KALYANI COMMERCIALS LIMITED

RegdOffice: BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, Delhi-110042
CIN: L65923DL1985PLC021453
E-mail: kalyanicommercialslimited@gmail.com
Website:www.kalyanicommercialsltd.com
Ph.: 011- 43063223, 011-47060223

1st October, 2020

To,
National Stock Exchange of India Limited,
Exchange plaza, C-1, Block- G BandraKurla
Complex, Bandra
Mumbai-400051

NSE Symbol: KALYANI

Sub: Intimation of Revision in Annual Report of Kalyani Commercials Limited

Dear Sir

Please be informed that in 35th Annual General Meeting's Annual Report, there was one typographical error in Resolution No. 4 or Special Business Item No.2 of the Notice.

The resolution for re-appointment of MR. ALOK KUMAR GUPTA as Independent Director was passed by Special Resolution instead of pre-stated Ordinary Resolution.

This was a typographical error made inadvertently.

In this regard we are enclosing herewith the Revised Annual Report of the company as required under regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as annexure.

We request you to kindly take the same in your records.

Yours Sincerely

On behalf of the board
For Kalyani Commercials Limited

KALYANI COMMERCIALS LIMITED DELHI

Sourabh Agarwal
(Director and CFO)
DIN: 02168346
Address: BG-223, Sanjay Gandhi Transport Nagar,
GT Karnal Road, New Delhi-110042

KALYANI COMMERCIALS LIMITED

Annual Report 2019-20

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COMPANY INFORMATION

CIN:	**L65923DL1985PLC021453**
BOARD OF DIRECTORS:	**Mr. Shankar Lal Agarwal** (Managing Director) **Mr. Sourabh Agarwal** (Whole Time Director) **Ms. Manushree Agarwal** (Non-Executive Director) **Mr. Puneet Sethi** (Executive Director) **Mr. Alok Kumar Gupta** (Non-Executive & Independent Director) **Mr. Gagan Anand** (Additional, Non-Executive & Independent Director)
COMPANY SECRETARY AND COMPLIANCE OFFICER:	***Ms. Chandni Arora**

***Chandni Arora resigned from the post of Company Secretary & Compliance Officer w.e.f. 31st August 2020**

BOARD COMMITTEES:

A. AUDIT COMMITTEE :

S.NO.	NAME OF MEMBERS	DESIGNATION	CATEGORY
1.	Gagan Anand	Chairman	Additional Non-Executive & Independent Director
2.	Puneet Sethi	Member	Executive Director
3.	Alok Kumar Gupta	Member	Non-Executive & Independent Director

B. NOMINATION AND REMUNERATION COMMITTEE :

S.NO.	NAME OF MEMBERS	DESIGNATION	CATEGORY
1.	Gagan Anand	Chairman	Additional Non-Executive & Independent Director
2.	Manushree Agarwal	Member	Non-Executive Director

3.	**Alok Kumar Gupta**	**Member**	**Non-Executive & Independent Director**
C. SHAREHOLDERS GRIEVANCE COMMITTEE :			
S.NO.	**NAME OF MEMBERS**	**DESIGNATION**	**CATEGORY**
1.	**Alok Kumar Gupta**	**Chairman**	**Non-Executive & Independent Director**
2.	**Puneet Sethi**	**Member**	**Executive Director**
3.	**ShankarLalAgarwal**	**Member**	**Executive & Managing Director**
D. FINANCE & INVESTMENT COMMITTEE :			
S.NO.	**NAME OF MEMBERS**	**DESIGNATION**	**CATEGORY**
1.	**Gagan Anand**	**Chairman**	**Additional Non-Executive & Independent Director**
2.	**Puneet Sethi**	**Member**	**Executive Director**
3.	**Alok Kumar Gupta**	**Member**	**Non-Executive & Independent Director**
E. INTERNAL COMPLAINT COMMITTEE :			
S.NO.	**NAME OF MEMBERS**	**DESIGNATION**	**CATEGORY**
1.	**Manushree Agarwal**	**Chairman**	**Non-Executive Director**
2.	**Alok Kumar Gupta**	**Member**	**Non-Executive & Independent Director**
3.	**Gagan Anand**	**Member**	**Additional Non-Executive & Independent Director**
SECRETARIAL AUDITOR :		**M/s GA & Associates, Company Secretaries LLP** **Address**: A-5, Pota Cabin, Third Floor, Defence Colony New Delhi South Delhi DL 110024 IN **Contact No:** 011–46772203,04,05	
BANKERS:		**HDFC Bank Limited**	

	Axis Bank Limited **Indusind Bank Limited** **State Bank of India** **ICICI Bank Limited** **Bank of Baroda**
STATUTORY AUDITORS:	**M.C. Bhandari & Co., Chartered Accountants** **Address:** 38, Shopping Centre, Jhalwar Road, Kota - 324 007 **Contact No:**9414189339
REGISTERED OFFICE:	**BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, Delhi-110 042**
BRANCH OFFICE:	**Ganganagar Motors (Kota)** **Address**: A-165, I.P.I.A., Road no. 5, Jhalawar Road, Kota, Rajasthan – 324005. **BPCL Filling Station** **Address**: Khasra No. 142 & 143, Village Vrindavan, NH-12, Jhalawar, Rajasthan – 326001. **GD Automobiles** **Address:** 15/2, Mathura Road, Sector 27-A Faridabad-121003.
REGISTRAR & SHARES TRANSFER AGENT:	**Skyline Financial Services Pvt. Ltd.** **Address**: D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 **Contact No:**+91-11-40450193-97, 26812682-83
ISIN NO.:	**INE610E01010**
COMPANY WEBSITE:	**www.kalyanicommercialsltd.com**
E-MAIL:	**kalyanicommercialslimited@gmail.com**

NOTICE OF 35TH ANNUAL GENERAL MEETING

Notice is hereby given that the 35th Annual General Meeting of the members of Kalyani Commercials Limited will be held on Wednesday, 30th Day of September, 2020 at 10:00 A.M. at the registered office of the Company situated at BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, Delhi-110 042 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Consolidated/ Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon.

2. To Appoint a Director in place of Ms. Manushree Agarwal (DIN No. 06620217), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

3. REGULARIZATION OF APPOINTMENT OF DIRECTOR- MR. GAGAN ANAND (DIN: 08604211)

Consider and if thought fit, to pass with or without modification, the following resolution as **Ordinary Resolution**:

"RESOLVED THAT Mr. Gagan Anand (DIN: 08604211), who was appointed as an Additional Director on the Board of Directors ('Board') of the Company with effect from 6th November, 2019, in terms of Section 161 of the Companies Act, 2013 and other applicable provisions of the Companies Act 2013(including any statutory modification or re-enactment thereof) and applicable provisions of the Article of Associations of the Company and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as Director of the Company, liable to retire by rotation."

4. RE-APPOINTMENT OF MR. ALOK KUMAR GUPTA AS INDEPENDENT DIRECTOR IN TERMS OF SECTION 149 OF THE COMPANIES ACT, 2013

To consider and, if though fit, to pass with or without modifications the following resolution as an **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of section 149, 150, 152, and other applicable provisions, if any, of the Companies Act,2013 and rules made there under (including any stator modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Alok Kumar Gupta (DIN: 02168376), who has submitted a declaration that he meets the criteria of independence under sec 149(6) of the Companies Act, and who is eligible to be appointed as an independent director be and is hereby re-appointed as an independent director of the company to hold office for a term of five years with effect from the date of ensuing meeting annual general meeting"

5. APPROVAL FOR CONTRIBUTION UNDER THE PROVISIONS OF SECTION 181 OF THE COMPANIES ACT, 2013

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 181 of the Companies Act, 2013, and all other applicable provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), if any, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors for making a contribution under the provisions of the Section 181 of the Companies Act, 2013 up to a sum of Rs. 25,00,000/- (Rupees Twenty Five Lakhs Only) in such installments as may be thought fit by the Board in its own discretion."

6. TO APPROVE THE LIMITS FOR THE LOANS AND INVESTMENT BY THE COMPANY IN TERMS OF THE PROVISIONS OF SECTION 186 OF THE COMPANIES ACT, 2013

To consider, and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the approval of the board, the provisions of Section 186 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force), if any, the approval of the members of the Company be and is hereby accorded to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to anybody corporate or person and (c) acquire by way of subscription, purchase or otherwise, securities of anybody corporate from time to time in one or more trenches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding Rs. 100 Crores (Rupees One Hundred Crores Only) notwithstanding that such investments, outstanding loans given or to be given and guarantees and securities provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

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

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

7. APPROVAL FOR RELATED PARTY TRANSACTIONS

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 approval of the board, the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Company's policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with any related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for the transactions covered under section 188(1) of Companies Act, 2013, on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of Rs. 100 Crores (Rupees One Hundred Crores only).

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any of the Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

8. TO INCREASE THE BORROWING LIMIT UNDER SECTION 180(1)(C) OF THE COMPANIES, ACT, 2013

To consider, and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the approval of the board, the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, the consent of the shareholders of the Company be and is hereby accorded to borrow money, as and when required, from, including without limitation, any Bank and/or other Financial Institution and/or foreign lender and/or anybody corporate/ entity/entities and/or authority/authorities, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding a sum of Rs. 100 crores (Rupees One Hundred Crores only) for the Company, notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves.

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

9. TO TAKE APPROVAL TO SELL OR DISPOSE OF UNDERTAKINGS UNDER SECTION 180(1)(A) OF THE COMPANIES, ACT, 2013

To consider, and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the approval of the board, the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, consent of the shareholders of the company be and is hereby accorded, to sell, dispose of, pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking [as defined under Explanation of section 180(1)(a) of the Companies Act, 2013] of the Company, to the purchaser/third party, on such terms and conditions and with such modifications as the Board may deem fit and appropriate in the interest of the Company.

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

For and on behalf of the Board
KALYANI COMMERCIALS LIMITED

Sd/-
Sourabh Agarwal
(Whole Time Director)
DIN:02168346
Off. Add: BG 223 Sanjay Gandhi
Transport Nagar GT Karnal Road
New Delhi DL 110042 IN

Date: 07.09.2020
Place New Delhi

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.**

   In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company.

   PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION / AUTHORITY, AS APPLICABLE. An incomplete proxy form or proxy form received beyond time limit is liable to be rejected. A proxy form is enclosed.

2. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting along with their copy of Annual Report. No extra attendance slip and/or Annual Report will be provided at the venue of the Annual General Meeting. Also, Route map to the venue of meeting is enclosed.

3. Corporate Members intending to send their authorized representative(s) are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.

4. Proxies shall be made available for inspection during the period beginning twenty-four hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the meeting.

5. Pursuant to section 91 of the Companies Act, 2013, the register of members and the share transfer books of the Company will remain closed from 24th September, 2020 to 30th September, 2020 (both days inclusive) for the purpose of Annual General Meeting.

6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ M/s. Skyline Financial Services Private Limited.

7. The Company is providing facility of REMOTE E-VOTING and the business may be transacted through such voting. Details instructions are provided in the notice itself.

8. The facility for voting through Ballot paper shall also be made available at the meeting and members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting.

9. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

10. The ISIN of the Equity Shares of Rs.10/- each is INE610E01010.

11. Electronic copy of the Notice of Annual General Meeting and Annual Report 2019-20 is being sent to all the members whose email IDs are registered with the Company/Depositories for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Notice of Annual General Meeting and Annual Report 2019-20 is being sent in the permitted mode.

12. All the material documents, Resolutions, Memorandum and Articles of Association of the Company etc. are open for inspection to the members during the office hour of all working day till the conclusion of the Annual General Meeting at the registered office of the Company.

13. Members are requested to notify the change in address, if any, to the Company quoting their Folio Numbers, Name and number of share held by them etc.

14. Members are requested to register their e-mail addresses with the Company or depository for receiving communications including Annual Reports, Notices and Circulars etc. by the Company electronically.

15. For security reasons, no article/baggage will be allowed at the venue of the meeting.

16. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.

17. All documents referred to in accompanying Notice and Explanatory Statement shall be open for inspection by members and shall be available at the registered office of the Company on all working days during business hours from the date of this Notice up to the date of AGM.

18. The persons who have acquired shares and become members of the Company after the dispatch of notice and holding shares as on the cut-off date i.e. 23rd September, 2020 then the member may obtain Login ID and other e-Voting related details from the Company.

19. Only bona fide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.

20. The Novel Coronavirus COVID 19 is a Global Pandemic and has disrupted the social & business activities worldwide. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed. Hence, keeping in mind the safety of our stakeholders, directors, secretarial and statutory auditors we have ensure following measures while conducting Annual General Meeting of the Company: -

- Sanitization of the premises;
- Aaryogya setu app and body temperature of every individual to be checked before allowing entrance in the premises;
- No one is allowed without Masks;
- Every attendee has to adhere to the social distancing norms;
- No eatables will be served due to COVID-19 during meeting.
- Everyone is requested to carry their water bottles along with.

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

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

ITEM NO.3: Regularisation and Appointment of Mr Gagan Anand (DIN: 08604211) as the Director of the Company

The Board of Directors of the Company in their Meeting held on 06th November, 2019 had appointed Mr. Gagan Anand as the Additional Director of the Company. As per the provisions of Section 161(1) and other applicable provisions, if any of the Companies Act, 2013 read with rules made there under Mr. Gagan Anand can hold office only up to the date of the ensuing Annual General Meeting. With respect to the same, the Company has received a notice in writing pursuant to the provisions of Section160 of the Companies Act, 2013 proposing his candidature for appointment as a Director of the Company.

Mr. Gagan Anand has been working in various social fields for a long time. He possesses good management techniques and rich experience. He is competent and capable to hold the current position and provide valuable services to the Company and the work execution in a balanced manner. He possesses broad vision that shall be helpful for the Company to emerge more strongly. The Board feels that appointment and presence of Mr. Gagan Anand on the Board will be desirable, beneficial and in the best interest of the Company and hence recommends resolution set out in item no. 3 of the accompanying Notice for approval and adoption of the Members.

None of the Directors of the Company except Mr. Gagan Anand is concerned or interested in the proposed resolution.

ITEM NO. 4: To Re-Appoint Mr. Alok Kumar Gupta (Din- 02168376) as an Independent Director in Terms of Section 149 of The Companies Act, 2013

Mr. Alok Kumar Gupta was appointed as Independent Directors on the Board of your Company pursuant to the provisions of section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 by the Shareholders at the 30th Annual General Meeting ("AGM") of the Company held on 30th September, 2015. He holds office as an Independent Directors of the Company up to 29th September, 2020.

The Company has received notices in writing from a Member under section 160 of the Act, proposing the candidature of Mr. Alok Kumar Gupta for the office of director of the Company.

In the opinion of the Board, Mr. Alok Kumar Gupta, fulfil the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations.

The Board is of the view that Mr. Alok Kumar Gupta knowledge and experience will be of immense benefit and value to the Company and, therefore, recommends their appointment to the Members.

