) Derecognition of Financial Assets and Financial Liabilities

As per Ind AS 101 – An entity shall apply the exception to the retrospective application in case of “derecognition of financial assets and financial liabilities” wherein a first-time

adopter shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. For example, if a first-time adopter derecognised non-derivative financial assets or non-derivative financial liabilities in accordance with its previous GAAP as a result of a transaction that occurred before the date of transition to Ind AS, it shall not recognise those assets and liabilities in accordance with Ind AS (unless they qualify for recognition as a result of a later transaction or event). The Company has opted not to re-evaluate financial assets derecognised in the past and to apply the derecognition requirements prospectively for transactions occurring on or after the transition date.

(iii) Impairment of Financial Assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

36 The Company has complied with the prudential norms as per NBFC's (Reserve Bank) directions 1998 with regard to Income Recognition, Assets Classification, Accounting Standard and Provision for Bad & Doubtful Debts as applicable to it.

37 Related Party Disclosure :

Related party disclosures as required by Ind AS 24 - 'Related Party Disclosure' are given below:

a) Key Management Personnel : Mr. S.K. Khaitan , Mr. S.L.Gupta, Mr. Rafiullah (CFO), and Mr. P. K. Das (Manager) , Miss Nayantara Agiwal (Company Secretary)

b) Detail of Transaction and Outstanding Balances :

(Amount in ` Lacs)

Name of the Party	Relationship	Nature of Transaction	Volume of Transaction		Outstanding as on	
			19-20	18-19	31.03.2020	31.03.2019
Khaitan Chemical & Fertilizer Ltd.	Associate	Loan Given	--	438.15	814.55(Dr)	800.00(Dr)
		Loan Repaid	--	190.00	--	--
		Rent Received	3.30	0.56	--	--
		Interest Rec.	88.24	113.80	--	--
		Dividend Received	22.88	22.88	--	--
Arati Marketing (P) Ltd.	Associate	Loan Received	--	--	--	--
		Loan Repaid	--	--	--	--
		Interest Paid	--	0.56	--	--
		Loan Given	--	453.10	--	--
		Loan Repaid	--	453.40	--	--
		Interest Received	--	0.90	--	--
Khaitan Paper & Packaging Limited	Associate	Loan Given	45.00	--	--	--
		Loan Repaid	45.00	--	--	--
		Interest Received	0.69	--	--	--
B.D Memorial Institute	KMP Having Significant Influence	Loan Given	10.00	90.00	--	9.00 (Dr)
		Loan Repaid	10.00	81.00	--	--
		Interest Received	0.03	0.84	--	--
Mr. P. K. Das	KMP	Remuneration	3.56	3.23	--	--

Md. Rafiullah	CFO	Remuneration Salary Advance	3.05 -	2.55 -	-	-
Miss Nayantara Agiwal	Company Secretary	Remuneration	5.27	4.64	--	--

38 The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant impact and volatility in global and Indian financial markets and slowdown in economic activities. On 24th March, 2020, the Indian Government announced a strict 21-day lock-down, which has been extended from time to time with or without relaxations across the country based on severity of the spread at local levels. The extent to which the COVID-19 pandemic will impact the Company's operational and financial results will depend on the future developments, which are uncertain, at this point of time including among other things any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company. The lockdown started in late March and hence, there was minimal impact on Company's performance during the last quarter of the financial year.

39 **Quantitative Information for the year ended 31st March 2020**

Particulars	Units	2019-2020		2018-2019	
		Qty	Amount(' Lacs)	Qty	Amount(' Lacs)
<u>Opening Stock</u>					
Shares & Securities	Nos	510000	435.78	4,55,000	218.40
Jewellery & Painting		--	280.62	--	280.62
<u>Purchases</u>					
Shares & Securities	Nos	16000	55.16	3,74,825	961.41
Jewellery & Painting		--	22.20	--	--
<u>Sales/Transfer</u>					
Shares & Securities	Nos	455000	218.40	3,19,825	701.26
Jewellery & Painting		--	74.06	--	--
<u>Closing Stock</u>					
Shares & Securities	Nos	71000	189.68	5,10,000	435.78
Jewellery & Painting		--	270.01	--	280.62

40 **Details of Contingent Liability :**

- i) The Company has mortgaged its Fixed Assets viz Apartment No.206, 2ND Floor, Appollo Arcade, 1 / 2 Old Palasia -Indore and Flat No. 402 situated at Twin Tower, 5 / 2 Old Palasia, Indore with IDBI Bank as a security on the Term Loan taken by M/s Khaitan Chemical & Fertilizers Limited of ` 10 Crores.
- ii) The Company has given Corporate Guarantee towards a Loan of ` 2521 Lacs raised by B.D. Memorial Institute from Allahabad Bank.
- iii) The Company has given Guarantee towards a Loan of ` 3051 Lacs raised by Gopal Chakraborty Charitable Trust from Allahabad Bank.
- iv) The Company has given Corporate Guarantee towards a Loan of ` 3000 Lacs raised by

Khaitan Chemicals & Fertilizers Limited from State Bank Of India, Commercial Branch, Indore.

41 (i) In the Financial Year 2017-2018, our Company has received Order Under Section 143(3) of the Income Tax Act, 1961 for the financial year 2013-2014 (Asst Year 2014-2015) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ` 4.87 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CIT(Appeals) for defending the case and management is hoping that the case will be decided in the favour of the company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid ` 0.73 Lacs under protest to the Department.

(ii) In the Financial Year 2017-2018, our Company has received Order Under Section 147/143(3) of the Income Tax Act, 1961 for the financial year 2009-2010 (Asst Year 2010-11) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ` 10.67 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CIT(Appeals) for defending the case and management is hoping that the case will be decided in the favour of the company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid ` 0.73 Lacs under protest to the Department.

(iii) In the Financial Year 2017-2018, our Company has received Order Under Section 17/16(5) of the Wealth Tax Act, 1957 for the financial year 2008-2009 to 2012-2013 (AY 2009-2010 to 2013-2014) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ` 21.05 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CWT(Appeals) for defending the case and management is hoping that the case will be decided in the favour of the company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid ` 4.21 Lacs under protest to the Department.

(iv) The Company has received Order Under Section 147/143(3) of the Income Tax Act, 1961 for the financial year 2010-2011 (Asst Year 2011-12) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ` 14.70 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CIT(Appeals) for defending the case and management is hoping that the case will be decided in the favour of the company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid ` 2.94 Lacs under protest to the Department.

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Financial Statements for the year ended 31st March, 2020

- 42 Management has determined that there were no balances outstanding as at the beginning of the year and no transactions entered with Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, during the current year, based on the information available with the Company as at March 31, 2020.
- 43 Schedule in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is annexed hereto separately.
- 44 The figures for the previous year have been rearranged and/or regrouped wherever considered necessary.

Signature to Note A, 1 to 44

As per our attached report of even date

For Vasudeo & Associates
Chartered Accountants
Firm Registration No. 319299E

CA. SAURABH MODI
Partner
Membership No. 303815
UDIN -

Place: Kolkata
Dated: The 31st day of July, 2020

For and on behalf of the Board of Directors

S. L. GUPTA
Director
DIN- 00041007

MD. RAFIULLAH
Chief Financial Officer
PAN- BLWPR4409L

B. K. KESAN
Director
DIN - 00038489

N. AGIWAL
Company Secretary
PAN- BDJPA6622B

INDEPENDENT AUDITOR'S REPORT

To the Members of

SHRADHA PROJECTS LIMITED

Report on the Audit of the Ind AS Consolidated Financial Statements

Opinion

We have audited the accompanying Ind AS Consolidated financial statements of **SHRADHA PROJECTS LIMITED** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associates which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "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 Ind AS Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at March 31, 2020, its Profit (including other comprehensive income), changes in equity and its cashflows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with 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 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 Ind AS financial statements under the provisions of the Act and 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 Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and informing our opinion there on, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	How the matter was addressed in our audit:
1.	<p>Transition to Ind AS</p> <p>The Company has adopted Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 from April 01, 2019 and the effective date of such transitions April 01, 2018. For periods upto and including the year ended March 31, 2019, the Company had prepared and presented its financial statements in accordance with Accounting Standards prescribed under the section 133 of the Act (Indian GAAP).</p> <p>Accordingly, for transition to IndAS, the Company has prepared its financial statements for the year ended March 31, 2020, together with the comparative financial information for the previous year ended March 31,2019 and the opening Balance Sheet as at April 01, 2018 under IndAS.</p> <p>Ind AS are new and complex accounting standards which require considerable judgment and interpretation in their implementation. Further, Ind AS 101 (“First-time Adoption of Indian Accounting Standards”) allows two categories of exceptions to the first-time adopters, which mainly includes prohibition to retrospective application of certain requirements of IndAS and exemption from some requirements of IndAS.</p> <p>We consider this transition and the required disclosures to be a key audit matter because new accounting policies have been adopted by the Company to comply with these standards. Note No. A (ii) “Significant Accounting Policies”and Note No.35 “First time Adoption” to the IndAS financial statements provides detailed information on the significant policies, critical judgement and estimation along with details of exemptions applied from certain requirements under IndAS, based on which these Ind AS financial statements are prepared.</p>	<p>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> - Assessed the Company’s process to identify the impact of adoption and transition to IndAS; - Evaluated the design of internal controls and tested the operating effectiveness of key internal controls around the process of preparation of Consolidated IndAS financial statements; - Reviewed the mandatory and optional exemptions and exceptions allowed by IndAS and availed by the Company in applying the first-time adoption principles of IndAS 101; - Obtained an understanding of the governance over the determination of key judgments; - Evaluated and tested the key assumptions and judgments adopted by management in line with principles under IndAS; <p>Assessed the disclosures made as required by the relevant IndAS; and</p> <ul style="list-style-type: none"> - Determined the appropriateness of the methodologies and models used along with the responsibility of the outputs.

Sr. No.	Key Audit Matters	How the matter was addressed in our audit:
2.	<p>Impairment loss allowance of loans</p> <p>Impairment loss allowance of loans (“Impairment loss allowance”) is a key audit matter as the company has significant credit risk exposure. The value of loans on the balance sheet is significant and there is a high degree of complexity and judgment involved for the Company in estimating individual and collective credit impairment provisions, write-offs against these loans and to additionally determine the potential impact of unprecedented COVID-19 pandemic on asset quality and provision of the Company.</p> <p>The Company’s model to calculate expected credit loss (“ECL”) is inherently complex and judgment is applied in determining the three-stage impairment model (“ECL Model”), including the selection and input of forward-looking information. ECL provision calculations require the use of large volumes of data. The completeness and reliability of data can significantly impact the accuracy of the modelled impairment provisions. The accuracy of data flows and the implementation of related controls are critical for the integrity of the estimated impairment provisions.</p>	<p>We started our audit procedures with the understanding of the internal control environment related to Impairment loss allowance. Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Company.</p> <p>We also assessed whether the impairment methodology used by the Company is in accordance with the assumptions and methodology approved by the Board of Directors of the Company, which is based on and in compliance with Ind AS 109, “Financial instruments”. More particularly, we assessed the approach of the Company regarding the definition of default, Probability of Default, Loss Given Default and incorporation of forward-looking information for the calculation of ECL. For loans which are assessed for impairment on a portfolio basis, we performed particularly the following procedures:</p> <ul style="list-style-type: none"> - tested the reliability of key data inputs and related management controls; - checked the stage classification as at the balance sheet date as per definition of default; - validated the ECL model and calculation; - calculated the ECL provision manually for a selected sample; and - We have checked the provision on Loan Assets as per Income Recognition, Asset Classification and Presentation (“IRACP”) norms as required under RBI circular dated March 13, 2020. We have checked the DPD and provision in accordance with the RBI regulations in that regard, further considering the Regulatory Packages issued by RBI dated March 27, 2020, April 17, 2020 and May 23, 2020.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Report on Corporate Governance but does not include the Ind AS financial statements and our auditor's report thereon. The above mentioned other information are expected to be made available to us after the date of this auditor's report.

Our opinion on the Ind AS financial statements does not cover the other information and accordingly, we do not express any form of assurance conclusion thereon.

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the IND AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates 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 or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 this 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 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 adequate internal financial controls with reference to 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the 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. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2019 and the transition date opening balance sheet as at April 01, 2018 included in these Ind AS Consolidated financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us whose report for the year ended March 31, 2019 and March 31, 2018 dated May 28, 2019 and May 30, 2018 respectively expressed unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

The Consolidated Financial Statement includes the Groups share of Profit of ` 840.74 lacs for the financial year ended 31st March 2020, as considered in the consolidated financial statements, in respect of 14 associates, whose financial statements have not been audited by us. The aforesaid financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and

disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associates, is based solely on the reports of the other auditors.

Our opinion is not modified in respect of this matter

Report on Other Legal and Regulatory Requirements

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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of the consolidated financial statements;
- d) in our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2020, and the reports of the statutory auditors of its associate company incorporated in India, none of the directors of the Company and its associate company incorporated in India is disqualified as on and 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A";
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note No.41 to the Ind AS consolidate financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place:- 5 & 6, Fancy Lane 3rd Floor,
Room No. 9, Kolkata- 700 001

For VASUDEO & ASSOCIATES
Chartered Accountants

Dated: The 31st Day of August, 2020

CA. SAURABH MODI
(Partner)
Membership. No. 303815
Firm Reg No. 319299E

UDIN- 20303815AAAACK6740

“Annexure A” to the Independent Auditor’s Report of even date on the Ind AS Consolidated financial statements of SHRADHA PROJECTS LIMITED

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

We have audited the internal financial controls over financial reporting of **SHRADHA PROJECTS LIMITED** (“the Company”) as of March 31, 2020 in conjunction with our audit of the Ind AS Consolidated financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the

transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 14 associate company which are incorporated in India, is based on the corresponding consolidated report of the auditors, as applicable, of such companies incorporated in India.

Place:- 5 & 6, Fancy Lane 3rd Floor,
Room No. 9, Kolkata- 700 001

For VASUDEO & ASSOCIATES
Chartered Accountants

Dated: The 31st Day of August, 2020

CA. SAURABH MODI
(Partner)

UDIN- 20303815AAAACK6740

Membership. No. 303815
Firm Reg No. 319299E

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

46C, RAFI AHMED KIDWAI ROAD, 3RD FLOOR, KOLKATA 700016

Consolidated Balance Sheet as at 31st March, 2020

` in lacs

	Note No.	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
ASSETS				
1 FINANCIAL ASSETS				
a	1	11.07	5.43	3.40
b	2	32.57	30.70	29.08
c <u>Receivables:</u>				
i		-	-	-
ii	3	61.56	-	-
d	4	967.13	876.80	1,162.26
e	5	11,131.89	10,074.27	9,631.30
f	6	189.68	435.79	218.40
2 NON FINANCIAL ASSETS				
a	7	270.01	280.62	280.62
b	8	75.78	74.05	68.08
c	9	21.80	16.16	11.25
d	10	46.97	101.71	101.71
e	11	148.55	210.83	137.89
f	12	101.01	96.57	97.17
Total Assets		13,058.02	12,202.93	11,741.16
LIABILITIES AND EQUITY				
I LIABILITIES				
1 FINANCIAL LIABILITIES				
a	13			
i Trade Payables				
- total outstanding dues of micro enterprises and small enterprises				
- total outstanding dues of creditors other than micro enterprises and small enterprises				
ii Other Payables				
- total outstanding dues of micro enterprises and small enterprises				
- total outstanding dues of creditors other than micro enterprises and small enterprises				
b	14	139.28	190.83	124.95
2 NON FINANCIAL LIABILITIES				
a	15	25.15	1.30	1.36
II EQUITY				
a	16	771.24	771.24	771.24
b	17	12,122.33	11,239.56	10,843.61
Total Liabilities and Equity		13,058.02	12,202.93	11,741.16

Significant Accounting Policies : Note A

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

As per our report of even date annexed

For and on behalf of the Board of Directors

For Vasudeo & Associates

Chartered Accountants

Firm Registration No. 319299E

S. L. GUPTA

Director

DIN- 00041007

B. K. KESAN

Director

DIN - 00038489

CA. SAURABH MODI

Partner

Membership No. 303815

UDIN -

MD. RAFIULLAH

Chief Financial Officer

PAN- BLWPR4409L

N. AGIWAL

Company Secretary

PAN- BDJPA6622B

Place: Kolkata

Dated: The 31st day of August, 2020

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

46C, RAFI AHMED KIDWAI ROAD, 3RD FLOOR, KOLKATA 700016

Consolidated Statement of Profit and Loss for the year ended 31st March, 2020

` in lacs

	Particulars	Note No.	2019-20	2018-19
I	Revenue from Operations			
i	Interest Income	18	96.36	120.56
ii	Dividend Income	19	23.74	23.43
iii	Rental Income	20	3.05	3.05
iv	Fees and Commission Income	21	38.02	-
vii	Sale of products (including Excise Duty)	22	74.06	701.26
ix	Others Operating Income(to be specified)	23	-	(28.28)
	Total Revenue from Operations		235.23	820.02
II	Other Income	24	87.32	12.71
III	Total Income (I+II)		322.55	832.73
IV	EXPENSES			
i	Finance Costs	25	15.41	16.46
v	Impairment on Financial Instruments	26	0.23	-
vii	Purchase of stock-in-trade	27	77.36	961.41
viii	Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	28	38.32	(217.39)
x	Employee Benefits Expense	29	28.22	27.46
xi	Depreciation,Amortisation and Impairment	30	62.28	62.65
xii	Other Expenses	31	51.35	32.43
	Total Expenses (IV)		273.17	883.02
V	Profit/(Loss) before Exceptional Items and Tax (III - IV)		49.38	(50.29)
VI	Share in Profit and Loss of Associate		840.74	442.68
VII	Profit/(Loss) before Tax (V - VI)		890.12	392.39
VIII	Tax Expense:			
	Current Tax	32	11.47	1.74
	Deferred Tax		(5.26)	(4.98)
IX	Profit/(Loss) for the period from continuing operations (VII - VIII)		883.91	395.63
X	Profit/(loss) from discontinued operations		-	-
XI	Tax Expense of discontinued operations		-	-
XII	Profit/(loss) from discontinued operations(After tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		883.91	395.63
XIV	Other Comprehensive Income			
a.i	Items that will not be reclassified to profit or loss	33	(1.52)	0.40
a.ii	Income tax relating to items that will not be reclassified to profit or loss		0.38	(0.07)
	Other Comprehensive Income for the period (Net of Tax) (XIV)		(1.14)	0.33
XV	Total Comprehensive Income for the period (XIII + XIV)		882.77	395.96
XVI	Earnings Per Share	34		
i	Basic (Equity Share Face Value ` 10/- each)		11.46	5.13
ii	Diluted (Equity Share Face Value ` 10/- each)		11.46	5.13