Except these Directors, being an appointee none of Director and Key Managerial personnel of the Company and relatives is concerned or interested, financial or otherwise in the resolution as set out in Items no. 4.

ITEM NO.5: Approval for Contribution under the Provisions of Section 181 of The Companies Act, 2013

Under Section 181 of the Companies Act 2013, the Board of Directors of the Company is authorized to make contributions to charitable and other funds, provided that prior permission of the Members is required for such contributions during a financial year exceeding five percent of its average net profits during the three immediately preceding financial years.

The approval of the Members is being sought, pursuant to Section 181 of the Act, for authorizing the Board of Directors of the Company to make contributions to bona fide charitable and other funds, in a financial year, exceeding five percent of the Company's average net profits during the three immediately preceding financial years.

The Board recommends the resolution as ordinary resolution for approval by the members of the Company.
None of the Directors of the Company and their relatives is concerned or interested, financial or otherwise.

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company may need additional funds. For this purpose, the Company may, from time to time, be required to raise finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company. Hence it is proposed to increase the maximum borrowing limits to Rs. 100 Crores for the Company.

Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting by way of special resolution.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the proposed resolution. The Board recommends the resolution to be passed by Special Resolution.

ITEM NO.6*: To Approve the Limits for the Loans and Investment by the Company In Terms of the Provisions of Section 186 of the Companies Act, 2013*

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate or as and when required.

Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account.

Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution for an amount not exceeding Rs. 100 Crores (Rupees One Hundred Crores Only) notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

The Directors therefore, recommend the Special Resolution for approval of the shareholders.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution.

ITEN NO.7: Approval for Related Party Transactions

To ensure stability of supplies in terms of quality, your Company proposes to enter into any transaction(s) with any related party. The total value of the proposed transaction(s) could reach upto Rs. 100 Crores.

Section 188 of the Companies Act, 2013 and the applicable Rules framed thereunder provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to more than the limit prescribed under the specific transactions under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014as the case may be as per last audited financial statements of the Company.
The transaction(s) entered into with related party comes within the meaning of Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations.

Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with any related party.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transaction(s) with any related party are as follows:

S. No.	Particulars	Remarks
	Name of the Related Party	Any Related Party
	Name of the Director or KMP who is related	Any Director or KMP
	Nature of Relationship	Related Party
	Nature, material terms, monetary value and particulars of the contract or arrangement	Contract or transactions of any kind covered under section 188(1) of the Companies Act, 2013 upto Rs.100 crores.
	Any other information relevant or important for the members to take a decision on the proposed resolution.	N.A

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution.

The Board of Directors recommends passing of the resolution as an Ordinary Resolution.

ITEM NO. 8: To Increase the Borrowing Limit Under Section 180(1)(C) of The Companies, Act, 2013

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company may need additional funds. For this purpose, the Company may, from time to time, be required to raise finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company. Hence it is proposed to increase the maximum borrowing limits to Rs. 100 Crores for the Company.

Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting by way of special resolution.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the proposed resolution. The Board recommends the resolution to be passed by Special Resolution.

<u>ITEM NO. 9</u>: To take approval to sell or dispose of undertakings under Section 180(1)(a) of the Companies, Act, 2013

The company proposes to sell or transfer or otherwise dispose-off its Undertaking(s) [as defined under Explanation of section 180(1)(a) of the Companies Act, 2013] of the Company to purchaser/third party investor.

The Board keeping in view the hardship incurred under Covid Pandemic has not received the expected growth, it feels that its prudent to withdraw investment from the Undertaking(s) [as defined under Explanation of section 180(1)(a) of the Companies Act, 2013] in the best interest of the Company. Such sale, lease or otherwise dispose of will amount to sale of substantial interest in undertaking by the Company, your Directors propose resolution under section 180(1)(a) of the Companies Act, 2013 for the approval of the shareholders.

Members of the Company are further requested to note that Section 180(1)(a) of the Companies Act, 2013 mandates that the Board of Directors of the company shall exercise the power to sell, lease or otherwise dispose-off the whole or substantially the whole of any undertaking(s) of the company, only with the approval of the members of the Company by way of a special resolution.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the proposed resolution. The Board recommends the resolution to be passed by Special Resolution.

<u>E-voting Instructions:</u>

Dear Member,

Sub: Voting through electronic means

Pursuant to the provision of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014, Kalyani Commercials Limited ("the Company") is offering e-Voting facility to its members in respect of the business to be transacted at the Annual General Meeting scheduled to be held on Wednesday,30thSeptember, 2020 at 10:00 A.M.

The Company has engaged the services of National Securities Depository Limited (NSDL) as the Authorized Agency to provide e-Voting facilities. The e-Voting particulars are set out below:

The e-Voting facility will be available during the following voting period:

- Commencement of e-Voting: 26th September, 2020 at 9:00 A.M.
- End of e-Voting: 29th September, 2020 till 5:00 P.M.
- The cut-off date for the purpose of e-Voting is 23rd September, 2020.

Please read the instructions printed overleaf before exercising the vote. This Communication forms an internal part of the Notice dated 07th September 2020 for the Annual General Meeting scheduled to be held on 30th September 2020. The Notice of the Annual General Meeting and this communication will also be available on the website of the Company.

Voting through electronic means

i. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) 2015 , the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

ii. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

iii. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

iv. The remote e-voting period commences on 26th September, 2020 (9:00 am) and ends on 29th September, 2020 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd 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.

v. The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :

Step 1: Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/.
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 will be as per details given below :
   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 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 contains your 'User ID' and your 'initial password'.
      ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
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 OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick 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.

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

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. 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.
2. Select "EVEN" of "Kalyani Commercials Limited".
3. Now you are ready for remote e-voting as Cast Vote page opens.
4. 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.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you have voted on the resolution, you will not be allowed to modify your vote.
9. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote to the Scrutinizer through e-mail to srsecretarialadvisor@gmail.com with a copy marked to evoting@nsdl.co.in.
10. 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.

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

EVEN (Remote e-voting Event Number)	**USER ID**	**PASSWORD/PIN**

(ii) Please follow **Step1 and Step 2** above to cast vote.

i. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of https://www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

ii. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

iii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

iv. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September, 2020.

v. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or kalyanicommercialslimited@gmail.com

vi. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

vii. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

viii. Ms. Parul Gulati (Membership No. A 37801) on behalf of M/s. GA & Associates, Company Secretaries LLP has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

ix. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

x. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the 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 and declare the result of the voting forthwith.

xi. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchange.

For and on behalf of the Board
KALYANI COMMERCIALS LIMITED

Sd/-
Sourabh Agarwal
(Whole Time Director)
DIN:02168346
Off. Add: BG 223 Sanjay Gandhi Transport Nagar GT Karnal Road New Delhi DL 110042 IN

Date: 07.09.2020
Place: New Delhi

DIRECTOR'S REPORT

To
The Shareholders,

The Board of Directors hereby presents its 35th Director's Report on business and operations of the Company, along with Standalone & Consolidated Audited Financial Statements for the Financial Year ended on 31st March, 2020.

1. BACKGROUND

The Company was registered as Non Deposit Accepting Non-Banking Finance Company ("NBFC"), holding a Certificate of Registration (14.00928) from the Reserve Bank of India ("RBI"). However Company has applied for the surrender of Certificate of Registration on 28th day of June, 2019.

The company dealing in trading of Heavy Commercial Vehicle, Three Wheeler and servicing (Dealership of TATA and Bajaj,) Petroleum Product (Dealership of Bharat Petroleum Limited)'.

2. STATE OF COMPANY'S AFFAIR

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

3. FINANCIAL RESULTS

The Financial performance of the Company for the financial year ended 31st March, 2020 is summarized below:-

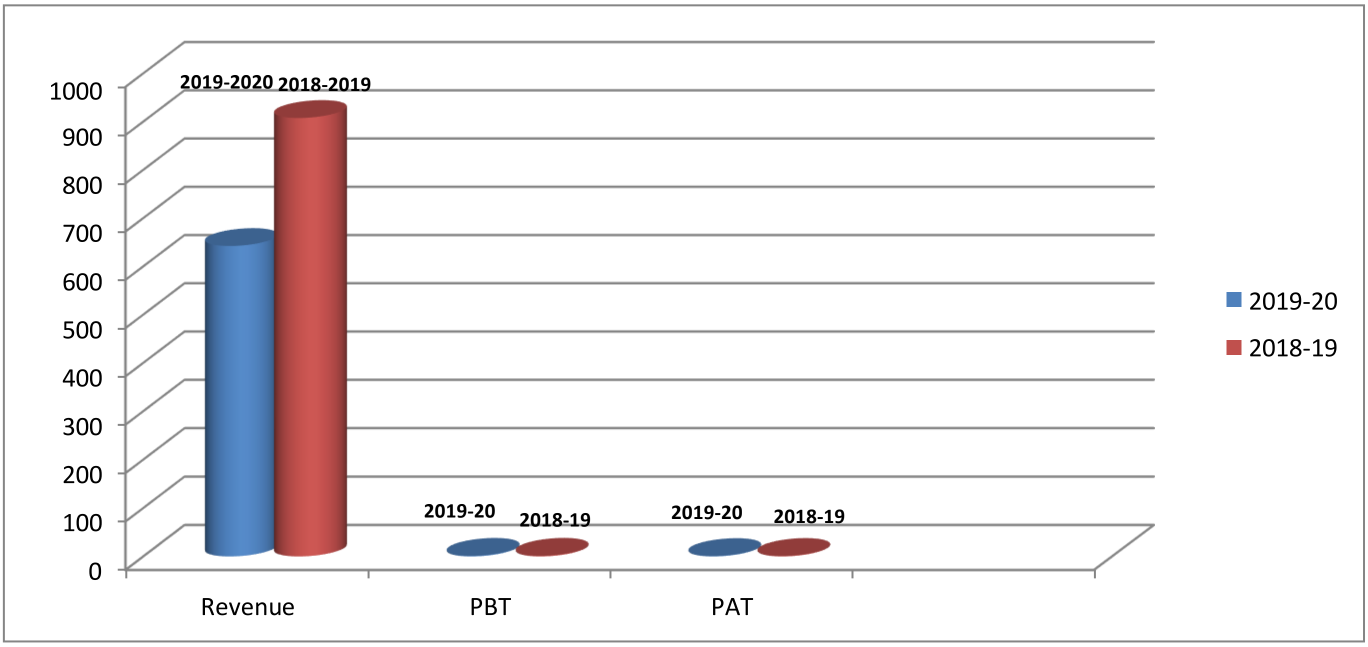
(Rs. In Crore, except EPS)

Particulars	**Consolidated**		**Standalone**	
	For the year Ended		**For the year Ended**	
	31.03.2020	**31.03.2019**	**31.03.2020**	**31.03.2019**
Total Revenue	642.14	901.47	228.77	401.60
Total Expenses	641.01	900.24	227.64	400.77
Profit Before Tax & Extraordinary Item	1.14	1.24	1.13	0.82
Extraordinary Item	0.00	.10	0.00	.10
Tax Expenses				
- **Current Tax**	0.50	0.40	0.24	0.23
- **Deferred Tax Liability(Net)**	(0.05)	(0.09)	(0.00)	(.02)
- **Income Tax Earlier Year**	0.00	(0.04)	(0.00)	(.04)
Profit / Loss For The Year After Tax	**0.69**	**0.87**	**0.88**	**0.55**
Total Other Comprehensive Income / Loss	0.07	**-**	0.07	**-**
Total Comprehensive Income / Loss	**0.76**	**0.87**	**0.95**	**0.55**

Profit attributable to a) Parent b) Non-Controlling Interest	 0.85 (0.10)	 0.71 0.15	 - -	 - -
Earnings Per Share (EPS) **a) Basic** **b) Diluted**	 **7.56** **7.56**	 **8.66** **8.66**	 **9.55** **9.55**	 **5.49** **5.49**

4. OPERATIONAL PERFORMANCE

During the period, collectively the company achieved revenue of Rs. 642.14 /- crores for the year ended 31st March, 2020 as against Rs. 901.47/- crores for the year ended 31st March, 2019. The Company earned a profit of Rs. **0.69**/- crores during the year ended 31st March, 2020 as against the profit of Rs. **0.87**/- crores in previous year ended 31st March, 2019.



5. DIVIDEND

The company is planning to expand and thereby would need funds to invest in future projects. It thereby regrets to not to recommend any dividend but the directors are hopeful for better results in enduing future.

6. RESERVES AND SURPLUS

The Company has Rs.77,881,800.97/- in the reserve and surplus, out of which, the Company has transferred total amount of Statutory Reserve into General Reserve. The Company is not transferring any amount to reserve out the current year's surplus.

7. SHARE CAPITAL

During the year under review, the share capital of the company remains unchanged and the company has also not issued any equity shares with differential rights and sweat equity shares.

8. LISTING OF SECURITIES

The 1000000 equity shares of Rs. 10/- each of the Company are listed on **National Stock Exchange of India Limited** (NSE) w. e. f. February 13, 2017.

The Annual listing fees for the year 2019-20 have been paid to the Stock Exchange.

9. DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company conducts its business through its Subsidiaries for the various business segments, in which it operates as of 31st March, 2020.

The Details of the Subsidiaries Companies are as follows:

S. No.	Company	Status	Shareholding
1.	Ganganagar Vehicles Private Limited	Subsidiary	51.08%

*** Nekub Consultancy Limited and YYKS Buildcon Limited strike of during the year 2019-20**

Pursuant to sub-section (3) of Section 129 of the Act and rules made there under, the statement containing the salient feature of the financial Statement of a Company's subsidiaries, associate companies and joint venture is given herewith AOC-1 as **Annexure-I** .

Further, pursuant to Accounting Standards i.e. AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company in this Annual Report includes the financial information of its subsidiaries.

During the financial year under review, no new Company became Subsidiary/Joint Venture/Associate of the Company.

10. BRANCHES OF THE COMPANY

During the period under review, the Company has 3 (Three) branches in Rajasthan and Haryana both. The details of such branches are mentioned herein below:

S. No.	Name	Address
1.	Ganganagar Motors (Kota)	A-165, I.P.I.A., Road no. 5, Jhalawar Road, Kota, Rajasthan – 324005.
2.	BPCL Filling Station	Khasra No. 142 & 143, Village Vrindavan, NH-12, Jhalawar, Rajasthan – 326001.
3.	GD Automobiles	15/2, Mathura Road, Sector27-A Faridabad- 121003.

11. DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was payable or outstanding as on 31st March, 2020.

The company has neither accepted nor renewed any deposits falling under chapter V of Companies Act, 2013.

12. PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES U/S 188(1)

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form AOC -2 as **Annexure -II.**

13. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) APPOINTED / RESIGNED DURING THE YEAR

Pursuant to the provisions of the Companies Act, 2013 and the Company's Articles of Association, Ms. Manushree Agarwal, Director, is retiring by rotation in the forthcoming Annual General Meeting and, being eligible, offers herself for re-appointment.