Significant Accounting Policies : Note A

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

As per our attached report of even date

For and on behalf of the Board of Directors**For Vasudeo & Associates**

Chartered Accountants

Firm Registration No. 319299E

S. L. GUPTA

Director

DIN- 00041007

B. K. KESAN

Director

DIN - 00038489

CA. SAURABH MODI

Partner

Membership No. 303815

UDIN -

MD. RAFIULLAH

Chief Financial Officer

PAN- BLWPR4409L

N. AGIWAL

Company Secretary

PAN- BDJPA6622B

Place: Kolkata

Dated: The 31st day of August, 2020

SHRADHA PROJECTS LIMITED
CIN: L27109WB1992PLC054108
46C, RAFI AHMED KIDWAI ROAD, 3RD FLOOR, KOLKATA 700016
Consolidated Statement of Change in Equity for the year ended 31st March, 2020

A. Equity Share Capital

Balance at the beginning of the reporting period i.e. 1st April 2018	771.24
Changes in Equity Share Capital during the year	-
Balance at the end of the reporting period i.e. 31st March 2019	771.24
Changes in Equity Share Capital during the year	-
Balance at the end of the reporting period i.e. 31st March 2020	771.24

` in lacs

B. Other Equity

	Reserve & Surplus							Other Comprehensive Income	Total
	Security Premium Reserve	Reserve Fund	Capital Redemption Reserve	Amalgamation Reserve	Capital Reserve	State Govt Capital Subsidy	Retained Earnings	Equity Instrument through Other Comprehensive Income	
Balance at the beginning of the reporting period i.e. 1st April 2018	2,122.78	484.62	3.36	1,167.82	4.97	2.50	2,251.32	-	6,037.37
Changes in account policy/prior period errors	-	-					-	-	-
Fair value change of Investments (net of deferred tax)	-	-					-	4,806.24	4,806.24
Restated balance as at 1st April, 2018	2,122.78	484.62	3.36	1,167.82	4.97	2.50	2,251.32	4,806.24	10,843.61
Profit/ (Loss) for the Year	-	-	-	-	-	-	395.63	0.33	395.96
Transfer to/ (from) Retained Earnings	-	10.62	-	-	-	-	(10.62)	-	-
Balance at the end of the reporting period i.e. 31st March 2019	2,122.78	495.24	3.36	1,167.82	4.97	2.50	2,636.33	4,806.56	11,239.56

SHRADHA PROJECTS LIMITED
CIN: L27109WB1992PLC054108
46C, RAFI AHMED KIDWAI ROAD, 3RD FLOOR, KOLKATA 700016
Consolidated Statement of Change in Equity for the year ended 31st March, 2020

	Reserve & Surplus							Other Comprehensive Income	Total
	Capital Reserve	General Reserve	Capital Redemption Reserve	Amalgamation Reserve	Capital Reserve	State Govt Capital Subsidy	Retained Earnings	Equity Instrument through Other Comprehensive Income	
Balance at the beginning of the reporting period i.e. 1st April 2019	2,122.78	495.24	3.36	1,167.82	4.97	2.50	2,636.33	4,806.56	11,239.56
Profit/ (Loss) for the Year	-	-	-	-	-	-	883.91	(1.14)	882.77
Transfer to/ (from) Retained Earnings	-	176.78	-	-	-	-	(176.78)	-	-
Balance at the end of the reporting period i.e. 31st March 2020	2,122.78	672.02	3.36	1,167.82	4.97	2.50	3,343.46	4,805.43	12,122.33

This is the Statement of Changes in Equity referred to in our report of even date.

For Vasudeo & Associates
Chartered Accountants
Firm Registration No. 319299E

For and on behalf of the Board of Directors

CA. SAURABH MODI
Partner
Membership No. 303815
UDIN -

Place: Kolkata
Dated: The 31st day of August, 2020

S. L. GUPTA
Director
DIN- 00041007

MD. RAFIULLAH
Chief Financial Officer
PAN- BLWPR4409L

B. K. KESAN
Director
DIN - 00038489

N. AGIWAL
Company Secretary
PAN- BDJPA6622B

SHRADHA PROJECTS LIMITED**CIN: L27109WB1992PLC054108****Notes on Consolidated Financial Statements for the year ended 31st March, 2020**

	<u>As at</u> <u>31.03.2020</u> <u>` in lacs</u>	<u>As at</u> <u>31.03.2019</u> <u>` in lacs</u>	<u>As at</u> <u>01.04.2018</u> <u>` in lacs</u>
13			
<u>Payables</u>			
i <u>Trade Payables</u>			
a Total outstanding dues of creditors to micro enterprises & small enterprises	-	-	-
b Total outstanding dues of creditor to other than micro enterprises & small enterprises	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
ii <u>Other Payables</u>			
a Total outstanding dues of creditors to micro enterprises & small enterprises	-	-	-
b Total outstanding dues of creditor to other than micro enterprises & small enterprises	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
14			
<u>Borrowings (Other than Debt Securities)</u>			
I <u>(A) At amortised cost</u>			
a <u>Term Loans (Secured)</u>			
From banks	139.28	190.83	116.90
b <u>Loan repayable on demand (Secured)</u>			
i From Banks *	-	-	8.05
Total (A)	<u>139.28</u>	<u>190.83</u>	<u>124.95</u>
(B) At fair value through profit or loss	-	-	-
(C) Designated at fair value through profit or loss	-	-	-
Total I=(A+B+C)	<u>139.28</u>	<u>190.83</u>	<u>124.95</u>
II			
i Borrowings in India	139.28	190.83	124.95
ii Borrowings outside India	-	-	-
Total II=(i+ii)	<u>139.28</u>	<u>190.83</u>	<u>124.95</u>

Nature of Security and terms of repayment for Secured borrowings

* Nature of Security: Loan amounting ` 139.28 Lacs (P.Y. ` 190.83 lacs) is secured against hypothecation of Motor Vehicle.

SHRADHA PROJECTS LIMITED**CIN: L27109WB1992PLC054108****Notes on Consolidated Financial Statements for the year ended 31st March, 2020**

	<u>As at</u> <u>31.03.2020</u> <u>` in lacs</u>	<u>As at</u> <u>31.03.2019</u> <u>` in lacs</u>	<u>As at</u> <u>01.04.2018</u> <u>` in lacs</u>
15			
<u>Other Non-Financial Liabilities</u>			
Statutory Dues Payable	19.07	0.31	0.63
Liabilities for Expenses	6.08	0.99	0.73
	<u>25.15</u>	<u>1.30</u>	<u>1.36</u>
17			
<u>Other Equity</u>			
a			
<u>Securities Premium Reserve</u>			
Balance at the beginning of the year	2,122.78	2,122.78	2,122.78
Addition during the year	-	-	-
Balance at the at the end of the year	<u>2,122.78</u>	<u>2,122.78</u>	<u>2,122.78</u>
b			
<u>Reserve Fund</u>			
Balance at the beginning of the year	495.24	484.62	484.62
Addition during the year	176.78	10.62	-
Balance at the at the end of the year	<u>672.02</u>	<u>495.24</u>	<u>484.62</u>
c			
<u>Capital Redemption Reserve</u>			
Balance at the beginning of the year	3.36	3.36	3.36
Addition during the year	-	-	-
Balance at the at the end of the year	<u>3.36</u>	<u>3.36</u>	<u>3.36</u>
d			
<u>State Govt Capital Subsidy</u>			
Balance at the beginning of the year	2.50	2.50	2.50
Addition during the year	-	-	-
Balance at the at the end of the year	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>
e			
<u>Amalgamation Reserve</u>			
Balance at the beginning of the year	1,167.82	1,167.82	1,167.82
Addition during the year	-	-	-
Balance at the at the end of the year	<u>1,167.82</u>	<u>1,167.82</u>	<u>1,167.82</u>
f			
<u>Retained Earnings</u>			
Balance at the beginning of the year	2,636.33	2,251.32	2,251.32
Fair value change of Investments (net of deferred tax)	-	-	-
Restated balance at the beginning of the year	<u>2,636.33</u>	<u>2,251.32</u>	<u>2,251.32</u>
Profit / (Loss) for the year	883.91	395.63	-
Transfer to Reserve Fund	(176.78)	(10.62)	-
Transfer from Other Comprehensive Income	-	-	-
Balance at the at the end of the year	<u>3,343.46</u>	<u>2,636.33</u>	<u>2,251.32</u>