During the year under review, Mr. Gagan Anand has appointed as an Additional Director on the board of the Company w.e.f. 06th November, 2019 to hold office for a term of 5 consecutive years from the date of ensuing Annual General

Meeting subject to approval of shareholders in the ensuing Annual General Meeting of the Company and Mr. Mukesh Joshi has resigned from the board of the company w.e.f. 07th August, 2019.

Mr. Vikramjit Singh resigned from the post of Company Secretary w.e.f. 07th October, 2019. The Board appreciates the efforts and works done by him during his tenure. The Company further appointed Ms. Chandni Arora as the Company Secretary and Compliance Officer w.e.f. 22nd November, 2019. She resigned from the post of Company Secretary and Compliance Officer w.e.f. 31st August 2020.

Further, list of directors/KMP is mentioned herein below for your reference:

LIST OF DIRECTORS AS ON 31ST MARCH, 2020:

S. No	Name	Designation
1.	Shankar Lal Agarwal	Managing Director
2.	Sourabh Agarwal	Whole-time Director
3.	Manushree Agarwal	Director
4.	Puneet Sethi	Director
5.	Alok Kumar Gupta	Independent Director
6.	Gagan Anand	Additional (Independent) Director

LIST OF KEY MANAGERIAL PERSONNEL (KMP) AS ON 31ST MARCH, 2020:

S. No.	Name	Designation
1.	Shankar Lal Agarwal	Managing Director
2.	Sourabh Agarwal	Chief Financial Officer
3.	Chandni Arora	***Company Secretary and Compliance Officer

***Resigned with effect from 31st August 2020**

14. MEETINGS HELD DURING THE F.Y. 2019-2020

The Agenda and Notice of the Meetings were circulated well in advance to the respective Directors. During the year under review, 9 (Nine) Board Meetings, 4 (Four) Audit Committee Meetings, 4 (Four) Shareholder's Grievance Committee Meetings, 1 (One) Nomination and Remuneration Committee Meeting, 1 (One) Internal Complaint Committee Meeting, 1 (One) Finance & Investment Committee Meeting and 1 (One) Independent Director's Committee Meeting were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 i.e. the maximum interval between any two meetings did not exceed 120 days.

15. COMPOSITION OF COMMITTEES OF THE BOARD AS ON 31ST MARCH 2020:

a) AUDIT COMMITTEE:

In compliance with the provisions of Section 177 of the Companies Act, 2013, the primary objective of the audit committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurately and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The composition of Audit Committee of the Company is as following:

S. No	Name of Member	Designation	Category
1.	Gagan Anand	Chairman	Non-Executive & Independent Director

2.	Puneet Sethi	Member	Executive Director
3.	Alok Kumar Gupta	Member	Non-Executive & Independent Director

The Board has accepted all the recommendations proposed by audit committee during the Financial Year.

b) NOMINATION AND REMUNERATION COMMITTEE:

In compliance with provisions of 178(1) of the Companies Act, 2013, the purpose of the committee is to screen and review individuals qualified to serve as executive directors, non-executive directors and independent directors and to review their remuneration, consistent with criteria approved by the Board, and to recommend, for approval by the Board. The composition of Nomination and Remuneration Committee of the Company is as following:

S. No.	Name of Member	Designation	Category
1.	Gagan Anand	Chairman	Non- Executive & Independent Director
2.	Manushree Agarwal	Member	Non- Executive Director
3.	Alok Kumar Gupta	Member	Non- Executive & Independent Director

c) SHAREHOLDER'S GRIEVANCE COMMITTEE:

In order to comply with the Good Corporate Governance Norms, the Company has constituted this committee. The purpose of the committee is to assist the Board and the Company in maintaining healthy relationships with all stakeholders. The composition of Shareholder's Grievance Committee of the Company is as following:

S. No.	Name of Member	Designation	Category
1.	Alok Kumar Gupta	Chairman	Non- Executive & Independent Director
2.	Shankar Lal Agarwal	Member	Executive Director
3.	Puneet Sethi	Member	Executive Director

d) FINANCE AND INVESTMENT COMMITTEE:

The Board of Directors has constituted Finance and Investment Committee to assist it in overseeing acquisitions and investments made by the Company and provide oversight on key investment policies of the Company. The composition of Finance and Investment Committee is as following:

S. No.	Name of Member	Designation	Category
1.	Gagan Anand	Chairman	Non- Executive & Independent Director
2.	Alok Kumar Gupta	Member	Non- Executive & Independent Director
3.	Puneet Sethi	Member	Executive Director

e) INTERNAL COMPLAINT COMMITTEE :

The Board of Directors has constituted Internal Complaint Committee pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the purpose of adhering the Complaints of employees regarding Sexual Harassment.

S. No.	Name of Member	Designation	Category
1.	Manushree Agarwal	Chairman	Non- Executive Director

2.	Alok Kumar Gupta	Member	Non- Executive & Independent Director
3.	Gagan Anand	Member	Non-Executive & Independent Director

16. DECLARATION BY INDEPENDENT DIRECTOR

The Independent Directors have submitted their declarations of independence, as required pursuant to provisions of section 149(7) of the Act, stating that they meet the criteria of independence as provided in subsection (6) and Regulation 25 of Listing Regulations.

17. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR

In terms of regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company familiarizes the Directors about their role and responsibility at the time of their appointment through a formal letter of appointment. All new independent directors inducted into the Board attend an orientation program. Presentations are regularly made at the meetings of the Board and its various Committees on the relevant subjects. The details of programs for familiarization of Independent Directors can be accessed on the Company's website.

18. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

1.) in the preparation of annual accounts for the financial year ended 31st March, 2020 the applicable accounting standards have been followed along with proper explanation relating to material departures;

2.) 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 Companies as at 31st March, 2020 and of the loss of the Company for the period ended on that date;

3.) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

4.) the Directors have prepared the annual accounts on a going concern basis;

5.) the Directors have laid down proper internal financial controls to be followed by the company and such internal financial control and adequate and were operating effectively; and

6.) the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively .

19. DETAILS OF FRAUD REPORTED BY AUDITOR

In terms of sub clause 3 (c) (a) of Section 134 of Companies Act, 2013, there have been no frauds reported by the Auditors under sub section (12) of section 143 other than which are reportable to Central Government.

20. CORPORATE GOVERNANCE REPORT

As per Regulation 15 of the SEBI (Listing Regulations and Disclosure Obligations Requirements) Regulations, 2015, the provisions of Chapter IV of the said Listing Regulations, 2015, the Compliance with the corporate governance provisions as specified in Regulations 17, [17A,] 18, 19, 20, 21,22, 23, 24, 24A, 25, 26, 27and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V shall not be mandatory, for the time being, in respect of the following class of companies:

A. The listed entity having Paid up Equity Share Capital not exceeding Rs.10 Crore and Net Worth not exceeding Rs.25 Crore, as on the last day of the previous financial year;

B. The Listed Entity which has listed its specified securities on the SME Exchange.

Since the Company is neither listed exclusively on the SME Exchange nor its paid-up share capital and net-worth exceeds the prescribed threshold limits therefore, Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable on the Company.

21. BOARD EVALUATION

In pursuant to applicable Sections of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has formulated a framework and criteria to evaluate the performance of the entire Board of the Company, its Committees and Individual Director including Independent Directors.

The Independent Directors has met separately without any presence of Non-Independent Director and member of management to discuss the performance of Non-Independent Directors and Board as a whole.

22. SECRETARIAL AUDIT

As required under Section 204 (I) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s GA & Associates, Company Secretaries LLP to conduct the Secretarial Audit for the financial year 2019-20. The Secretarial Audit Report received from them form part of Annual Report as **Annexure III**.

23. SECRETARIAL AUDITORS' REPORT

The Secretarial Auditor remarks are self-explanatory and do not require any clarification from the Board except the following:

- CIC Registration as provided under the **Reserve Bank of India** Circular No. DNBS (PD).CC. No 200 / 03.10.001/ 2010-11 dated 17th September, 2010 and related notifications issued in relation of the same, has not been acquired by the Company**. However, Company has filed application for surrender of NBFC's Certificate of Registration on 28 June 2019.**
- Pursuant to SEBI Circular No-SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 wherein Issuer Companies through their RTA shall take special efforts to collect copy of PAN, and bank account details of all securities holders holding securities in physical form, While collecting the details, RTAs shall ensure that they send a letter under registered/ speed post seeking PAN and bank details (a copy of the Pan card and original cancelled cheque leaf/ attested bank passbook showing the name of account holder) within 90 days of the circular and two reminder thereof after the gap of 30 days. All the 3 letters will have 21 days' notice period to provide the details.
  a) With respect to the same, the Company through their RTA has not sent the letters the shareholders under registered/ speed post seeking Pan and Bank details within 90 days of this circular and further, no such two reminders were given after the gap of 30 days. All these 3 letters were required to have 21 days' notice period to provide the details.

Board Clarification: The Board assures that the Company will comply in respect of the above-mentioned SEBI Circular, the Company has received PAN details of some of the shareholders.

24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Pursuant to Section 186(11) of the Companies Act, 2013, disclosure under Section 134(3) (g) of the Companies Act, 2013 is not applicable on the Company.

25. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Return in form MGT-9 as required under Section 134(3) of the Companies Act, 2013, are included in this report as **Annexure – IV** and are also available on the Company's website viz. http://kalyanicommercialsltd.com/.

26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

27. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

The Board of Directors in its meeting held on 28th June 2019 has decided to surrender its Certificate of Registration (COR) bearing Regd. No. 14.00928 as a non - deposit accepting Non-Banking Financial Company (NBFC) issued by the Reserve Bank of India (RBI), dated 2nd June, 1998, consequently the Company has ceased to carry its NBFC activities.

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

28. CHANGE IN THE NATURE OF BUSINESS

The Company has filed an application for surrender of Certificate of Registration (COR) bearing Regd. No. 14.00928 as a non - deposit accepting Non-Banking Financial Company (NBFC) issued by the Reserve Bank of India (RBI) and consequently stopped doing any business activity as NBFC.

29. SECRETARIAL STANDARDS OF ICSI

Your Company is in compliance with all the applicable Secretarial Standards as specified by the Institute of Company Secretaries of India.

30. STATUTORY AUDITORS

In accordance with the provisions of Section 139 of the Act and the rules framed there under, M/s M.C. Bhandari & Co., Chartered Accountants were re-appointed as statutory auditors of the Company in the Annual General Meeting held on 1st September, 2017 for a period of five years i.e. till the conclusion of the AGM to be held in the year 2022.

31. STATUTORY AUDITORS' REPORT

The observation made by the Auditors are self – explanatory and do not require any further clarifications. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

32. PARTICULARS OF EMPLOYEES

The information as per Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached herewith as **Annexure V.**

(i). The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year 2019-20:

S. No.	Directors	Ratio to median remuneration
1	Mr. Shankar Lal Agarwal	3.60:1
2	Mr. Sourabh Agarwal	5.15:1
3	Mr. Alok Kumar Gupta	NIL
4	Mr. Puneet Sethi	NIL
5	Ms. Manushree Agarwal	NIL
6.	Mr. Mukesh Joshi	NIL
7	Mr. Gagan Anand	NIL

(i). There has been **29%** decrease in the remuneration Company Secretary and there has been no change in the remuneration of Managing Director, Whole Time Director/CFO and Company Secretary of the Company in the financial Year 2019-2020.

(ii). There has been **2.70%** decrease in the median remuneration of employees in the financial year 2019-20.

(iii). The total number of permanent employees on the rolls of the Company during the financial year was **352**.

(iv). There has been an average percentile increase of **18.26%** in the salaries of employees and managerial personnel as well. The total remuneration to employees for the Financial Year 2019-20 was Rs. 5,00,80,733/- as compared to Rs. 4,23,49,316/- in the Financial Year 2018-19.

(v). The Company affirms that remuneration given is as per the remuneration policy of the Company.

However, as per the provisions of Section 136 of the Act, the Report and Accounts are being sent to all the members excluding the information on particulars of employees which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting.

33. DISCLOSURE UNDER RULE 5 (2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION) RULES, 2014

No Directors/employees of the Company was in receipt of amount exceeding a salary of Rs. 8,50,000/- per month or more when employed for a part of the financial year and Rs. 1,02,00,000/- per annum or more when employed for whole of the year, under the provision of Rule 5 (2) & (3) of The Companies (Appointment And Remuneration) Rules, 2014, as amended from time to time.

34. HUMAN RESOURCES

The Company recognizes people as its most valuable asset and it has built an open, transparent and meritocratic culture to nature this asset. The company has kept a sharp focus on Employee Engagement. The Company's Human Resources is commensurate with the size, nature and operation of the Company. It looks at the employee's entire life cycle, to ensure timely interventions and help build a long-lasting and fruitful career.

35. CORPORATE POLICY

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

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

The Key Policies are as follows:

Name of the Policy	**Brief Description**
VIGIL MECHANISM/ WHISTLE BLOWER POLICY	This policy has been established with a view to provide a tool to Directors and Employees of the Company to report to Management genuine concerns including unethical behavior, actual or suspected fraud or violation of the code or the policy. The Policy also provides for adequate safeguards against victimization of Director(s)/Employee(s) who avail of the mechanism and also provides for direct access to the chairman of the Audit Committee in exceptional cases.
REMUNERATION POLICY	The Board has on the recommendation of Nomination and Remuneration Committee framed and adopted a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration.

POLICY FOR DETERMINING MATERIALITY OF EVENT OR INFORMATION	The Objective of this policy is to outline the guidelines to be followed by the Company for consistent, transparent and timely public disclosures of material information events/information and to ensure that such information is adequately disseminated to the stock Exchange(s) where the securities of the Company are listed in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.
POLICY OF PRESERVATION OF RECORDS	This policy sets the Standards for classifying, managing and storing the records of the Company. The Purpose of this policy is to establish framework for effective records Management and the process for Subsequent archival of such records.
KYC AND AML POLICIES	This policy is made to prevent criminal elements from using Company for money laundering activities and to enable the Company to know/ understand its customers and their financial dealings better which, in turn, would help the Company to manage risks prudently
TERMS AND CONDITIONS OF APPOINTMENT OFINDEPENDENT DIRECTORS	This has prescribed the code of conduct terms and conditions of appointment of the Independent Directors, which are subject to theextant provisions of the applicable laws, including the Companies Act, 2013 ('2013 Act')and Clause 49 of the Listing Agreement (as amended from time to time).
FAIR PRACTICE CODE	This Code prescribes the guidelines to cover the general principles on adequate disclosures on the terms and conditions of a loan and adopting a non-coercive recovery method.
POLICY FOR DETERMINING MATERIAL SUBSIDIARIES	The Board has adopted a policy for determining material subsidiaries.
INSIDER TRADING PROHIBITION CODE PURSUANT TO (SEBI (PIT) REGULATIONS, 2015	This Code has been formulated to regulate, monitor and report trading by the Designated Persons to comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The Code is prescribed to ensure that the Designated Persons do not trade in the Securities of the Company when in possession of UPSI, and to prevent any speculative dealings, knowingly or unknowingly, by the Designated Persons. The Policy was amended in line with SEBI (Prohibition of Insider Trading) (Amendment) Regulations 2018, incorporating 'legitimate purpose' in connection with sharing of UPSI.
POLICY ON RELATED PARTY TRANSACTION(S)	In compliance with the Listing Regulations, the Company has the policy for transactions with Related Parties (RPT Policy). During the year, the Company has revised its Policy on dealing with Materiality of Related Party Transactions, in accordance with the amendments to the applicable provisions of the Listing Regulations. The RPT Policy is available on the Company website.