SHRADHA PROJECTS LIMITED**CIN: L27109WB1992PLC054108****Notes on Consolidated Financial Statements for the year ended 31st March, 2020**

	<u>As at</u> <u>31.03.2020</u> <u>` in lacs</u>	<u>As at</u> <u>31.03.2019</u> <u>` in lacs</u>	<u>As at</u> <u>01.04.2018</u> <u>` in lacs</u>
g <u>Capital Reserve</u>			
Balance at the beginning of the year	4.97	4.97	4.97
Addition during the year	-	-	-
Balance at the at the end of the year	<u>4.97</u>	<u>4.97</u>	<u>4.97</u>
h <u>Other Comprehensive Income</u>			
Balance at the beginning of the year	4,806.56	4,806.24	-
Addition during the year	(1.14)	0.33	4,806.24
Less: Transfer to Retained Earnings	-	-	-
Balance at the at the end of the year	<u>4,805.43</u>	<u>4,806.56</u>	<u>4,806.24</u>
Total Other Equity (a+b+c+d+e+f+g)	<u>12,122.33</u>	<u>11,239.56</u>	<u>10,843.61</u>

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Consolidated Financial Statements for the year ended 31st March, 2020

	<u>As at</u> <u>31.03.2020</u> <u>` in lacs</u>	<u>As at</u> <u>31.03.2019</u> <u>` in lacs</u>	<u>As at</u> <u>01.04.2018</u> <u>` in lacs</u>	
1	<u>Cash and Cash Equivalents</u>			
i	Cash on hand	2.51	2.72	1.25
ii	Balances with Banks -- In Current Accounts	8.56	2.71	2.15
		<u>11.07</u>	<u>5.43</u>	<u>3.40</u>
2	<u>Bank Balances other Cash and Cash Equivalents</u>			
i	Fixed Deposit with original maturity for more than 12 months *	27.85	26.27	24.90
ii	Fixed Deposit with original maturity for less than 12 months but more than 3 months**	4.72	4.43	4.18
		<u>32.57</u>	<u>30.70</u>	<u>29.08</u>
	* Fixed Deposit with original maturity for more than 12 months represents			
a)	The Company has taken lien facility on Current Account maintained with HDFC (Kolkata) against Fixed Deposit of Rs. 27.85 Lacs, Prev. Year Rs. 26.27 Lacs (includes Accrued Interest)			
3	<u>Receivables</u>			
i	<u>Trade Receivables</u>			
a	Receivables considered good - Secured	-	-	-
b	Receivables considered good - Unsecured	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>
ii	<u>Other Receivables</u>			
	Commission/Retainership Charges Receivable	61.56	-	-
		<u>61.56</u>	<u>-</u>	<u>-</u>
4	<u>Loans</u>			
i	<u>At amortised cost</u>			
a	<u>Loans repayable on Demand(Unsecured, Considered Good)</u>			
	To Related Parties	814.56	809.00	1,048.17
	To Others	155.00	70.00	117.00
	Total - Gross	<u>969.56</u>	<u>879.00</u>	<u>1,165.17</u>
	Less: Impairment loss allowance	2.43	2.20	2.91
	Total - Net (i)	<u>967.13</u>	<u>876.80</u>	<u>1,162.26</u>

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Consolidated Financial Statements for the year ended 31st March, 2020

	<u>As at</u> <u>31.03.2020</u> <u>` in lacs</u>	<u>As at</u> <u>31.03.2019</u> <u>` in lacs</u>	<u>As at</u> <u>01.04.2018</u> <u>` in lacs</u>
(A) Secured/Unsecured			
(a) Secured	-	-	-
(b) Covered by Bank/Government Guarantees	-	-	-
(c) Unsecured	969.56	879.00	1,165.17
Total (A) - Gross	<u>969.56</u>	<u>879.00</u>	<u>1,165.17</u>
Less: Impairment loss allowance	2.43	2.20	2.91
Total (A) - Net	<u>967.13</u>	<u>876.80</u>	<u>1,162.26</u>
(B) (i) Loans in India			
(a) Private Sector	969.56	879.00	1,165.17
Total (B) (i) - Gross	<u>969.56</u>	<u>879.00</u>	<u>1,165.17</u>
Less: Impairment loss allowance	2.43	2.20	2.91
Total (B) (i) - Net	<u>967.13</u>	<u>876.80</u>	<u>1,162.26</u>
(ii) Loans outside India	-	-	-
Less: Impairment loss allowance	-	-	-
Total (B) (ii) - Net	<u>-</u>	<u>-</u>	<u>-</u>
Total (B) (i+ii)	<u>967.13</u>	<u>876.80</u>	<u>1,162.26</u>
(C) Stage wise break up of loans			
a Low Credit Risk (Stage 1)	967.13	876.80	1,162.26
b Significant increase in Credit Risk (Stage 2)	-	-	-
c Credit impaired (Stage 3)	-	-	-
	<u>967.13</u>	<u>876.80</u>	<u>1,162.26</u>
ii At fair value through other comprehensive income	-	-	-
iii At fair value through profit or loss	-	-	-
iv At fair value designated at fair value through profit or loss	-	-	-
Total (i+ii+iii+iv)	<u>967.13</u>	<u>876.80</u>	<u>1,162.26</u>
6 Other Financial Assets			
(At Cost or NRV, whichever is lower)			
Inventories (As per Note No. 6A)	189.68	435.79	218.40
	<u>189.68</u>	<u>435.79</u>	<u>218.40</u>
8 Current Tax Assets (Net)			
Balance with Income Tax Authorities	57.59	57.59	39.83
Balance with GST Authorities	-	1.24	0.11
Advance Tax (Net of Provision)	18.19	15.22	28.14
	<u>75.78</u>	<u>74.05</u>	<u>68.08</u>

SHRADHA PROJECTS LIMITED**CIN: L27109WB1992PLC054108****Notes on Consolidated Financial Statements for the year ended 31st March, 2020**

	<u>As at</u> <u>31.03.2020</u> <u>` in lacs</u>	<u>As at</u> <u>31.03.2019</u> <u>` in lacs</u>	<u>As at</u> <u>01.04.2018</u> <u>` in lacs</u>
9			
<u>Deferred Tax Asset (Net)</u>			
On Depreciation	21.28	16.02	11.04
Financial assets - Investments at FVTOCI	0.52	0.14	0.21
	<u>21.80</u>	<u>16.16</u>	<u>11.25</u>
10			
<u>Investment Property</u>			
<u>At Amortized Cost</u>			
Land at Panipat	46.97	46.97	46.97
Flat at Vipul Business Park (Gurugram)	-	54.74	54.74
	<u>46.97</u>	<u>101.71</u>	<u>101.71</u>
12			
<u>Other Non-Financial Assets</u>			
<u>(Unsecured Considered Good)</u>			
Prepaid Expenses	7.66	2.28	2.89
Advances to Staffs	-	0.02	-
Advances for Property	91.26	91.26	91.26
Other Advances	-	-	0.01
Security Deposits	2.09	3.01	3.01
	<u>101.01</u>	<u>96.57</u>	<u>97.17</u>

SHRADHA PROJECTS LIMITED**CIN: L27109WB1992PLC054108****Notes on Consolidated Financial Statements for the year ended 31st March, 2020**

		<u>As at</u> <u>31.03.2020</u>		<u>As at</u> <u>31.03.2019</u>		<u>As at</u> <u>01.04.2018</u>	
	<u>No. of</u> <u>Shares</u>	<u>` in lacs</u>	<u>No. of</u> <u>Shares</u>	<u>` in lacs</u>	<u>No. of</u> <u>Shares</u>	<u>` in lacs</u>	
5	Investments						
I (A)	At Amortised Cost						
	Equity Instruments:						
	i <u>(Quoted, Non trade Investments)</u>						
	IN ASSOCIATE COMPANIES						
	Khaitan Chemicals & Fertilizers Ltd. (extent of holding - 47.18%) (Includes Capital Reserve of ` 49,52,37,170/-)	4,57,63,640	7,221.85	4,57,63,640	6,489.36	4,57,63,640	6,094.23
	Total (i)	4,57,63,640	7,221.85	4,57,63,640	6,489.36	4,57,63,640	6,094.23
	ii <u>(Unquoted, Non-Trade Investments)</u>						
	IN ASSOCIATE COMPANIES						
	Accord Infra Properties (P) Ltd. (extent of holding- 47.19%)(Includes Goodwill of ` 66,89,761/-)	1,36,871	220.78	1,36,871	203.94	1,36,871	184.73
	Arati Marketing (P) Ltd. (extent of holding- 20.06%)(Includes Capital Reserve of ` 3,73,34,141/-)	4,12,675	831.24	4,12,675	814.24	4,12,675	798.94
	B.O.Constructions Pvt. Ltd. (extent of holding- 39.12%)(Includes Goodwill of ` 2,57,27,675. /-)	15,25,400	854.41	10,70,400	655.18	10,70,400	674.72
	Indus Valley Worls School (P) Ltd (extent of holding- 40.54%)(Includes Goodwill of ` 44,996/-)	4,50,000	51.15	4,50,000	47.98	4,50,000	46.32