POLICY ON FAMILIARIZATION OF INDEPENDENT DIRECTORS	This policy has been formulated to familiarize the independent directors with the Company, the functions of the Company and specify their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various Programs.

36. REPORT UNDER THE PREVENTION OF SEXUAL HARASSMENT ACT, 2013

The Board confirms that no complaints/ cases has been filed / pending with the Company under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the financial year 2019-20. Further an Internal Complaints Committee has been set up to redress complaints, if any, received regarding sexual harassment. All employees (permanent, contractual temporary, trainees) are covered under this policy.

37. DISCLOSURE ABOUT COST AUDIT

As per the Cost Audit Orders, Cost Audit is not applicable to the Company's for the FY 2019-20.

38. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The disclosure as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable as Company is not covered under the criteria mentioned in Section 135(1) of the Companies Act, 2013.

39. EMPLOYEE STOCK OPTIONS DETAILS

During the year under review, the Company has no Employee's Stock Options schemes.

40. MANAGEMENT DISCUSSIONS AND ANALYSIS

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31st March, 2020 and is annexed as **Annexure- VI** of this Annual Report for the reference of the stakeholders.

41. INTERNAL AUDIT & CONTROL

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures.

Further, pursuant to Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, M/s. R.L. Vijayveergiya & Co., Chartered Accountants, is the Internal Auditor of the Company who is performing all the duties as required to perform by the Internal Auditor under the Companies Act, 2013.

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

In view of the nature of the activities carried out by the Company, Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 relating to conservation of energy and technology absorption, are not applicable to the Company. During the year under review, the Company had no earnings and expenditure in foreign exchange.

43. ACKNOWLEDGEMENT AND APPRECIATION

Yours Directors would like to express their grateful appreciation for assistance and cooperation received from the Banks, Government Authorities, Customers, Vendors and Members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services of the Executives, staff and workers of the Company at all levels.

By the order of the Board
For Kalyani Commercials Limited

Sd/-	**Sd/-**
Sourabh Agarwal	**Shankar Lal Agarwal**
(Whole Time Director)	**(Managing Director)**
DIN: 02168346	**DIN: 01341113**
Address: AE- 166, Shalimar Bagh,	**Address: AE-166, Shalimar Bagh,**
New Delhi- 110088	**New Delhi- 110088**

Date: 07.09.2020
Place: New Delhi

Annexure –I

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
Part: "A" Subsidiaries

By the order of the Board

1.	**Name of Subsidiary**	**Ganganagar Vehicles Private Limited**
2.	Reporting period for the subsidiary concerned	**2019-20**
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Rs.
4.	Share capital	8,00,00,000
5.	Reserves & surplus	25,47,850.94
6.	Total assets	66,31,91,929.96
7.	Total Liabilities	58,06,44,079.02
8.	Turnover	40,72,56,24,12.46
9.	Profit before taxation	81,805.94
10.	Provision for taxation	25,50,000 (deferred Tax exp - 4,79,452)
11.	Profit after taxation	19,88,742.06
12.	Proposed Dividend	Nil
13.	% of shareholding	51.08%
14.	Names of subsidiaries which are yet to commence operations	(1) YYKS Buildcon Limited (2) NEKUB Consultancy Limited These Companies has been *Strike Off during the year*
15.	Names of subsidiaries which have been liquidated or sold during the year.	

For Kalyani Commercials Limited

Sd/-
Sourabh Agarwal
(Whole Time Director)
DIN: 02168346
Address: AE- 166, Shalimar Bagh,
New Delhi- 110088

Sd/-
Shankar Lal Agarwal
(Managing Director)
DIN: 01341113
Address: AE-166, Shalimar Bagh,
New Delhi- 110088

Date: 07.09.2020
Place: New Delhi

Annexure-II

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis- N.A.

a) Name(s) of the related party and nature of relationship:
b) Nature of contracts/arrangements/transactions:
c) Duration of the contracts / arrangements/transactions:
d) Salient terms of the contracts or arrangements or transactions including the value, if any
e) Justification for entering into such contracts or arrangements or transactions:
f) Date(s) of approval by the Board :
g) Amount paid as advances, if any:
h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis: As table given below:

S. No.	Particulars	Details of the Parties					
a)	**Name(s) of the related party and nature of relationship**	Kota Trucks Private Limited		Ganganagar Vehicles Private Limited		Mala Agarwal	Sourabh Agarwal
b)	**Nature of contracts / arrangements/ transactions**	Purchases	Sales	Purchases	Sales	Payment of Lease Rent	Payment of Lease Rent
c)	**Duration of the contracts/arrangements/transaction**	1 Year	1 Year	1 Year	1 Year	60 Months	60 Months
d)	**Salient terms of the contracts or arrangements or transactions including the value, if any**	On Purchase order Basis	On order Basis	On Purchase order Basis	On order Basis	As per Lease agreement	As per Lease agreement
e)	**Date(s) of approval by the Board, if any**	28th May, 2019	28th May, 2019	28th May, 2019	28th May, 2019	30th May 2017	28th May, 2019
f)	**Amount paid as advances, if any**	-	-	-	-	-	-

By the order of the Board
For Kalyani Commercials Limited

Sd/-
Sourabh Agarwal
(Whole Time Director)
DIN: 02168346
Address: AE- 166, Shalimar Bagh,
New Delhi- 110088

Sd/-
Shankar Lal Agarwal
(Managing Director)
DIN: 01341113
Address: AE-166, Shalimar Bagh,
New Delhi- 110088

Date: 07.09.2020
Place: New Delhi

Annexure III

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,
Kalyani Commercial Limited

We have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **M/S KALYANI COMMERCIAL LIMITED** (hereinafter called as “the Company”) for the financial year ended on 31st March, 2020 (hereinafter called as the “period under review”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-Mechanism in place to the extent, in the manner but subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period under review, checked the applicability of the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under; **Not applicable during the period under review.**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **Not applicable during the period under review.**

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not applicable during the period under review.**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not applicable during the period under review.**
(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable during the reporting period.**
(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable during the period under review.**
(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **- Not applicable during the period under review.**
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **Not Applicable during the period under review.**
(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable during the period under review.**

(vi) Reserve Bank of India Act, 1934; **Not Applicable during the period under review as Company has applied for the surrender of NBFC’s Certificate of Registration on 28 June 2019.**

(vii) Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015; **Not Applicable during the period under review as Company has applied for the surrender of NBFC's Certificate of Registration on 28 June 2019.**

(viii) Applicable Labour laws:

a) Payment of Gratuity Act, 1972;
b) Maternity Benefit Act, 1961;
c) Employees Provident Fund Act, 1952;
d) Employment Exchange (Compulsory Notification of Vacancies) Act, 1959;
e) Payment of Wages Act, 1936

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

- Secretarial Standards issued by The Institute of Company Secretaries of India**.**
- The Listing Agreements entered into by the Company with Stock Exchanges; **Not Applicable during the period under review as no new listing agreement has been executed**.

During the period under review and as per the explanations and clarifications given to us and the representations made by the management, the Company has complied with the provisions of applicable Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following Observations:

- CIC Registration as provided under the **Reserve Bank of India** Circular No. DNBS (PD).CC. No 200 / 03.10.001/ 2010-11 dated 17th September, 2010 and related notifications issued in relation of the same, has not been acquired by the Company**. However, Company has filed application for surrender of NBFC's Certificate of Registration on 28 June 2019.**
- Pursuant to SEBI Circular No-SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 wherein Issuer Companies through their RTA shall take special efforts to collect copy of PAN, and bank account details of all securities holders holding securities in physical form, While collecting the details, RTAs shall ensure that they send a letter under registered/ speed post seeking PAN and bank details (a copy of the Pan card and original cancelled cheque leaf/ attested bank passbook showing the name of account holder) within 90 days of the circular and two reminder thereof after the gap of 30 days. All the 3 letters will have 21 days' notice period to provide the details.

  b) With respect to the same, the Company through their RTA has not sent the letters the shareholders under registered/ speed post seeking Pan and Bank details within 90 days of this circular and further, no such two reminders were given after the gap of 30 days. All these 3 letters were required to have 21 days' notice period to provide the details.

We further report that

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

2. Adequate notices were given to all Directors to schedule the Board Meetings. Also, agenda and detailed notes on Agenda were sent to all the Directors at least seven days in advance. Also, 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.

3. There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For GA & Associates
Company Secretaries LLP

Sd/-
Rizwan Khan
COP No. 22675
Membership No. A37664
UDIN:A037664B000644787
Date: 19/08/2020
Place: New Delhi

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

‘Annexure’

To,

The Members,

Kalyani Commercial Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management Representation Letter about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

For GA & Associates
Company Secretaries LLP

Sd/-
Rizwan Khan
COP No. 22675
Membership No.A37664
UDIN: A037664B000644787

Date: 19/08/2020
Place: New Delhi

Annexure-IV

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN
(As on financial year ended 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:

i.	**CIN**	L65923DL1985PLC021453
ii.	**Registration Date**	08/07/1985
iii.	**Name of the Company**	Kalyani Commercials Limited
iv.	**Category/Sub-category of the Company**	Company having Share Capital
v.	**Address of the Registered Office**	BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, New Delhi- 110 042
vi.	**Whether listed Company**	Yes
vii.	**Name, Address & contact details of the Registrar & Transfer Agent, if any.**	Skyline Financial Services Pvt. Ltd. **Address:** D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110 02 **Contact No:**+91-11-40450193-97, 26812682-83

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 & Description of main products/services	NIC Code of the Product /service	% to total turnover of the Company
i.	Vehicles and Vehicle Body	99622813	86.20%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	**Ganganagar Vehicles Private Limited** **Address:** BG-223 Sanjay Gandhi Transport Nagar, GT Karnal Road New Delhi 110042	U50500DL2016PTC303464	Subsidiary Company	51.08%	Section 2(87)(ii)
2.	**Nekub Consultancy Limited***	U74999DL2017PLC314466	Whole owned Subsidiary	99.98%	Section

	Address: BG-223 Sanjay Gandhi Transport Nagar, GT Karnal Road New Delhi 110042.		Company		2(87)(ii)
3.	**YYKS Buildcon Limited*Address:** BG-223 Sanjay Gandhi Transport Nagar, GT Karnal Road New Delhi 110042.	U70109DL2017PLC314459	Whole owned Subsidiary Company	99.98%	Section 2(87)(ii)

***Nekub Consultancy Limited & YYKS Buildcon Limited has been striked off during the year 2019-20.*

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

- **Category-wise Share Holding**

Category of Shareholders	**No. of Shares held at the beginning of the year**				**No. of Shares held at the end of the year**				**% change during the year**
	Demat	**Physical**	**Total**	**% of Total Shares**	**Demat**	**Physical**	**Total**	**% of Total Shares**	
A. Promoters									
(1) Indian									
a) *Individual/HUF	531400	0	531400	53.14	531400	0	531400	53.14	0.00
b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0.00
c) Bodies Corporate	0	0	0	0	0	0	0	0	0.00
d) Bank/FI	0	0	0	0	0	0	0	0	0.00
e) Any other	0	0	0	0	0	0	0	0	0.00
		0							
***SUB TOTAL:(A) (1)**	**531400**	**0**	**531400**	**53.14**	**531400**	**0**	**531400**	**53.14**	**0.00**
(2) Foreign									
a) NRI-Individuals	0	0	0	0	0	0	0	0	0.00
b) Other Individuals	0	0	0	0	0	0	0	0	0.00

c) Bodies Corp.	0	0	0	0	0	0	0	0	0.00
d) Banks/FI	0	0	0	0	0	0	0	0	0.00
e) Any other	0	0	0	0	0	0	0	0	0.00
SUB TOTAL (A) (2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.00**
***Total Shareholding of Promoter (A)= (A)(1)+(A)(2)**	**531400**	**0**	**531400**	**53.14**	**531400**	**0**	**531400**	**53.14**	**0.00**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0.00
b) Banks/FI	0	0	0	0	0	0	0	0	0.00
C) Central govt.	0	0	0	0	0	0	0	0	0.00
d) State Govt.	0	0	0	0	0	0	0	0	0.00
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0.00
f) Insurance Companies	0	0	0	0	0	0	0	0	0.00
g) FIIS	0	0	0	0	0	0	0	0	0.00
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
i)Others (Individual)	0	0	0	0	0	0	0	0	0.00
SUB TOTAL (B)(1):	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.00**
(2) Non Institutions									
a) Bodies corporate	100	0	100	0.01	0	0	0	0	0.00
i) Indian	0	0	0	0	0	0	0	0	0.00

ii) Overseas	0	0	0	0	0	0	0	0	0.00
b) Individuals									
i)* Individual shareholders holding nominal share capital upto Rs.2 lakhs	454600	0	454600	45.46	0	454700	454700	45.47	0.00
ii)* Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	0	0	0	0	0	0	0	0	0.00
c) Others (HUF)	13900	0	13900	1.39	0	13900	13900	1.39	0.00
***SUB TOTAL (B)(2):**	**468600**		**468600**	**46.86**	**0**	**468600**	**468600**	**46.86**	**0.00**
***Total Public Shareholding (B)= (B)(1)+(B)(2)**	**468600**		**468600**	**46.86**	**0**	**468600**	**468600**	**46.86**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	0		0	0	0	0	0	0	0.00
***Grand Total (A+B+C)**	**1000000**		**1000000**	**100**	**0**	**1000000**	**1000000**	**100**	**0.00**

- **Shareholding of promoters**

S. No.	**Shareholders Name**	**Shareholding at the beginning of the year**			**Shareholding at the end of the year**			
		No. of Shares	**% of total Shares of the Company**	**% of shares Pledged encumbered to total shares**	**No. of shares**	**% of total shares of the Company**	**% of shares pledged encumbered to total shares**	**% change in shareholding during the year**

1	**Shankar Lal Agarwal**	418000	41.80	0	418000	41.80	0	0.00
2	**Mala Agarwal**	45000	4.50	0	45000	4.50	0	0.00
3	**Shankar Lal Agarwal (HUF)**	40000	4.00	0	40000	4.00	0	0.00
4	**Sourabh Agarwal**	28400	2.84	0	28400	2.84	0	0.00
	Total	**531400**	**53.14**	**0**	**531400**	**53.14**	**0**	**0.00**