SHRADHA PROJECTS LIMITED**CIN: L27109WB1992PLC054108****Notes on Consolidated Financial Statements for the year ended 31st March, 2020**

		<u>As at</u> <u>31.03.2020</u>		<u>As at</u> <u>31.03.2019</u>		<u>As at</u> <u>01.04.2018</u>
Khaitan Commercial Services (P) Ltd (extent of holding- 48.94%)(Includes Capital Reserve of ` 92,87,761/-)	8,37,000	306.55	8,37,000	300.60	8,37,000	310.77
Khaitan Paper Packaging (P) Ltd (extent of holding- 20.74%)(Includes Goodwill - ` 1,54,815/-)	3,23,500	149.42	3,23,500	110.00	3,23,500	107.13
Lilac Properties (P) Ltd. (extent of holding- 44.41%)(Includes Goodwill of ` 72,39,348/-)	1,26,357	257.41	1,26,357	239.06	1,26,357	224.35
Manoj Fincom (P) Ltd (extent of holding- 25.29%)(Includes Goodwill of ` 43,28,292/-)	85,500	104.06	85,500	103.69	85,500	101.23
Shobhan Enterprises (P) Ltd. (extent of holding- 8.05%)	9,60,000	27.62	9,60,000	36.56	9,60,000	48.39
Shradha Infra Realty Pvt. Ltd. (extent of holding- 40.72%)(Includes Goodwill of ` 44,97,333./-)	1,24,980	237.11	1,24,980	231.71	1,24,980	227.53
Shradha Technopack Pvt. Ltd. (extent of holding- 38.95%)(Includes Goodwill of ` 1,65,66,077/-)	2,12,100	331.28	2,12,100	309.22	2,12,100	285.99
The Majestic Packaging Pvt. Ltd. (extent of holding- 25.22%)(Includes Capital Reserve of ` 1,01,68,173/-)	5,68,910	357.32	5,68,910	348.52	5,68,910	346.23
Vibra Tech Infrastructure (P) Ltd. (extent of holding- 42.97%)(Includes Goodwill of ` 62,08,789/-)	75,787	178.50	75,787	179.50	75,787	176.31
Total (ii)	58,39,080	3,906.85	53,84,080	3,580.20	53,84,080	3,532.64

SHRADHA PROJECTS LIMITED**CIN: L27109WB1992PLC054108****Notes on Consolidated Financial Statements for the year ended 31st March, 2020**

	<u>As at</u> <u>31.03.2020</u>		<u>As at</u> <u>31.03.2019</u>		<u>As at</u> <u>01.04.2018</u>	
iii (Unquoted, Non-Trade Investments)						
<u>In other Companies</u>						
Tribhuvan Properties Ltd.	1,733	1.74	1,733	1.74	1,733	1.74
Ravina Export Pvt. Ltd.	250	0.25	250	0.25	250	0.25
Total (iii)	1,983	1.99	1,983	1.99	1,983	1.99
Total (A)(i+ii+iii)	5,16,04,703	11,130.69	5,11,49,703	10,071.55	5,11,49,703	9,628.86

(B) At fair value through other comprehensive income**Equity Instruments:****(Quoted, Non trade Investments)****IN OTHER COMPANIES**

	<u>No. of</u> <u>Shares</u>	<u>` in lacs</u>	<u>No. of</u> <u>Shares</u>	<u>` in lacs</u>	<u>No. of</u> <u>Shares</u>	<u>` in lacs</u>
Chambal Fertilisers and Chemicals Ltd	600	0.65	600	1.00	600	0.98
Dharamsi Morarji Chemical	1	0.01	1	0.01	1	0.01
Gujrat Fluoro Chemical Ltd.	100	0.29	100	1.10	100	0.78
Nirma Ltd.	10	0.00	10	0.00	10	0.00
Octal Credit Capital Ltd	5000	0.24	5000	0.57	5,000	0.62
Orient Paper & Inds Ltd.	100	0.01	100	0.04	100	0.04
Rama Phosphate Ltd	1	0.00	1	0.00	1	0.00
Total (B)	5,812	1.20	5,812	2.72	5,812	2.43

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Consolidated Financial Statements for the year ended 31st March, 2020

	<u>As at</u> <u>31.03.2020</u>	<u>As at</u> <u>31.03.2019</u>	<u>As at</u> <u>01.04.2018</u>
(C) Mutual Fund			
(Unquoted, Non trade Investments)	-	-	0.01
Total (C)	-	-	0.01
(D) Designated at fair value through profit or loss			
Total Gross I=(A+B+C+D)	5,16,10,515	11,131.89	9,631.30
II i Investment outside India	-	-	-
ii Investment in India	5,16,10,515	11,131.89	9,631.30
Total Gross II	5,16,10,515	11,131.89	9,631.30
III Less: Allowance for Impairment Loss	-	-	-
IV Total Net IV = I - III	5,16,10,515	11,131.89	9,631.30
Cost of quoted investments	968.03	968.03	968.03
Aggregate cost of unquoted investments	3,908.84	3,582.19	3,534.64

***Shares held in Physical form**

* Chambal Fertilisers and Chemicals Ltd, Gujarat Fluro Chemical Limited, Nirma Limited, Orient Paper Ltd and Rama Phosphate Ltd are held in physical mode.

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Consolidated Financial Statements for the year ended 31st March, 2020

	<u>F.V.</u>	<u>2019-20</u>		<u>2018-19</u>		<u>2017-18</u>	
		<u>Qty.</u>	<u>` in lacs</u>	<u>Qty.</u>	<u>` in lacs</u>	<u>Qty.</u>	<u>` in lacs</u>
6							
<u>INVENTORIES</u>							
<u>FINANCIAL</u>							
<u>Shares (Non Trade, Quoted)</u>							
<u>Fully Paid up</u>							
Radico Khaitan Ltd.		71,000	189.68	55,000	217.39	-	-
<u>In Unquoted Shares</u>							
B.O.Construction Pvt Ltd	10	-	-	4,55,000	218.40	4,55,000	218.40
TOTAL		71,000	189.68	5,10,000	435.79	4,55,000	218.40
7							
<u>NON FINANCIAL</u>							
<u>Jewellery & Painting</u>							
Jewellery & Painting *		-	270.01	-	280.62	-	280.62
TOTAL		-	270.01	-	280.62	-	280.62

*** NO QTY DETAIL AVAILABLE OF JEWELLERY AND PAINTING

Notes on Consolidated Financial Statements for the year ended 31st March, 2020

11 Property, Plant & Equipment

` in lacs

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2019	Addition	Disposal/ Deduction	As at 31.03.2020	As at 01.04.2019	For the Year	Adjustment for Disposal	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Land	5.85	-	-	5.85	0.44	0.03	-	0.47	5.38	5.41
Building ^	12.89	-	-	12.89	8.22	0.23	-	8.45	4.44	4.67
Furniture & Fixtures	2.91	-	-	2.91	2.76	-	-	2.76	0.15	0.15
Ivory Items	2.58	-	-	2.58	-	-	-	-	2.58	2.58
Motor Car	330.92	-	-	330.92	132.90	62.02	-	194.92	136.00	198.02
Total	355.15	-	-	355.15	144.32	62.28	-	206.60	148.55	210.83
Previous Year	277.95	145.94	68.74	355.15	140.05	62.65	58.36	144.34	210.81	-

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2018	Addition	Disposal/ Deduction	As at 31.03.2019	As at 01.04.2018	For the Year	Adjustment for Disposal	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
Land *	5.85	-	-	5.85	0.41	0.02	-	0.43	5.42	5.44
Building ^	12.89	-	-	12.89	7.99	0.24	-	8.23	4.66	4.90
Furniture & Fixtures	2.91	-	-	2.91	2.76	-	-	2.76	0.15	0.15
Ivory Items	2.58	-	-	2.58	-	-	-	-	2.58	2.58
Motor Car	253.72	145.94	68.74	330.92	128.89	62.39	58.36	132.92	198.00	124.83
Total	277.95	145.94	68.74	355.15	140.05	62.65	58.36	144.34	210.81	137.90
Previous Year	277.95	-	-	277.95	83.15	56.90	-	140.05	137.90	-

For Property, Plant and Equipment and Intangible Assets existing as on 1st April 2018, i.e. the date of transition to Ind AS for the company, the company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets also as per the option available under para D7AA of Ind AS 101 "First Time Adoption".