- **Change in Promoters' Shareholding (specify if there is no change)**

Particulars	**Shareholding at the beginning of the Year**		**Cumulative Shareholding during the year**	
	No. of Shares	**% of total shares of the Company**	**No. of shares**	**% of total shares of the Company**
At the beginning of the year	531400	53.14	531400	53.14
Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	No change during the year			
At the end of the year	531400	53.14	531400	53.14

- **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

S. No.	**Particulars**	**Shareholding at the beginning of the year**		**Shareholding at the end of the year**	
	For Each of the Top 10 Shareholders	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the Company**
1	Suresh Kumar Agarwal	19200	1.92	19200	1.92
2	Amit Walia	15000	1.50	15000	1.50
3	Kavita Joshi	14800	1.48	14800	1.48
	Akhil Agarwal HUF	12000	1.20	12000	1.20

4					
5	Narendra Kumar Sharma	10800	1.08	10800	1.08
6	Puja Sharma	8600	0.86	8600	0.86
7	Ghanshyam Prasad Gupta	6900	0.69	6900	0.69
8	Akshay Agarwal	6500	0.65	6500	0.65
9	Amit Aggarwal	6400	0.64	6400	0.64
10	Akhil Agarwal	6300	0.63	6300	0.63

(v)Shareholding of Director's & Key Managerial Personnel's:

S. No.	**Particulars**	**Shareholding at the end of the year**		**Cumulative Shareholding during the year**	
	For Each of the Directors & KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the Company**
1	**Shankar Lal Agarwal**	418000	41.8	418000	41.8
2	**Sourabh Agarwal**	28400	2.84	28400	2.84
3	**Puneet Sethi**	2100	2.10	2100	2.10

(V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
Particulars	**Secured Loans excluding deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtedness at the beginning of the financial year				
i) Principal Amount	569225422.98	42475561.00	2076011.85	613776995.83
ii) Interest due but not paid	2454361.88	787843.00	0.00	3242204.88
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	**571679784.9**	**43263404**	**2076011.9**	**617019200.71**
Change in Indebtedness during the financial year				

Additions	5205775642.21	45420191.00	887652.00	5252083485.21
Reduction	5637496368.96	24555400.00	1126662.00	5663178430.96
Net Change	**-431720726.70**	**20864791**	**-239010**	**-411094945.7**
i) Principal Amount	139959058.11	64128195.00	1837001.85	205924254.96
ii) Interest due but not paid	1009274.17	0.00	0.00	1009274.17
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	**140968332.28**	**64128195.00**	**1837001.85**	**206933529.13**

VIREMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time Director and/or Manager& Executive Director:
B. Remuneration to other Directors

S. No.	Name of the MD/WTD/Manager/Executive Directors				Total Amount
1	**Gross salary**	**Shankar Lal Agarwal**	**Sourabh Agarwal**	**Puneet Sethi**	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax 1961	4,20,000	6,00,000	0	22,20,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax	0	0	0	0
2	**Stock option**	0	0	0	0
3	**Sweat Equity**	0	0	0	0
4	**Commission as % of profit**	0	0	0	0
5	**Others (specify)**	0	0	0	0
	Total (A)	**4,20,000**	**6,00,000**	**0**	**10,20,000**
	Ceiling as per the Act	8,50,000	8,50,000	8,50,000	1,02,00,000

S. No.	Particulars of Remuneration	Name of the Directors		Total Amount
		Mukesh Joshi (resigned w.e.f 07/08/2019)	**Alok Kumar Gupta**	
1	Independent Directors	0	0	0

	(a) Fee for attending board committee meetings	0	0	0
	(b) Commission	0	0	0
	(c) Others, please specify	0	0	0
	Total (1)	0	0	0
2	Other Non-Executive Directors	**Manushree Agarwal**	**Gagan Anand (appointed w.e.f 06/11/2019)**	**Total Amount**
	(a) Fee for attending board committee meetings	0	0	0
	(b) Commission	0	0	0
	(c) Others please specify.	0	0	0
	Total (2)	0	0	0
	Total (B)=(1+2)	0	0	0
	Total Managerial Remuneration	0	0	0
	Overall Ceiling as per the Act	0	0	0

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

S. No.	Particulars of Remuneration		Key Managerial Personnel			Total
	Gross Salary	**CEO**	**CS**	**CS**	**CFO**	
			Vikramjit Singh (resigned w.e.f. 07/10/2019)	***Chandni Arora (appointed w.e.f. 22/11/2019)**	**Sourabh Agarwal**	
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	0	2,63,000.00	1,37,000	0	4,00,000.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961.	0	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961.	0	0	0	0	0
2	Stock Option	0	0	0	0	0

3	Sweat Equity	0	0	0	0	0
4	Commission as % of profit others, specify	0	0	0	0	0
5	Others, please specify	0	0	0	0	0
	Total	**0**	**2,63,000.00**	**1,37,000.00**	**0**	**4,00,000.00**

***Chandni Arora resigned from the post of Company Secretary and Compliance Officer w.e.f. 31st August 2020

VII **PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	No Penalties, Punishments or Compounding of Offences				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	No Penalties, Punishments or Compounding of Offences				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	No Penalties, Punishments or Compounding of Offences				
Punishment					
Compounding					

By the order of the Board
For Kalyani Commercials Limited

Sd/-
Sourabh Agarwal
(Whole Time Director)
DIN: 02168346
Address: AE-166, Shalimar Bagh,
New Delhi- 110088

Sd/-
Shankar Lal Agarwal
(Managing Director)
DIN: 01341113
Address: AE-166, Shalimar Bagh
New Delhi- 110088

Date: 07.09.2020
Place: New Delhi

Annexure-V

Information as per Section 197 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Details of Top Ten Employees in terms of Remuneration Drawn

S. No.	Name of Employee	Designation	Remuneration Received (in Rs.)	Nature of Employment	Qualifications	Experience	Date of commencement of employment	Age	Last Employment held	Percentage of shares held	Whether relative of any Director/ Manager
1.	Manish Jhamb	General Manager (Sales)	9,00,000	Regular	B.Com	12 Years	01/07/2008	49	Uasha Arth Movers	0.02	No
2.	Jayant Sharma	Deputy General Manager (Spare)	6,60,000	Regular	B.Com	9 Years	12/10/2011	54	Pushpa Motors	Nil	No
3.	Rajesh Ojha	Senior Manager (Spare)	6,00,000	Regular	B.Com	17 Years	01/09/2006	56	N.A	Nil	No
4.	Anil Singh Shekhawat	Business Manager (Sales)	6,60,000	Regular	M.B.A	3 Years	16/08/2017	37	Eicher Motors	Nil	No
5.	Sunil Yadav	Manager (Insurance)	4,80,000	Regular	B.A.	7 Years	30/08/2013	37	N.A.	Nil	No
6.	Aditya Banerjee	Deputy General Manager (Accidental)	5,31,292	Regular	XII+ Diploma	12 Years	01/07/2008	53	Rajesh Motors	Nil	No
7.	Mukesh Panchal	Deputy General Manager (Accounts)	5,08,800	Regular	B.Com & DCA	15 Years	01/04/2005	40	N.A.	0.04	No
8.	Mahipal Singh Hada	Deputy General Manager (Spare Parts)	5,40,000	Regular	M.A.	18 Years	02/09/2002	42	N.A.	0.04	No
9.	Rajpal Choudhary	Business Manager (Spare Parts)	5,40,000	Regular	Senior Secondary	14 Years	01/09/2006	48	N.A.	0.04	No
10.	Pawan Kumar Mishra	Manager(Workshop)	4,49,112	Regular	Diploma Mechanicial Eng.	2.5 Years	06/12/2017	32	N.A.	Nil	No

By the order of the Board
For Kalyani Commercials Limited

Sd/-
Sourabh Agarwal
(Whole Time Director)
DIN: 02168346
Address: AE- 166, Shalimar Bagh,
New Delhi- 110088

Sd/-
Shankar Lal Agarwal
(Managing Director)
DIN: 01341113
Address: AE-166, Shalimar Bagh,
New Delhi- 110088

Date: 07.09.2020
Place: New Delhi

Management Discussion and Analysis Report

INDUSTRY OVERVIEW

The automobile industry was hit hard in fiscal 2020 as sales fell across vehicle segments. The COVID outbreak has cast a long shadow over a much-anticipated mild recovery in the Indian economy in fiscal 2021. In FY20, the sector recorded its worst annual volume decline for the two-wheelers and passenger cars, while the medium and heavy commercial industry saw the worst fall in the history.

Auto industry body, Society of Indian Automobile Manufacturers (SIAM) has forecasted weak bleak scenario for the current fiscal in terms of sales as well as investments. The industry body said during the current year the auto sector is looking at a decline of 26-45% depending on the vehicle category. COVID-19 pandemic is majorly responsible for such depressing figures.

OUR INDUSTRY SEGMENT

The automobile sector is one of the key segments of the economy having extensive forward and backward linkages with other key segments of the economy. The Indian automobile industry comprises of a number of Indian-origin and multinational players, with varying degree of presence in different segments. Automobile dealer Industry plays the vital role of link between the manufacturer of the automobile and the consumer. With large inventories of cars, dealers provide consumers with a wide array of vehicles to meet their needs at different price points.

However due to pandemic automobile dealers don’t expect demand to recover anytime soon, especially in urban regions, despite lockdown curbs being eased.

Weak consumer confidence, especially in urban areas, continues to haunt as buyers stayed away from concluding their purchase due to threat of community spread [of virus] and return of the complete lockdown

BUSINESS

The Company is engaged in trading of Heavy Commercial Vehicles, Three Wheelers and servicing (Dealership of Bajaj and TATA), Petroleum Product Dealership.

OPPORTUNITIES AND THREATS

India being one of the largest automobile markets in the world, has a bright future because of several factors like rapid urbanisation, Car buyers getting younger, growing middle class, overall growth of other industries, infrastructure development and the improved road infrastructure. This along with rising disposable income, aspirations for a better lifestyle and a slew of new product launches lined up by companies would aid overall increase in sales volumes. The Company, with its wide portfolio is expected to benefit from the same. Further, per capita penetration at around eighteen cars per thousand is among lowest in the world. This growing consumerism is expected to lead to an increase in car penetration.

Threats

The impact of the COVID-19 pandemic has created significant volatility in the global economy and led to reduced economic activity. There have been extraordinary actions taken by international, federal, state, and local public health and governmental authorities to contain and combat the outbreak and spread of COVID-19 in regions throughout the world, including travel bans, quarantines, “stay-at-home” orders, and similar mandates for many individuals to substantially restrict daily activities and for many businesses to curtail or cease normal operations. The pandemic has resulted, and may continue to result, in significant economic disruption that has and likely continue to adversely affect our business.

The ultimate impact of the pandemic on our business, results of operations and financial condition will depend on numerous evolving factors and future developments, including the ultimate duration, spread, severity and repetitiveness of the outbreak; the ultimate extent and duration of its effect on the global economy and how quickly and to what extent normal economic and operating conditions resume.

OUTLOOK AND FUTURE PROSPECTS

India is expected to emerge as the Third Largest passenger Vehicle market by 2021, however Auto industry body, Society of Indian Automobile Manufacturers (SIAM), has projected single digit growth in FY 2020-21.
The Indian automotive sector has the potential to generate up to US$251.4-282.8 billion annual revenue by 2026. While automotive industry is likely to remain impacted in the short-term due to COVID-19 pandemic, encouraging recovery is seen in China. It is expected that other economies will follow a similar pattern in due course. Increased urbanisation and localised transport policies have opened up new opportunities for Mobility as a service, most notably in cities. Electric vehicles are gaining a lot of traction in shared mobility space and TML has been a front-runner in this newly evolving segment, entering into various strategic partnerships

RISKS & CONCERNS

Risks Associated with Company’s Business and the Automotive Industry Company has been, and may in the future be, adversely affected by the COVID-19 pandemic, the duration and economic, governmental and social impact of which is difficult to predict, and which may significantly harm Company’s business, prospects, financial condition and results of operation.
Since the end of 2019, a disease caused by a novel strain of coronavirus ('COVID-19'), has spread in China and throughout the world, and the World Health Organisation declared the COVID-19 outbreak a pandemic in March 2020. No fully effective treatments or vaccines have been developed as of the date of this Annual Report, and such development of treatments or vaccines may take a significant amount of time. The COVID-19 pandemic and associated governmental responses have adversely affected workforces, consumer sentiment, economies and financial markets. Such adverse effects, along with decreased consumer spending, have led to a global economic downturn.

The COVID-19 pandemic and the resulting business disruptions in several jurisdictions where Company operates could have a material adverse impact of Company’ operations, liquidity, business, financial conditions

Any future impact on the Company’s business may take some time to materialize and may not be fully reflected in the results for the last quarter of FY 2019-20. Even after the COVID-19 pandemic subsides, Company may continue to experience an adverse impact to the business as a result of its global economic impact, including any recession that has occurred or may occur.

Deterioration in global economic conditions could have a material adverse impact on Company’s sales and results of operations.

The automotive industry could be materially affected by the general economic conditions and developments in India and around the world and investors’ reaction to such conditions and developments. The automotive industry, in general, is cyclical, and economic slowdowns in the recent past have affected the manufacturing sector in India, including automotive and related industries. Deterioration of key economic Metrics, such as the growth rate, interest rates and inflation, reduced availability of competitive financing rates for vehicles, implementation of burdensome environmental and tax policies, work stoppages and increase in freight rates and fuel prices could materially and adversely affect Company's automotive sales and results of operations

Intensifying competition could materially and adversely affect Company’s sales, financial condition and results of operations. SUBSIDIARY COMPANY

S. No.	Company	Subsidiary/Joint Venture/Associates Company	Shareholding
1	Ganganagar Vehicles Private Limited	Subsidiary	51.08%

Nekub Consultancy Limited and YYKS Buildcon Limited** has been striked off.

HUMAN RESOURCES

The Company's relations with the employees continued to be cordial.

FINANCIAL RESULTS

The Financial performance of the Company for the financial year ended 31st March, 2020 is summarized below:-

(Rs. In Crore, except EPS)

Particulars	**Consolidated**		**Standalone**	
	For the year Ended		**For the year Ended**	
	31.03.2020	**31.03.2019**	**31.03.2020**	**31.03.2019**
Total Revenue	642.14	901.47	228.77	401.60
Total Expenses	641.01	900.24	227.64	400.77
Profit Before Tax & Extraordinary Item	1.13	1.23	1.13	0.82
Extraordinary Item	0.00	0.09	0.00	0.09
Tax Expenses				
- **Current Tax**	0.50	0.40	0.24	0.23
- **Deferred Tax Liability(Net)**	(0.05)	(0.09)	(0.00)	(0.01)
- **Income Tax Earlier Year**	0.00	(0.03)	(0.00)	(0.03)
Profit / Loss For The Year After Tax	**0.69**	**0.87**	**0.88**	**0.55**
Total Other Comprehensive Income / Loss	0.07	**-**	0.07	**-**
Total Comprehensive Income / Loss	**0.76**	**0.87**	**0.95**	**0.55**
Profit attributable to				
c) Parent	0.85	0.71	**-**	**-**
d) Non-Controlling Interest	(0.10)	0.15	**-**	**-**
Earnings Per Share (EPS)				
c) Basic	**7.56**	**8.66**	**9.55**	**5.49**
d) Diluted	**7.56**	**8.66**	**9.55**	**5.49**

SEGMENT-WISE OR PRODUCT WISE PERFORMANCE

The company operates in two segments. Hence segment wise performance is discussed as follows:

- **Primary Segment: Business Segment**

Based on the guiding principles given in Accounting Standard AS –17 "Segment Reporting" notified under Companies (Accounting standard) Rules 2006, the Company's operating business are organized and managed separately according to the nature of products.

The Two identified reportable segments. One is Automobile segment in which trading of vehicle and servicing (Including Heavy Commercial Vehicles and Three wheelers) and other includes and Retail out let of petroleum products (BPCL).

❖ **Secondary Segment: Geographical segment**

The analysis of Geographical segment is based on the geographical location i.e. domestic and overseas markets of the customers,

Secondary Segment Reporting (By Geographical segment)

The following is the distributions of the company's consolidated revenue from operation (net) by Geographical markets, regardless of where the goods were produced:

(Rs. In Lacs)

Particulars	2019-20	2018-19
Revenue from Domestic Market	64068.29	90095.29
Revenue from Overseas Market	0.00	0.00
Total	**64068.29**	**90095.29**

Geographical segment wise receivables:

Particulars	2019-20	2018-19
Receivables from Domestic Market	3413.29	6688.36
Receivables from Overseas Market	0.00	0.00
Total	**3413.29**	**6688.36**

Geographical segment wise Fixed Assets:

Particulars	2019-20	2018-19
In India	2670.24	1284.82
Outside India	0.00	0.00
Total	**2670.24**	**1284.82**

❖ **Segment accounting polices:**

In addition to the significant accounting policies applicable to the business segment, the accounting policies in relation to segment accounting are as under:

i) Segment revenue & expenses:

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

ii) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, receivables, inventories and fixed assets, net of allowance and provisions, which are reported as direct off sets in the balance sheet. Segment Liabilities include all operating Liabilities and consist principally of trade payables& accrued liabilities. Segment assets and liabilities do not include deferred income taxes except in the division of Commercial Vehicle. While most of the assets/liabilities directly attributed to individual segments, the carrying amount of certain assets/liabilities pertaining to two more segments are allocated to the segments on a reasonable basis.

iii) Inter segment sales:

Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated in consolidation. The main division is Ganganagar Motors (A division of Commercials Vehicles) and funds provided by the Ganganagar Motors to other division and interests on such balances are not charged.

iv) Information about business segments :

For the year ending as on 31st March, 2020.

(Rs. In Lacs)

Particulars	Automobile		Others		Total	
	Curr. Year	Prev. Year	Curr. Year	Prev. Year	Curr. Year	Prev. Year
Segment Revenue :						
External sales/income (Net)	63174.48	89072.67	893.81	1022.62	64068.29	90095.29
Other receipt	145.82	52.32	0.00	0.00	145.82	52.32
Total Revenue	**63320.30**	**89124.99**	**893.81**	**1022.62**	**64214.11**	**45462.34**
Segment Results :						
Segments results	1394.13	1914.32	12.46	15.14	1406.59	1929.46
Unallocated expenses (Net)	0.00	10.00	0.00	0.00	0.00	10.00
Operation profit before Interest	1394.13	1904.32	12,46	15.14	1406.59	1919,46
Financial exp.	(1293.02)	(1805.78)	0.00	0.00	(1293.02)	(1805,78)
Income tax current/Earlier Year	(49.70)	(36.27)	0.00	0.00	(49.70)	(36.27)
Less: Deferred tax Liability	4.65	9.14	0.00	0.00	4.65	9.14
Net Profit	**56.06**	**71.41**	**12.46**	**15.14**	**68.52**	**86.55**
<u>Other Information :</u>						
Segment Assets	9462.58	19526.98	125.47	125.32	9588.05	19652.30
Inter Branch	0.00	0.00	0.00	0.00	0.00	0.00
Unallocated assets						
Total Assets	**9452.58**	**19526.98**	**125.47**	**125.32**	**9588.05**	**19652.30**
<u>Segments Liabilities :</u>						
Share Capital	100.00	100.00	0.00	0.00	100.00	100.00
Reserve & Surplus	666.53	560.42	125.30	129.19	791.83	689.61
Secured & Unsecured Loan	4775.53	15725.49	0.00	0.00	4775.53	15725.49
Segment liabilities	3516.73	2723.61	0.17	0.39	3516.90	2724.00
Unallocated liabilities	403.78	413.20	0.00	0.00	403.78	413.20
Deferred tax liabilities	0.00	0.00	0.00	0.00	0.00	0.00
Total Liabilities	**9462.57**	**19522.72**	**125.47**	**129.58**	**9588.04**	**19652.30**
Capital Expenditure	110.19	565.71	0.00	0.00	110.19	565.71
Depreciation	472.66	214.27	0.00	0.00	472.66	214.27

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUENCY

Your Company has an effective system of accounting and administrative controls supported by an internal audit system with proper and adequate system of internal check and controls to ensure safety and proper recording of all assets of the Company and their proper and authorised utilization.

As part of the effort to evaluate the effectiveness of the internal control systems, your Company's internal audit department reviews all the control measures on a periodic basis and recommends improvements, wherever appropriate. The internal audit department is manned by highly qualified and experienced personnel and reports directly to the Audit Committee of the Board. The Audit Committee regularly reviews the audit findings as well as the, an Information Security Assurance Service is also provided by independent external professionals. Based on their recommendations, the Company has implemented a number of control measures both in operational and accounting related areas, apart from security related measures.

CAUTIONARY STATEMENT

This report describing the Companies activities, projections about future estimates, assumptions with regard to global economic conditions, government policies, etc. may contain “forward looking statements” based on the information available with the company. Forward-looking statements are based on certain assumptions and expectations of future events. These statements are subject to certain risks and uncertainties. The company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results may be different from those expressed or implied since the company's operations are affected by the many external and internal factors, which are beyond the control of the management. Hence the company assumes no responsibility in respect of forward-looking statements that may be amended or modified in future on the basis of subsequent developments, information orevents.

By the order of the Board
For Kalyani Commercials Limited

Sd/-
Sourabh Agarwal
(Whole Time Director)
DIN: 02168346
Address: AE- 166, Shalimar Bagh,
New Delhi- 110088

Sd/-
Shankar Lal Agarwal
(Managing Director)
DIN: 01341113
Address: AE-166, Shalimar Bagh,
New Delhi- 110088

Date: 07.09.2020
Place: New Delhi

Independent Auditors' Report on Consolidated Financial Statements

To
The Members of
Kalyani Commercials Limited

Report on the Audit of the Consolidated Financial Statements Opinion

We have audited the accompanying consolidated financial statements of KALYANI COMMERCIALS LIMITED (the "Company") and its subsidiary, (the Company and its subsidiary together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31st, 2020, and 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 a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

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

Other Matters

1. The Company was registered u/s 45-IA of the RBI Act 1934 as an NBFC Company besides its other business activities. During the year the company has surrendered its NBFC status to the RBI and continued to running its normal business activities. Pursuant to this the Company has prepared its financial statement as per Ind AS. The same is not affecting the business activity of the company in any manner including going concern concept.
   Our opinion is not modified in respect of this matter.

2. We did not audit the separate financial statements of one subsidiary included in these consolidated financial statements. Financial statements of this Subsidiary reflect total assets of Rs. 6631.92 Lacs and Total liabilities of Rs 5806.44 Lacs as at 31 March 2020 and Net Loss of Rs. 19.89 Lacs for the year ended on that date, as considered in these consolidated financial statements.

   The Company had prepared separate set of financial statements of subsidiary for the years ended 31st March 2020 in accordance with accounting principles generally accepted in India and which have been audited by other auditors under generally accepted auditing standards applicable in India. Our opinion in so far as it relates to the amounts and disclosures in respect of these subsidiaries is solely based on report of the other auditors. Our opinion is not qualified in respect of this matter.

3. Due to COVID-19 related lock-down, we were not able to participate in the physical verification of inventory at the year end. Consequently, we have performed alternative procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for Selected Items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these Standalone Financial Results. Our opinion is not modified in respect of this matter.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, 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.

KEY AUDIT MATTERS	AUDITORS' RESPONSE
1. Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances	**Principal Audit Procedures** We assessed the Company's process to identify the impact of the revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • Evaluated the design of internal controls relating to implementation of the revenue accounting standard. • Selected a sample and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry, observation, re-performance and inspection of evidence in respect of operation of these controls. • Tested the relevant information of management controls relating to sales and service and other related information used in recording and disclosing revenue in accordance with the revenue accounting standard.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated 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 and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the company included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the company included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated 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 financial 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 and its subsidiary company which are company incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern.

- If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Company as on March 31st, 2020 taken on record by the Boards of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group company incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company and its subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Company (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii. The Company and its Subsidiary company incorporated in India did not have any long term contract including derivative contract for which there were any material foreseeable losses.

iii. There were no amount required to be transferred, to the Investor Education and Protection Fund by the Company and its Subsidiary company incorporated in India.

For M.C. Bhandari & CO.
Chartered Accountants
(Firm's Registration No. 303002E)

CA S.K. Mahipal
Partner
(Membership No.70366)

Place: Delhi
Date: 02/07/2020
UDIN: 20070366AAAAA08411

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of **KALYAM COMMERCIALS LMITED** of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of KALYANI COMMERCIALS LIMITED (hereinafter referred to as the “Company”) and its subsidiary company, which are company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Boards of Directors of the Company and its subsidiary company, which are company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective 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 (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary company, which are company incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future 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 and to the best of our information and according to the explanations given to us, the Company and its subsidiary company, which are company incorporated in India, have, 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 financial control over financial reporting criteria established by the respective 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 ICAI.

For **M C BHANDARI & CO.**
CharteredAccountants
(Firm Registration No.303002E)

CA S.K. MAHIPAL
Partner
(MembershipNo.70366)

Place: Delhi
Date: 02/07/2020
UDIN: 20070366AAAAA08411

KALYANI COMMERCIALS LIMITED

Consolidated Balance Sheet as at 31st March, 2020
CIN No. - L65923DL1985PLC021453

Particulars	Note No.	As At 31.03.2020 (Rs.)	As At 31.03.2019 (Rs.)	As at 31.03.2018 (Rs.)
I. ASSETS				
Non-Current assets				
(a) Property, plant and equipment	4	11,74,49,743.14	126,522,846.81	91,394,035.64
(b) Investment property	5	15,43,482.62	1,673,112.00	1,816,432.00
(c) Capital work-in-progress		0.00	142,500.00	41,772,117.00
(d) Right to Use Assets	6	147,952,189.00	0.00	0.00
(e) Intangible assets	7	78,976.65	143,948.39	64,977.11
(f) Financial assets				
(i) Investments	8	2,503,000.00	2,503,000.00	3,436,450.00
(ii) Loans		0.00	0.00	0.00
(iii) Other financial assets	9	15,804,921.85	16,609,898.85	19,026,495.85
(g) Current tax assets	10	1,132,301.67	1,030,236.67	149,922.59
(h) Deferred tax assets (Net)	11	3,028,079.00	2,772,270.00	1,858,554.00
(i) Other non-current assets		0.00	0.00	0.00
Total non-current assets		**289,492,693.93**	**151,397,812.72**	**159,518,984.19**
Current assets				
(a) Property, plant and equipment	12	200,416,979.95	919,168,229.41	803,066,881.79
(b) Financial assets				
(i) Investments				
(ii) Trade receivables	13	341,328,515.14	668,836,416.41	681,773,954.79
(iii) Cash and cash equivalents	14	15,918,982.67	25,155,788.46	38,483,352.83
(iv) Bank balances other than (iii) above	15	0.00	2,017,862.00	0.00
(v) Loans	16	31,890,624.09	9,480,750.00	1,586,890.00
(vi) Other Financial assets	17	143,863.00	0.00	0.00
(c) current Tax assets	18	5,139,149.43	1,716,708.00	4,287,219.24

Total current assets		**669,311,980.57**	**1,813,831,823.62**	**1,776,312,995.74**
Total assets		**958,804,674.50**	**1,965,229,636.34**	**1,935,831,979.93**
II. EQUITY AND LIABILITIES **Equity**				
(a) Equity Share Capital	20	1,00,00,000.00	1,00,00,000.00	1,00,00,000.00
(b) Other equity	21	79,183,365.18	68,960,904.16	61,779,504.83
Total Equity		**89,183,365.18**	**78,960,904.16**	**71,779,504.83**
Non-Controlling Interest		40,378,456.70	41,319,569.61	39,805,417.83
Non-Current Liabilities (a) Financial liabilities				
(i) Lease Liabilities	6	129,323,196.00	0.00	0.00
(ii) Borrowings	22	151,383,478.41	52,512,565.92	49,088,623.00
(iii) Other financial liabilities		0.00	0.00	0.00
(b) Provisions	23	0.00	4,541.00	9,493.00
Total Non-Current Liabilities		**321,085,131.11**	**93,836,676.53**	**88,903,533.83**
Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	24	326,169,710.68	1,520,036,338.43	1,668,106,566.70
(ii) Trade payables	25	98,896,641.53	155,932,060.10	43,753,760.17
(iii) Lease Liabilities	6	22,479,342.00	0.00	0.00
(iv) Other financial liabilities	26	4,541,004.19	10,121,501.08	19,676,806.52
(b) Other current liabilities	27	93,899,479.69	106,342,155.04	43,611,807.88
(c) Provisions	23	0.00	4,541.00	9,493.00
(d) current Tax liabilities		0.00	0.00	0.00
Total Current Liabilities		**548,536,178.09**	**1,792,432,054.65**	**1,775,148,941.27**
Total liabilities		**869,621,309.20**	**1,886,268,731.18**	**1,864,052,475.10**
Total equity and liabilities		**958,804,674.38**	**1,965,229,635.34**	**1,935,831,979.93**

See accompanying notes to the Standalone Financial Statements
Signed in terms of our report of even date annexed

For **M. C. Bhandari &Company**	**For and behalf of board of director**
Firm`s Registration No. 303002E	**Kalyani Commercials Limited**
Chartered Accountants	

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
(CA S.K. Mahipal)	**(S.L. Agarwal)**	**(Puneet Sethi)**	**(Chandni Arora)**	**(SourabhAgarwal)**
Partner	**M. Director**	**Director**	**CS**	**CFO**
	DIN: 01341113	**DIN: 08212766**	**M. No.:47215**	**DIN: 02168346**