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Consolidated Financial Statements for the year ended 31st March, 2020

	<u>2019-20</u>		<u>2018-19</u>		<u>2017-18</u>	
	<u>No. of Shares</u>	<u>` in lacs</u>	<u>No. of Shares</u>	<u>` in lacs</u>	<u>No. of Shares</u>	<u>` in lacs</u>
16 <u>Equity Share Capital</u>						
a <u>Authorised Share Capital</u>						
Ordinary Equity Shares of ` 10/- each with voting rights	10240000	1,024.00	10240000	1,024.00	10240000	1,024.00
Ordinary Preference Shares of ` 10/- each	2490000	249.00	2490000	249.00	2490000	249.00
Ordinary Preference Shares of ` 100/- each	1000	1.00	1000	1.00	1000	1.00
	<u>12731000</u>	<u>1,274.00</u>	<u>12731000</u>	<u>1,274.00</u>	<u>12731000</u>	<u>1,274.00</u>
b <u>Issued Share Capital</u>						
Ordinary Equity Shares of ` 10/- each with voting rights	7712414	77,124.14	7712414	77,124.14	7712414	77,124.14
	<u>7712414</u>	<u>77,124.14</u>	<u>7712414</u>	<u>77,124.14</u>	<u>7712414</u>	<u>77,124.14</u>
c <u>Subscribed and Paid-up Share Capital</u>						
Ordinary Equity Shares of ` 10/- each with voting rights	7712414	771.24	7712414	771.24	7712414	771.24
	<u>7712414</u>	<u>771.24</u>	<u>7712414</u>	<u>771.24</u>	<u>7712414</u>	<u>771.24</u>

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Consolidated Financial Statements for the year ended 31st March, 2020

2019-20

2018-19

2017-18

d Reconciliation of the number of shares at the beginning and at the end of the year

<u>Equity Shares</u>	<u>2019-2020</u>		<u>2018-2019</u>		<u>2017-2018</u>	
	<u>No. of Shares</u>	<u>` in lacs</u>	<u>No. of Shares</u>	<u>` in lacs</u>	<u>No. of Shares</u>	<u>` in lacs</u>
At the beginning of the year	7712414	771.24	7712414	771.24	7712414	771.24
Issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	7712414	771.24	7712414	771.24	7712414	771.24

e Rights Attached to the Shares

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

f Details of the Shareholder holding shares more than 5 %

Name of the Shareholder	As at 31st March 2020		As at 31st March 2019		As at 31st March 2018	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Majestic Packaging Co. Pvt. Ltd.	26,26,529	34.06%	26,26,529	34.06%	26,26,529	34.06%
Shailesh Kumar Khaitan	11,78,150	15.28%	11,78,150	15.28%	11,78,150	15.28%
Khaitan Chemical & Fertilizers Pvt. Ltd.	9,48,000	12.29%	9,48,000	12.29%	9,48,000	12.29%
Arati Marketing Pvt Ltd	8,38,875	10.88%	8,38,875	10.88%	8,38,875	10.88%
Swapna Khaitan	3,97,105	5.15%	3,97,105	5.15%	3,97,105	5.15%

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Consolidated Financial Statements for the year ended 31st March, 2020

	<u>2019-20</u> <u>` in lacs</u>	<u>2018-19</u> <u>` in lacs</u>
I <u>Revenue From Operations</u>		
18 <u>Interest Income</u>		
A <u>On Financial Assets measured at Amortised Cost</u>		
i Interest on Loans	94.32	118.76
iii Interest on deposits with Banks	2.04	1.80
Total (A)	<u>96.36</u>	<u>120.56</u>
B <u>On Financial Assets measured at fair value through OCI</u>	-	-
C <u>On Financial Assets measured at fair value through profit or loss</u>	-	-
Total (A+B+C)	<u>96.36</u>	<u>120.56</u>
19 <u>Dividend Income</u>		
Dividend from Shares lying as Non Current Investments	22.89	22.89
Dividend from shares lying as Inventories	0.85	0.54
	<u>23.74</u>	<u>23.43</u>
20 <u>Rental Income</u>		
Rental Income from Operating Leases	3.05	3.05
	<u>3.05</u>	<u>3.05</u>
21 <u>Fees and Commission Income</u>		
Fees and Commission Income	38.02	-
	<u>38.02</u>	<u>-</u>
22 <u>Sales of Products</u>		
Sales of Equity Shares	-	701.26
Sales of Jewellery & Painting	74.06	-
	<u>74.06</u>	<u>701.26</u>
23 <u>Other Operating Income</u>		
Provision for Standard Assets W/Off	-	0.72
Net gain / (loss) on Future & Options	-	(29.32)
Speculation Profit	-	0.32
	<u>-</u>	<u>(28.28)</u>

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Consolidated Financial Statements for the year ended 31st March, 2020

	<u>2019-20</u> <u>` in lacs</u>	<u>2018-19</u> <u>` in lacs</u>
24 <u>Other Income</u>		
Interest Income on Income Tax Refund	2.32	12.71
Retainership Income	85.00	-
	<u>87.32</u>	<u>12.71</u>
25 <u>Finance Costs</u>		
A <u>On Financial liabilities measured at Amortised Cost</u>		
i <u>Interest on borrowings</u>		
From Banks	15.41	15.78
From Others	-	0.56
ii <u>Other borrowing costs</u>		
Loan Processing Fees	-	0.12
B <u>On Financial liabilities measured at fair value through profit or loss</u>	-	-
	<u>15.41</u>	<u>16.46</u>
26 <u>Impairment on Financial Instruments</u>		
A <u>On Financial Instruments measured at Amortised Cost</u>		
Loans	0.23	-
	<u>0.23</u>	<u>-</u>
27 <u>Purchase of Stock in Trade</u>		
Purchases of Shares	55.16	961.41
Purchases of Jewellery & Painting	22.20	-
	<u>77.36</u>	<u>961.41</u>
28 <u>Changes in Inventories of Stock-In-Trade</u>		
Opening Stock in trade	716.41	499.02
Less: Transfer to Investment	218.40	-
	<u>498.01</u>	<u>499.02</u>
Less: Closing Stock in trade	459.69	716.41
	<u>38.32</u>	<u>(217.39)</u>
29 <u>Employee Benefits Expense</u>		
Salaries	28.07	27.46
Staff Welfare Expenses	0.15	-
	<u>28.22</u>	<u>27.46</u>

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Consolidated Financial Statements for the year ended 31st March, 2020

	<u>2019-20</u> <u>` in lacs</u>	<u>2018-19</u> <u>` in lacs</u>
30 Depreciation and Amortisation Expense		
Depreciation of Tangible Assets	62.28	62.65
	<u>62.28</u>	<u>62.65</u>
31 Other Expenses		
Rates & Taxes	0.31	1.86
Rent	0.06	0.06
<u>Payment to Auditors</u>		
For Statutory Audit	0.28	0.28
For Tax Audit	0.05	0.05
Insurance Charges	6.06	6.48
Motor Car Running & Maintenance	8.88	6.04
Repair & Maintenance	0.81	1.16
Loss on Sale of Property, Plant & Equipment	-	2.37
Listing Fee	0.25	0.25
Travelling & Conveyance Expenses	1.92	4.56
Loss on Sale of Investment (Property)	8.78	-
Sundry Balances Written Off	0.92	0.02
Internal Audit Fee	0.10	-
Printing & Stationery Expenses	0.30	0.30
Professional Fee	20.95	6.04
Miscellaneous Expenses	1.68	2.96
	<u>51.35</u>	<u>32.43</u>
32 TAX EXPENSE		
Income Tax for earlier year	(2.93)	1.74
<u>Current Tax</u>		
Provision for Income Tax	14.40	-
	<u>11.47</u>	<u>1.74</u>
33 OTHER COMPREHENSIVE INCOME		
<u>Items that will not be reclassified to profit or loss</u>		
Fair value change of Investments	(1.52)	0.40
Tax expense on the above	0.38	(0.07)
	<u>(1.14)</u>	<u>0.33</u>
34 Earning per Shares		
Nominal Value of Equity Shares (₹)	10.00	10.00
a) Profit / (Loss) for the period (in ` lacs)	883.91	395.63
b) Weighted Average Number of Equity Shares	77,12,414	77,12,414
Basic EPS (a/b)	11.46	5.13
c) Weighted Average Number of Equity Shares	77,12,414	77,12,414
Diluted EPS (a/c)	11.46	5.13

NOTE A

SIGNIFICANT ACCOUNTING POLICIES

A. Statement of compliance

A(i) In accordance with the notification issued by the Ministry of Corporate Affairs (“the MCA”), the Company has adopted Indian Accounting Standards (referred to as “Ind AS”) notified under Section 133 of the Companies Act, 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, from 1st April, 2019 and the effective date of such transition is 1st April, 2018. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the RBI (collectively referred to as “the Previous GAAP”).

A(ii) Previous period numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 First time Adoption of Indian Accounting Standards, the Company has presented a reconciliation from the Previous GAAP to Ind AS of Other Equity as at 1st April, 2018 and 31st March, 2019 and of the Total Comprehensive Income for the period ended 31st March 2019. Refer Note No. 35 for the details of first-time adoption exemptions availed by the Company.