Date: 02/07/2020
Place: Delhi

KALYANI COMMERCIALS LIMITED

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

Particulars	Note No	2019-20	2018-19
I. Revenue from operations	29	6406829249.41	9009529185.74
II. Other Income	30	14582053.24	5231672.97
III. Total Income		**6421411302.65**	**9014760858.71**
IV. Expenses:			
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	31	718751249.36	-116095881.19
Purchase of Stock-in-Trade	32	5225748169.48	8567634998.52
Employee benefit expense	33	146183105.02	148408265.16
Financial costs	34	129302202.61	180577571.08
Depreciation and amortization expense	35	47266367.62	21427440.12
Other expenses	36	142802890.42	200437841.33
Total Expenses		**6410053984.51**	**9002390235.02**
V. Profit before Exceptional Items & tax (III-IV)		11357318.14	12370623.69
VI. Less: Exceptional Items		0.00	-999880.00
VII. Profit /(loss) before tax (V-VI)		11357318.14	11370743.69
VIII. Tax expense/benefits		0.00	3996530.00
(1) Current income tax		4958000.00	3996530.00
(2) Deferred tax (Assets)/Liability		-464882.00	-913717.00
(3) Income Tax Expenses Earlier Year		12241.00	-369754.00
IX Profit/(Loss) for the year after tax		**6851959.14**	**8657684.69**
X Profit/(Loss) from the discontinuing operation		0.00	0.00
Profit/(Loss) from the discontinuing (fixed assets)		0.00	0.00
Tax expenses/(credit) of discontinuing operation		0.00	0.00
Profit/(Loss) from the discontinuing operation (after tax)		**0.00**	**0.00**
XI Profit for the year		0.00	8657684.69
XII Other Comprehensive Income		0.00	
A i) Items that will not be reclassified to profit or loss		0.00	
a) Re-measurements of the defined benefit plans		913784.00	0.00
b) Equity instruments through Other comprehensive income		0.00	0.00
ii) Income tax relating to items that will not be reclassified to profit or loss		-209074.00	0.00
Total (A)		**704710.00**	**0.00**
B i) Items that will be reclassified to profit or loss			
(a) The effective portion of gains and loss on hedging instruments		0.00	0.00
(b) Changes in Foreign Currency Monetary Item translation difference account(FCMITDA)		0.00	0.00
ii) Income tax relating to items that will be reclassified to profit or loss		0.00	0.00

Total (B)		**0.00**	**0.00**
Total Other comprehensive income / (loss) (A+B)		704710.00	0.00
XIII Total comprehensive income / (loss)		7556669.14	8657684.69
Profit Attributable			
a) Parent		8529561.73	7143532.91
b) Non-Controlling Interest		-972892.59	1514151.78
Earning per equity share:			
(1) Basic		7.56	8.66
(2) Diluted		7. 56	8.66

Significant Accounting Policies and Notes to the financial statements 1&2
Signed in terms of our report of even date annexed

For **M. C. Bhandari & Company**
Firm`s Registration No. 303002E
Chartered Accountants

For and behalf of board of director
Kalyani Commercials Limited

Sd/-
(CA S.K. Mahipal)
Partner

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(S.L. Agarwal)	**(Puneet Sethi)**	**(Chandni Arora)**	**(SourabhAgarwal)**
M. Director	**Director**	**CS**	**CFO**
DIN: 01341113	**DIN: 08212766**	**M. No.:47215**	**DIN: 02168346**

Date: 02/07/2020
Place: Delhi

KALYANI COMMERCIALS LIMITED

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

			For the year ended	
			31.03.2020	**31.03.2019**
			(Rupees)	**(Rupees)**
A	**CASH FLOW FROM OPERATING ACTIVITIES:**			
	Net Profit		7,556,669	8,657,684
	Add: Deferred Tax expense		(255,808)	(913,717.00)
	Provision for Tax		4,970,241	3,626,776
	Exceptional Item		-	999,880
	Profit before tax &Exceptional Items Including OCI		12,271,102	12,370,623
	Adjustment for:			
	Depreciation and amortisation		47,266,368	21,427,439
	Interest Income		(1,459,329)	(451,474)
	Interest on Lease		(130,938)	
	Contingent Provision against standard Assets		(4,541)	(4,952)
	Provision		(12,457)	
	Interest Expense		126,066,563	178,214,062
	Interest on Lease Expense		1,008,741	
	Profit on Sale of Fixed Assets		(7,174,603)	(93,770)
	Operating profit before working capital changes		**177,830,906**	**211,461,928**
	Adjustments for (increase) / decrease in operating assets:			
	Stock		18,751,249	(116,101,348)
	Trade receivables		327,507,901	12,937,538
	Other Current Assets		33,934,229	2,570,511
			1,080,193,380	**(100,593,298)**
	Adjustments for increase / (decrease) in operating liabilities:			
	Trade payables		(57,748,637)	112,178,300
	Other current liabilities		(14,261,867)	53,175,042
			(72,010,504)	**165,353,342**
	Direct taxes paid/deducted at source		(5,267,994)	(4,699,809)
	NET CASH FROM/(USED IN) OPERATING ACTIVITIES		**1,180,745,788**	**271,522,163**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**			
	Long-term loans and advances recovered			(2,191,774)
	Short-term loans and advances recovered		59,981,710	51,764,768
	Increase in other non-current financial assets		(4,424,982)	
	Increase in other current financial assets		(137,107)	-
	Closing Subsidiary company reserves			111,020
	Interest Received		1,459,329	451,474
	Other non-current assets			3,728,058
	Sale of Investment			933,450
	Purchase of fixed assets		(10,876,422)	(14,941,637)
	ROU			-
	Sale of Fixed Assets		8,421,000	173,124
	NET CASH FROM/(USED IN) INVESTING ACTIVITIES		**54,423,528**	**40,028,482**
C	**CASH FLOW FROM FINANCING ACTIVITIES:**			
	Increase/(Decrease) in other financial liabilities		(5,541,630)	-
	Increase/(Decrease) in long term borrowings		(766,497,494)	3,423,943
	Increase/(Decrease) in short term borrowings		(344,503,647)	(148,070,228)

	Interest Paid		(126,066,563)	(178,214,062)
	Lease Rent Payment		(3,814,650)	
	Increase/(Decrease) in other long term liabilities		-	-
	NET CASH FROM / (USED IN) FINANCING ACTIVITIES		**(1,246,423,984)**	**(322,860,347)**
D	**Net Increase/(Decrease) in cash and cash equivalents**	**(A+B+C)**	**(11,254,668)**	**(11,309,702)**
E	**Cash and cash equivalents as at the end of previous period**		27,173,650	38,483,353
F	**Cash and cash equivalents as at end of the year**		**15,918,983**	**27,173,650**

Note: The Cash Flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

For **M. C. Bhandari & Company**
Firm`s Registration No. 303002E
Chartered Accountants

For and behalf of board of director
Kalyani Commercials Limited

Sd/-
(CA S.K. Mahipal)
Partner

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(S.L. Agarwal)	**(Puneet Sethi)**	**(Chandni Arora)**	**(Sourabh Agarwal)**
M. Director	**Director**	**CS**	**CFO**
DIN: 01341113	**DIN: 08212766**	**M. No.:47215**	**DIN: 02168346**

Date: 02/07/2020
Place: Delhi

KALYANI COMMERCIALS LIMITED

Notes annexed to and forming part of Consolidated Balance Sheet as at 31st March, 2020

A. Equity Share Capital					**(In RS.)**
	As at 01.04.2018	**Movement during the year 2019**	**As at 31.03.2019**	**Movement during the year 2020**	**As at 31.03.2020**
Share Capital	10,000,000.00	-	10,000,000.00	-	10,000,000.00
B. Statement of changes in equity					
Particulars				**OCI for Acturial loss**	**Total**
	General Reserve	**Statutory Reserve**	**Retained Earnings**		
Balance as at 1st April 2018	-	223,435.00	1,556,069.83	.	61,779,504.83
IND As adjustments					-
Transfer from retained earning	-	103,662.00	-	-	103,662.00
Profit for the year	-	-	7,143,532.91	-	7,143,532.91
Transfer in statutory reserve	-	-	(103,662.00)	-	(103,662.00)
Other (Ceased subsidiaries reserve and other)	-	-	37,866.42		37,866.42
Total income for the year 2019	-	**327,097.00**	**68,633,807.16**	-	**68,960,904.16**
Total comprehensive income for the year as at 31st march 2020	-	-	-	-	-
					-
Adjustment to Gratuity Plan	-	-	-	1,651,637.00	1,651,637.00
Profit for the year	-	-	8,529,561.73		,529,561.73
Transfer to Gen Res.	327,097.00	(327,097.00)	-	-	-
Excess Provision written back	-	-	41,262.29	-	41,262.29
balance as on 31.03.2020	**327,097.00**	-	**77,204,631.18**	**1,651,637.00**	**79,183,365.18**

Note – 1

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2020 AND STATEMENT OF PROFIT AND LOSS AND ALSO THE CASH FLOW STATEMENT FOR THE YEAR ENDED ON THAT DATE

1. COMPANY OVERVIEW

Kalyani Commercials Limited (Company) is a public limited company registered under Companies Act, 1956, listed in Bombay Stock Exchange. The registered office of the company is situated BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, Delhi, 110042.

The Company dealing in trading of Heavy Commercial Vehicle, Three Wheeler and servicing (Dealership of TATA and BAJAJ), Petroleum Product (Dealership of Bharat Petroleum Limited).

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS)prescribed under the section 133 of the Companies Act,2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 02nd July, 2020 for all periods up to and including the year ended 31st March 2019, the Company prepared its Standalone financial statements in accordance with requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP").These are the first Ind AS Standalone Financial Statements of the Company. The date of transition to Ind AS is 1 April, 2018. Refer note 2.24 below for the details of first-time adoption exemptions availed by the Company.

Basis of preparation and presentation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Standalone Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1 April, 2019. Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2020, the Statement of Profit and Loss, the Statements of Cash Flows and the Statement of Changes in Equity for the year ended 31 March, 2020, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "financial statements").

The Standalone Financial Statements have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36. In addition, for financial reporting purposes, fair value measurements are categorized 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 measurements in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability. The consolidated financial statements have been prepared using uniform accounting policies for like transaction and other event in similar circumstances and are presented in the same manner as the company separate financial statement.

Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.4. Accounting estimates could change from period to period.

Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, investment in subsidiaries. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiary is on 31st March 2020. The Group consider in the consolidation Financial Statements are:

Name of the company	Country of incorporation	% of ownership as at 31.03.2020	% of ownership as at 31.03.2019
Ganganagar Vehicles Private Limited	India	51.08	51.08

Subsidiary:

Subsidiary over which the Group has control, Control is achieved when the Group is exposed, or has rights lo variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls on investee if and only if the Group has

- has power over the investee
- is exposed to, or has rights, to variable returns from its involvement with the investee; and
- has the ability lo use its power to affect its returns

the company repossess whether or not it controls on investee if facts and circumstances indicate that there ore changes to one or more of the three elements of control listed above.

When the Company has less thon majority of the voting rights of on investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee ore sufficient to give it power, including:

- the size of the company's holding o9f the voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the company has, or does not have, the current ability to direct the relevant acclivities of the time that decisions need to be made, including voting patterns of previous shareholder's' meetings.

Consolidation of a subsidiary begins when the company obtains control over the subsidiary and ceases when the company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year ore included in the consolidated statement of profit or loss and other comprehensive income from the date the company gains control until the dote when the company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the company and to the non-controlling interests. Total comprehensive income of subsidiary is attributed to the owners of the company and to the non-controlling interests even if this is in the non-controlling interests having a deficit balance.

When necessary, adjustments are mode lo the financial statements of subsidiary to bring their accounting policies in line with the Group's accounting policies.
.
All intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group ore eliminated in full on consolidation.

Consolidation procedure:

Subsidiary:

a) Combine, on, line by line basis like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. Business combination's policy explains how to account for any related goodwill.

c) Eliminate in full intro-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intro-group transactions that ore recognized in assets, such as inventory and property, plant and equipment (PPE), are eliminated in full). intra group losses may indicate on impairment that requires recognition in the consolidated financial statements. Ind AS l2 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiary is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other thon those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to the Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drown up to some reporting date as that of the parent company, i.e., year ended on 31st March. When the end of the reporting period of the parent is different from that of a subsidiary, the' subsidiary proposes, for consolidation purposes, additional financial information as of the same dote as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Changes in the Group's ownership interest in existing subsidiary:

Changes in the Group's ownership interests in subsidiary that do not result in the Group losing control over the subsidiary are accounted for as equity transactions. The carrying amounts of the Group's interests on the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the group.

When the Group loses control of a subsidiary, a gain or loss is recognised in consolidated statement of profit and loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received.-and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognised in either comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary of the date when control is lost is regarded as the fair value on initial recognition subsequent accounting under Ind AS 109.

Basis of classifications of current and non-current

All the assets and liabilities have been classified as current or non-current in the balance sheet,

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets/ liabilities.

Revenue Recognition

In case of sale of goods performance obligation is satisfied when control is transferred to customer and recoverability of amount is probable. Transaction price is same as invoice value excluding taxes. Revenue is recognized as and when performance obligation is satisfied.

In case of sale of service performance obligation is satisfied when work is executed, customer approves the work performed and recoverability of amount is probable. Transaction price is same as invoice value excluding taxes. Revenue is recognized as and when performance obligation is satisfied.

The company accounts for discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive.

Goods and Service Tax (GST) is not received by the company on its own account. Rather it is tax collected on value added to the goods/ services by the seller on behalf of the Government. Accordingly, it is excluded from revenue. However such tax expenses are included in cost where Company is not availing tax credit of the same.

Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Accounting policy

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.
For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Transition

Effective April 1, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

Borrowing costs

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

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalization are determined by applying a capitalization rate to the expenditures on that asset.

The Company suspends capitalization of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

Retirement and other employee benefits

Defined Contribution plans

Payment to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

(a) Provident fund of the Company is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

(b) Pension Fund of the Company is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

Defined Benefit Obligation Plans

Gratuity

The Company provides for gratuity, a defined benefit retirement plan (“the Gratuity Plan”) covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the Kalyani Commercial Limited Employees’ Gratuity Fund Trust (“the Trust”). Trustees administer contributions made to the Trusts and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by Indian law.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effects of any plan amendments are recognized in net profit in the Statement of Profit and Loss.

Compensated absences

The Company has a policy on compensated absences which are non-accumulating in nature.

Taxation

Tax expense comprises of current tax, deferred tax and Dividend Tax which are described as follows -:

Current Tax

Current tax is the amount of tax payable based on the taxable profit for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 expected to be paid to the tax authorities, using the applicable tax rates. Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of reporting period. Current Tax is generally charged to profit & loss except when they relate to items which are recognized in other comprehensive income or equity.

Deferred Tax
Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax and liabilities are not recognised if the temporary differences arise from their initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. in addition, defended tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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 assets and liabilities 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.