B. The consolidated financial statements relates to The Holding Company and its associates. The details are as given below:-

Name of Associates	Country Of Incorporation	Proportion of Ownership Interest
ARATI MARKETING PRIVATE LIMITED	INDIA	20.06%
B O CONSTRUCTION PRIVATE LIMITED	INDIA	22.45%
INDUS VALLEY WORLD SCHOOL PRIVATE LIMITED	INDIA	40.54%
KHAITAN COMMERCIAL SERVICES PRIVATE LIMITED	INDIA	48.94%
KHAITAN PAPER & PACKAGING PRIVATE LIMITED	INDIA	20.74%
LILAC PROPERTIES PRIVATE LIMITED	INDIA	44.41%
MANOJ FINCOM PRIVATE LIMITED	INDIA	25.29%
SHRADHA INFRA REALTY PRIVATE LIMITED	INDIA	40.72%
SHRADHA TECHNOPACK PRIVATE LIMITED	INDIA	38.95%
THE MAJESTIC PACKAGING PRIVATE LIMITED	INDIA	25.22%
VIBRA TECH INFRA PRIVATE LIMITED	INDIA	42.97%
ACCORD INFRA PRIVATE LIMITED	INDIA	47.19%
KHAITAN CHEMICALS & FERTILIZERS LIMITED	INDIA	47.18%

C. Consolidation Process

Investment in Associates are accounted in accordance with Ind AS-28 on “Investments in Associates and Joint Ventures”, under equity method. The difference between cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.

D. Basis of Preparation of Financial Statements

The Consolidated financial statements of the Company have been prepared to comply with the Indian Accounting standards (‘Ind AS’)-28, including the rules notified under the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the

historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Ind AS at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The preparation of financial statements require the use of certain significant accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities.

The management believes that the estimates used in preparation of financial statements are prudent and reasonable.

Actual results could differ from those estimates and the differences between the actual results and the estimates would be recognised in the periods in which the results are known / materialised.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest Lakhs, except otherwise indicated.

Comparative information has been restated to accord with changes in presentations made in the current year, except where otherwise stated.

The accounting policies for some specific items are disclosed in the respective notes to the financial statements.

The financial statements of the Company are presented as per Schedule III (Division III) to the Act applicable to Non- Banking Financial Companies (NBFCs), as notified by the MCA.

A. Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company, it can be reliably measured and it is reasonable to expect ultimate collection.

Revenue from Operations is recognised in the Statement of Profit and Loss on an accrual basis as stated herein below:

- i) Interest income from financial assets is recognised by applying the Effective Interest Rate ('EIR') to the gross carrying amount of financial assets, other than credit-impaired assets and those classified as measured at Fair Value through Profit or Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVTOCI).
Any subsequent changes in the estimation of the future cash flows having impact on EIR are recognised in interest income with the corresponding adjustment to the carrying amount of the assets.
- ii) Interest Income on credit impaired financial assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial assets.
- iii) Income or net gain on fair value changes for financial assets classified as measured at FVTPL and FVTOCI.
- iv) Revenue from trading in securities/ intraday transactions is accounted for on trade date basis.
- v) Income from dividend is recognised when the Company's right to receive such dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

D Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready

for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Interest expense includes origination costs that are initially recognised as part of the carrying value of the financial liability and amortized over the expected life using the EIR. It also include expenses related to borrowing which are not part of effective interest as not directly related to loan origination.

E Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current Tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantially enacted at the reporting period.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases.

Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unused tax credits and unused tax losses being carried forward, to the extent that it is probable that taxable profits will be available in future against which these can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

F Property, Plant and Equipment

Property, plant and equipment shown in the balance sheet consists of assets used in the provision of services or for administrative purposes.

Initial and subsequent recognition

Property, plant and equipment are initially recognised at cost together with borrowing cost capitalized for qualifying assets. Cost comprises the purchase price and any directly attributable cost of bringing the asset to the location and its working condition for its intended use. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment, if any.

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

Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

Depreciation

Depreciation commences when the assets are ready for their intended use. It is recognised to write down the cost of the property, plant and equipment to their residual values over their useful lives, using the straight-line basis. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The Company has adopted the useful life as specified in Schedule II to the Act. Premium paid on Leasehold Land is amortized over a period of Lease.

Depreciation on assets purchased / sold during the period is recognised on a pro-rata basis.

G Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, balances with banks, cheques on hand, remittances in transit and short-term investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

H Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker (CODM). The CODM assess the financial performance and position of the Company and makes strategic decisions.

Financial Instruments

Classification of financial instruments

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income

3. Financial assets to be measured at fair value through profit or loss

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets which are explained below:

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

Recognition of Financial Instruments:

Financial assets and financial liabilities are recognised when entity becomes a party to the contractual provisions of the instruments. Loans & advances and all other regular way purchases or sales of financial assets are recognised and derecognised on the trade date basis.

Initial Measurement of Financial Instruments:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Subsequent Measurement:

(A) Financial Assets

Financial Assets carried at Amortised Cost:

These financial assets comprise bank balances, Loans, Trade Receivables, other receivables, investments and other financial assets.

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

Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI):

A financial asset is measured at FVTOCI, if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through Profit or Loss (FVTPL):

Financial assets at FVTPL include financial held for trading and financial assets designated upon initial recognition as at FVTPL. A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Any differences between the fair values of financial assets classified as FVTPL and held by the Company on the balance sheet date is recognised in the Statement of Profit and Loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gain on fair value changes" under Revenue from Operations and if there is a net loss the same is recognised in "Net loss on fair value changes" under Expenses in the Statement of Profit and Loss.

Effective Interest Rate (EIR) Method:

The EIR is a method of calculating the amortised cost of a debt instrument and of allocating interest income or expense over the relevant period.

The EIR for financial assets or financial liability is computed:

- a) At the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability on initial recognition.
- b) By considering all the contractual terms of the financial instrument in estimating the cash flows.
- c) Including all fees received between parties to the contract that are integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Impairment of Financial Assets:

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and FVTOCI at each reporting date based on evidence or information that is available without undue cost or effort.

The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses.

No Expected credit losses are recognised on equity investments.

Derecognition of Financial Assets:

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

On derecognition of a financial asset accounted under Ind AS 109 in its entirety:

- a) for financial assets measured at amortised cost, the gain or loss is recognised in the Statement of Profit and Loss.
- b) for financial assets measured at fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves may be reclassified within equity.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset shall be allocated between the part that continues to be recognised and the part that is derecognised, on the basis of the relative fair values of those parts on the date of the transfer.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, it recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, it continues to recognise the financial asset and also recognises a liability for the proceeds received.

Modification/ revision in estimates of cash flows of financial assets:

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset in accordance with Ind AS 109, the Company recalculates the gross carrying amount of the financial asset and recognises a modification gain or loss in the Statement of Profit and Loss.

(B) Financial Liabilities & Equity Instruments Classification as debt or equity:

Financial liabilities and equity instruments issued are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An Equity Instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 - "Financial Instruments".

Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method except for those designated in an effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the EIR method.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Fair value measurement

On initial recognition, all the financial instruments are measured at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

Principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

Level 1 financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the

instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments: Those that include one or more unobservable input that is significant to the measurement as whole.

Write-offs

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

First time adoption

These financial statements, for the year ended 31st March, 2020 are the first financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March, 2019 the Company prepared its financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2020 together with the comparative period data as at and for the year ended 31st March, 2019 as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2018 i.e. the Company's date of transition to Ind AS. In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below.

Deemed cost for property, plant and equipment and Investment Property

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

Derecognition of financial assets and financial liabilities

As per Ind AS 101 - An entity shall apply the exception to the retrospective application in case of "derecognition of financial assets and financial liabilities" wherein a first-time adopter shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. For example, if a first-time adopter derecognised non-derivative financial assets or non-derivative financial liabilities in accordance with its previous GAAP as a result of a transaction that occurred before the date of transition to Ind AS, it shall not recognise those assets and liabilities in accordance with Ind AS (unless they qualify for recognition as a result of a later transaction or event). The Company has opted not to re-evaluate financial assets derecognised in the past and to apply the derecognition requirements prospectively for transactions occurring on or after the transition date.

Mandatory Exceptions

Following mandatory exceptions are applicable to the Company:

Estimates

The estimates at 1st April, 2018 and at 31st March, 2019 are consistent with those made for the same dates in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies).

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1st April 2018, the date of transition to Ind AS and as at 31st March, 2019.

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 existed at the date of transition to Ind AS.

Earnings Per Share ('EPS')

Basic EPS per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the diluted earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Impairment losses on loans and advances

The measurement of impairment losses across all categories of financial asset requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These are based on the assumptions which are driven by a number of factors resulting in future changes to the impairment allowance.

A collective assessment of impairment takes into account data from the loan portfolio (such as credit quality, nature of assets underlying assets financed, levels of arrears, credit utilization, loan to collateral ratios etc.), and the concentration of risk and economic data (including levels of unemployment, country risk and performance of different individual groups). These significant assumptions have been applied consistently to all period presented.

The impairment loss on loans and advances is disclosed in more detail in Note No. 1.14.6 Overview of the ECL principles

Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be

appropriate and if it is not appropriate whether there has been a change in business model, if so, then it will be a prospective change to the classification of those assets.

Contingent liabilities and provisions other than impairment of loan portfolio

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Fair Value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Other estimates

These include contingent liabilities, useful lives of tangible assets etc.

Foreign currency transactions and translations

Transactions in foreign currencies are translated to the functional currency of the Company (i.e. INR) at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date and the related foreign currency gains or losses are recognised in the Statement of Profit and Loss.

Recent accounting pronouncements

MCA notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2020.

H. Retirement Benefits

Gratuity is charged to Profit & Loss Account on the basis of contribution made to the Khaitan Group of Industries (Trust) maintained by LIC Of India.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2020

35 FIRST TIME ADOPTION OF IND AS

These financial statements, for the year ended 31st March, 2020, are the first financial statements which have been prepared in accordance with Ind AS. For periods up to and including the year ended 31st March, 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). The Company follows directions prescribed by the Reserve Bank of India ('RBI') for Non-Banking Finance Company ('NBFC'). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2020, together with the comparative period data as at and for the year ended 31st March, 2019, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2018, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April, 2018 and the financial statements as at and for the year ended 31st March, 2019.

Ind AS 101 "First-time Adoption of Indian Accounting Standards" provides a suitable starting point for accounting in accordance with Ind AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the Opening Balance Sheet as per Ind AS as at 1st April, 2018 ('the transition date') by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, reclassifying items from previous GAAP to Ind AS as required under Ind AS and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain mandatory exceptions and optional exemptions out of which the ones which are relevant for the Company are as detailed below:

Mandatory exceptions to the retrospective application of Ind AS

(i) Estimates

The estimates at 1st April, 2018 and at 31st March, 2019 are consistent with those made for the same dates in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies). The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1st April 2018, the date of transition to Ind AS and as at 31st March, 2019.

(ii) 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 existed at the date of transition to Ind AS.

Voluntary exemptions availed

(i) Deemed Cost for Property, Plant and Equipment and Investment Property

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

(ii) Derecognition of Financial Assets and Financial Liabilities

As per Ind AS 101 – An entity shall apply the exception to the retrospective application in case of “derecognition of financial assets and financial liabilities” wherein a first-time adopter shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. For example, if a first-time adopter derecognised non-derivative financial assets or non-derivative financial liabilities in accordance with its previous GAAP as a result of a transaction that occurred before the date of transition to Ind AS, it shall not recognise those assets and liabilities in accordance with Ind AS (unless they qualify for recognition as a result of a later transaction or event). The Company has opted not to re-evaluate financial assets derecognised in the past and to apply the derecognition requirements prospectively for transactions occurring on or after the transition date.

(iii) Impairment of Financial Assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risks since initial recognition, as permitted by Ind AS 101.

36 The Company has complied with the prudential norms as per NBFC’s (Reserve Bank) directions 1998 with regard to Income Recognition, Assets Classification, Accounting Standard and Provision for Bad & Doubtful Debts as applicable to it.

37 Related Party Disclosure :

Related party disclosures as required by Ind AS 24 - ‘Related Party Disclosure’ are given below:

a) Key Management Personnel : Mr. S.K. Khaitan , Mr. S.L.Gupta, Mr. Rafiullah (CFO), and Mr. P. K. Das (Manager) , Miss Nayantara Agiwal (Company Secretary)

b) Detail of Transaction and Outstanding Balances :

(Amount in ` Lacs)

Name of the Party	Relationship	Nature of Transaction	Volume of Transaction		Outstanding as on	
			19-20	18-19	31.03.2020	31.03.2019
Khaitan Chemical & Fertilizer Ltd.	Associate	Loan Given	--	438.15	814.55(Dr)	800.00(Dr)
		Loan Repaid	--	190.00	--	--
		Rent Received	3.30	0.56	--	--
		Interest Rec.	88.24	113.80	--	--
		Dividend Received	22.88	22.88	--	--
Arati Marketing (P) Ltd.	Associate	Loan Received	--	--	--	--
		Loan Repaid	--	--	--	--
		Interest Paid	--	0.56	--	--
		Loan Given	--	453.10	--	--
		Loan Repaid	--	453.40	--	--
Interest Received	--	0.90	--	--		
Khaitan Paper &	Associate	Loan Given	45.00	--	--	--

Packaging Limited		Loan Repaid	45.00	--		
		Interest Received	0.69	--		
B.D Memorial Institute	KMP Having Significant Influence	Loan Given	10.00	90.00	--	9.00 (Dr)
		Loan Repaid	10.00	81.00		
		Interest Received	0.03	0.84		
Mr. P. K. Das	KMP	Remuneration	3.56	3.23	--	--
Md. Rafiullah	CFO	Remuneration	3.05	2.55	-	-
		Salary Advance	-	-		
Miss Nayantara Agiwal	Company Secretary	Remuneration	5.27	4.64	--	--

38 The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant impact and volatility in global and Indian financial markets and slowdown in economic activities. On 24th March, 2020, the Indian Government announced a strict 21-day lock-down, which has been extended from time to time with or without relaxations across the country based on severity of the spread at local levels. The extent to which the COVID-19 pandemic will impact the Company's operational and financial results will depend on the future developments, which are uncertain, at this point of time including among other things any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company. The lockdown started in late March and hence, there was minimal impact on Company's performance during the last quarter of the financial year.

39 **Quantitative Information for the year ended 31st March 2020**

Particulars	Units	2019-2020		2018-2019	
		Qty	Amount(' Lacs)	Qty	Amount(' Lacs)
<u>Opening Stock</u>					
Shares & Securities	Nos	510000	435.78	4,55,000	218.40
Jewellery & Painting		--	280.62	--	280.62
<u>Purchases</u>					
Shares & Securities	Nos	16000	55.16	3,74,825	961.41
Jewellery & Painting		--	22.20	--	--
<u>Sales/Transfer</u>					
Shares & Securities	Nos	455000	218.40	3,19,825	701.26
Jewellery & Painting		--	74.06	--	--
<u>Closing Stock</u>					
Shares & Securities	Nos	71000	189.68	5,10,000	435.78
Jewellery & Painting		--	270.01	--	280.62

40 **Details of Contingent Liability :**

i) The Company has mortgaged its Fixed Assets viz Apartment No.206, 2ND Floor, Appollo Arcade, 1 / 2 Old Palasia -Indore and Flat No. 402 situated at Twin Tower, 5 / 2 Old Palasia, Indore with IDBI Bank as a security on the Term Loan taken by M/s Khaitan Chemical & Fertilizers Limited of ` 10 Crores.

- ii) The Company has given Corporate Guarantee towards a Loan of ` 2521 Lacs raised by B.D. Memorial Institute from Allahabad Bank.
- iii) The Company has given Guarantee towards a Loan of ` 3051 Lacs raised by Gopal Chakraborty Charitable Trust from Allahabad Bank.
- iv) The Company has given Corporate Guarantee towards a Loan of ` 3000 Lacs raised by Khaitan Chemicals & Fertilizers Limited from State Bank Of India, Commercial Branch, Indore.

41 (i) In the Financial Year 2017-2018, our Company has received Order Under Section 143(3) of the Income Tax Act, 1961 for the financial year 2013-2014 (Asst Year 2014-2015) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ` 4.87 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CIT(Appeals) for defending the case and management is hoping that the case will be decided in the favour of the company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid ` 0.73 Lacs under protest to the Department.

(ii) In the Financial Year 2017-2018, our Company has received Order Under Section 147/143(3) of the Income Tax Act, 1961 for the financial year 2009-2010 (Asst Year 2010-11) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ` 10.67 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CIT(Appeals) for defending the case and management is hoping that the case will be decided in the favour of the company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid ` 0.73 Lacs under protest to the Department.

(iii) In the Financial Year 2017-2018, our Company has received Order Under Section 17/16(5) of the Wealth Tax Act, 1957 for the financial year 2008-2009 to 2012-2013 (AY 2009-2010 to 2013-2014) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ` 21.05 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CWT(Appeals) for defending the case and management is hoping that the case will be decided in the favour of the company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid ` 4.21 Lacs under protest to the Department.

(iv) The Company has received Order Under Section 147/143(3) of the Income Tax Act, 1961 for the financial year 2010-2011 (Asst Year 2011-12) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ` 14.70 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CIT(Appeals) for defending the case and management is hoping that the case will be decided in the favour of the company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid ` 2.94 Lacs under protest to the Department.

SHRADHA PROJECTS LIMITED

CIN: L27109WB1992PLC054108

Notes on Consolidated Financial Statements for the year ended 31st March, 2020

- 42 Management has determined that there were no balances outstanding as at the beginning of the year and no transactions entered with Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, during the current year, based on the information available with the Company as at March 31, 2020.
- 43 Schedule in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is annexed hereto separately.
- 44 The figures for the previous year have been rearranged and/or regrouped wherever considered necessary.

Signature to Note A, 1 to 44

As per our attached report of even date

For Vasudeo & Associates

Chartered Accountants

Firm Registration No. 319299E

CA. SAURABH MODI

Partner

Membership No. 303815

UDIN -

Place: Kolkata

Dated: The 31st day of August, 2020

For and on behalf of the Board of Directors

S. L. GUPTA

Director

DIN- 00041007

B. K. KESAN

Director

DIN - 00038489

MD. RAFIULLAH

Chief Financial Officer

PAN- BLWPR4409L

N. AGIWAL

Company Secretary

PAN- BDJPA6622B