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

Current and deferred tax for the year

Current and deferred taxes are recognised in profit or 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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, Plant and Equipment

PROPERTY, PLANT & EQUIPMENT is recognized when it is probable that future economic benefits associated with the items will flow to the company and the cost of the item can be measured reliably.

PROPERTY PLANT & EQUIPMENTS are stated at cost net of Cenvat less accumulated depreciation and impairment losses, if any. Cost of acquisition is inclusive of freight, duties, attributable overheads, taxes and incidental/preoperative expenses and interest on loans attributable to the acquisition of assets up to the date of commissioning of assets.

Assets in the course of construction are capitalized in the assets under construction account. At the point when the asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of the PROPERTY, PLANT & EQUIPMENT and depreciation commences.

Free hold land is carried at historical cost.

Leasehold land is not amortized as all leasehold land is on 99 years lease with local authority and such leasehold land is outside the scope of Ind AS-16.

All other items of property plant and equipment are stated at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of items.

Subsequent costs are included in assets carrying amount or recognized as a separate asset, as the case may be, only when it is probable that future economic benefits with the PROPERTY, PLANT & EQUIPMENT will flow to the entity and cost of the item will be measured reliably.

Carrying amount of component is recognized as a separate asset. Such component is derecognized when replaced. Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost. Otherwise, such items are classified as inventories.

Repairs and maintenance are charged to profit and loss account as and when they are incurred.

All items of PROPERTY, PLANT & EQUIPMENT is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PROPERTY, PLANT & EQUIPMENT is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit & loss.

Transition to IND AS

- On transition to Ind AS, Company elected to continue with the historical cost of all its PROPERTY, PLANT & EQUIPMENT recognized as at 1st April, 2018 as per previous GAAP and use that historical cost as the deemed cost of property, plant and equipment less accumulated depreciation and cumulative impairment on the transition date of April 1, 2018.
- Such deemed cost exemption has been availed by the company as per para D-5 of Ind AS-101 First time adoption of Ind AS.

Depreciation and estimates

- Depreciation is calculated using written down value method to allocate their cost, net off there residual value.
- The useful life of asset has been taken as specified in schedule II of Companies Act, 2013.
- The residual value is not more than 5% of asset.
- The residual value is taken after considering the restoration cost.
- The assets' residual values and useful lives of the assets are reviewed and adjusted if appropriate at the end of each reporting period.

Class of Assets	Years
Building	15 to 50 years
Plant & Machinery	3 to 15 years
Furniture & Fixtures	3 to 10 years
Vehicles	4 to 5 years
Office Equipment's	3 to 10 years

Intangible Assets (Software)

Intangible assets (which comprises of software acquired) and depreciation /amortization on WDV method as per Companies Act 2013 and impairment losses if any.

Amortization is recognized on a written down value basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Transition to IND AS

- On transition to Ind AS, Company elected to continue with the historical cost of all its Intangible Assets recognized as at 1st April, 2018 as per previous GAAP and use that historical cost as the deemed cost of Intangible assets less accumulated depreciation and cumulative impairment on the transition date of April 1, 2016.

- Such deemed cost exemption has been availed by the company as per para D-5 of Ind AS-101 First time adoption of Ind AS.

Capital Work in Progress

Capital work in progress are stated at cost and inclusive of preoperative expenses, project development expenses etc.

Impairment of Non-Financial assets including of Property, Plant & Equipment's and Intangible Assets:

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors.

An impairment loss is recognized in the Statement of Profit and Loss whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. A previously recognized impairment loss is increased or reversed depending on changes in circumstances.
However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

Inventories

Inventories are valued as follows:-

A.	(a)	Trading Goods (Including Spare parts)	At Cost or net realizable value, whichever is lower cost for this purpose includes direct material cost plus appropriate share of overhead.

Provisions, contingent liabilities & Assets:

A Provision is recognized when an enterprise has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settled the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not disclosed to its present value and are determined based on best management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

A contingent asset is a possible asset that arises from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

Other contingent liabilities and assets are not recognized but are disclosed in the notes.

Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the 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 recognized immediately in profit or loss.

Financial assets

Initial recognition and measurement

The Company initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Classification of financial assets

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

Subsequent measurement

Debt Instruments-

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. For the purposes of subsequent measurement, debt instruments are classified in three categories:

- Debt instruments at amortised cost;
- Debt instruments at fair value through other comprehensive income (FVTOCI);
- Debt instruments at fair value through profit or loss (FVTPL).

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the 'Other income' line item.

Investment in subsidiary
Investment in subsidiary is carried at deemed cost in the separate financial statements.

De-recognition
The Group 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 risk and rewords of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewords of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and on associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. When the Group retains on option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Impairment of financial assets
The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

<u>Financial liabilities</u>

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss (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.

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Company chooses to subsequently measure it loans and borrowings at amortized cost using the interest rate mentioned in loan agreement of loans taken before 01.04.2019. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process. Amortised cost is calculated by

taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of new financial liability. Similarly a substantial modification, of the terms of an existing financial liability and the recognition of a new financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Fair Value Measurement

The Group measures financial instruments, such as, equity instruments at fair value at each reporting date.
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:

- In the principal market for the asset or liability, or
- 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 Group.
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 categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

The Company's management determines the policies and procedures for both recurring fair value measurement, such as instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operation.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.
This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Segment Reporting Policies

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Chief operating decision maker review the performance of the Company according to the nature of products manufactured traded and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of segments is based on the activities performed by each segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole.

Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Dividend to equity holders of the Company

The Company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

Earnings per Share

a) **Basic EPS:** Basic EPS is calculated by dividing the profit attributable to shareholders by the weighted average number of shares outstanding during financial year adjusted for bonus elements in the equity shares issued during the year.

b) **Diluted EPS:** Diluted EPS adjusts the figures used in the determination of basic EPS to take into account:
    - The after income tax effect of interest and other financing costs associated with the dilutive potential equity share and

- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential shares.

First-time adoption - mandatory exceptions, optional exemptions

Overall principle

The Group has prepared the opening Consolidated Balance Sheet as per Ind AS as of 1 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'.
- by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and
- applying Ind AS in measurement of recognised assets and liabilities

These are the Group's first financial statements prepared in accordance with Ind AS. The significant accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2020, the comparative information presented in these financial statements for the year ended March 31, 2019 and in the preparation of an opening Ind AS balance sheet as at April 01, 2018 (the date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amount reported previously in financial statements prepared in accordance with the Accounting Standards notified under Section133 of the Companies Act, 2013, read with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

a) Optional exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

(i) Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

(ii) Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment (PROPERTY, PLANT &EQUIPMENT) as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities in case there is no change in the functional currency. This exemption can also be used for intangible assets covered by Ind AS 38 'Intangible Assets'.

b) Ind AS mandatory exceptions applied

(i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in occurring policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01,2018 are consistent with the estimates as at the some dote mode in conformity with previous GAAP. The Group mode estimates for following items in accordance with 'Ind AS of the date of transition as these were not required under previous GAAP:

-Investment in equity instruments carried at FVTPL or FVTOCI;
-investment in debt instruments carried of FVTPL and
-impairment of financial assets based on expected credit loss model.

(ii) De-recognition of financial assets and liabilities
Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities, derecognised as a result of past transactions, was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition provisions of Ind AS 109, prospectively from the date of transition to Ind AS.

(iii) Classification and measurement of financial assets
Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.25

3. CRITICAL JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with the generally accepted accounting principles (GAAP) requires the management to make judgment, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and Liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

The areas involving critical estimates or judgments are:

- Estimation of current tax expense and payable
- Estimated useful life of Property Plant and equipment
- Estimated Useful life of intangible assets
- Estimation for the value of contingent liabilities
- Recognition of revenue

Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

Key sources of estimation uncertainty

i) Useful lives of property, plant and equipment
Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

ii) Impairment of property plant and equipment
Determining whether the property, plant and equipment are impaired requires an estimate in the value in use of plant and equipment. The value in use calculation requires the Management to estimate the future cash flows expected to

arise from the property, plant and equipment and a suitable discount rate in order to calculate present value. When the actual cash flows are less than expected, a material impairment loss may arise

iii) Provisions and liabilities

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 that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

iv) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

v) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

KALYANI COMMERCIALS LIMITED

Notes annexed to and forming part of Balance Sheet as at 31st March, 2020

4. PROPERTY PLANT & EQUIPMENT

Particulars	**Freehold land**	**Lease hold land**	**Commercial Land**	**Buildings and lease hold improvement**	**Plant and machinery**	**Electrical fittings**	**Office equipment**	**Furniture and fixtures**	**Computer**	**Vehicles**	**Tangibles Total**
Cost/Deemed cost											
As at 01.04.2018	**1246397.00**	**2563311.00**	**11657836.00**	**58812677.43**	**28506813.60**	**4119127.55**	**13058371.78**	**13903059.27**	**16794490.08**	**18049642.11**	168711725.82
Addition	0	0	0	44042104	2388960	422215	504747	1799413	1622829.47	5561987	56342255.47
Deduction		0	0	0	0	0	0	0	0	1167817	1167817
As at 31.03.2019	1246397.00	2563311.00	11657836.00	102854781.43	30895773.60	4541342.55	13563118.78	15702472.27	18417319.55	22443812.11	223886164.29
Addition	0	0	0	0.00	**233182.50**	**194427.00**	1399856.06	29815.00	848969.40	8312671.00	11018920.96
Deduction	1246397	0	0	0							1246397
As at 31.03.2020	**0.00**	**2563311.00**	**11657836.00**	**102854781.43**	**31128956.10**	**4735769.55**	**14962974.84**	**15732287.27**	**19266288.95**	**30756483.11**	**233658688.25**
Accumulated Depreciation and Impairment											
As at 01.04.2018	**0.00**	**0.00**	**0.00**	**28576106.82**	**12674230.88**	**2516364.82**	**8543760.56**	**7320221.76**	**11477579.55**	**6209425.70**	**77317690.09**
depreciation expenses	0	0	0	4586965.93	3785489.41	450671.34	1957268.97	1914326.82	3478562.71	4960806.21	21134091.39
Deduction		0	0							1088464	1088464
As at 31.03.2019	0.00	0.00	0.00	33163072.75	16459720.29	2967036.16	10501029.53	9234548.58	14956142.26	10081767.91	97363317.48
depreciation expenses	0	0	0	4686643.86	2097799.31	463275.50	1720588.43	1604484.97	2219947.03	6052889.40	18845628.5
Deduction	0	0	0								
As at 31.03.2020	**0.00**	**0.00**	**0.00**	**37849716.61**	**18557519.60**	**3430311.66**	**12221617.96**	**10839033.55**	**17176089.29**	**16134657.31**	**116208945.98**
Carrying Value											
As at 31.03.	0.00	2563311.00	11657836.0	65005064.82	12571436.5	1305457.89	2741356.88	4893253.72	2090199.6	14621825.80	**117449742.27**

2020			0		0				6		
As at 31.03. 2019	1246397.00	2563311.00	11657836.00	69691708.68	14436053.31	1574306.39	3062089.25	6467923.69	3461177.29	12362044.2	126522846.81

As at 01.04.2018	1246397.00	2879425.00	11657836.00	33532068.61	418460.72	239584.73	665746.78	2668144.51	1692381.47	1407420.41	91394035.73
useful Life of the Assets (Years)	NA	60-99	30	15.00	10.00	10.00	3.00	6.00	(8-15)	3.00	
Method of depreciation	NA	NA	WDV	WDV	WDV	WDV	WDV	WDV	WDV	WDV	

Notes:
Certain Property, Plant & Equipment are pledged against borrowings, the details relating to which have been described in Note 22 pertaining's to borrowings.

5. **INVESTMENT PROPERTY**

Particulars	Leasehold land	Freehold Land	Buildings (Owned)	Tangibles Total
As At 01.04.2018	**316114.00**	**0.00**	**3295498.00**	**3611612.00**
Addition				
Deduction				
As at 31.03.2019	**316114.00**	**0.00**	**3295498.00**	**3611612.00**
Addition				
Deduction				
As at 30.09.2019	**316114.00**	**0.00**	**3295498.00**	**3611612.00**
Accumulated depreciation and impairment				
as at 01.04.2018	**0.00**		**1795180.00**	**1795180.00**
depreciation expenses	0	0	143320	**143320.00**
Deduction		0		
as at 31.03.2019	**0.00**		**1938500.00**	**1938500.00**
depreciation expenses			129629.00	
Deduction				
as at 31.03.2020	**0.00**		**2068129.00**	**2068129.00**
Carrying Value				
As at 31.03.2020	316114.00	0.00	1227369.00	**1543483.00**
As at 31.03.2019	316114.00	0.00	1356998.00	**1673112.00**
As at 01.04.2018	316114.00	0.00	1500318.00	**1816432.00**
useful Life of the Assets (Years)				

Method of depreciation				

Disclosure pursuant to Ind AS 40 “Investment Property”

a. Amount recognized in the Statement of Profit and Loss for investment property:

(Rs. In Lacs)

Sr. no.	2019-20	2018-19	2017-18
A-165 ,IPIA KOTA KHASRA NO 1044/1045 SATHUR BUNDI	19.8	19.8	19.8

b. Fair market value of investment property

(Rs. In Lacs)

Sr. no.	2019-20	2018-19	2017-18
1. Fair Value of investment property*			
A-165 ,IPIA Kota Khasra No 1044/1045 Sathur Bundi			

* Fair market value not ascertained by the company.

6. RIGHT TO USE ASSETS

The changes in the carrying value of right of use assets for the year ended March 31, 2020 are as follows:

Particulars	Building (in Rs.)
Reclassified on account of adoption of Ind AS 116	
Additions	176178327
Deletions	
Total	176178327
Depreciation	28226138
Balance as of March 31, 2020	**147952189**

The break-up of current and non-current lease liabilities as of March 31, 2020 is as follows:

Particulars	Amount
Current lease liabilities	22479342
Non-current lease liabilities	129323196
Total	**151802538**

The details regarding the contractual maturities of net investment in sublease of ROU asset as of March 31, 2020 on an undiscounted basis are as follows :

Particulars	Amount
Less than one year	145772150
One to five years	3281985
More than five years	
Total	**149054135**

SLM Method

7. INTANGIBLE ASSETS

(Rs. In Lacs)

Software	
Cost/Deemed cost	
As At 01.04.2018	**755492**
Addition	229000
Deduction	
As at 31.03.2019	**984492**
Addition	0
Deduction	
As at 31.03.2020	**984492**
Accumulated Amortization and impairment	
as at 01.04.2018	**690514.89**
Amortization expenses	150028.72
Deduction	
as at 31.03.2019	**840543.61**
Amortization expenses	64971.74
Deduction	
as at 31.03.2020	**905515.35**
Carrying Value	
as at 31.03.2020	**78976.65**
as at 31.03.2019	143948.39
as at 01.04.2018	64977.11
Useful Life of the assets (Range)	3
Method Of Amortization	WDV

8. INVESTMENT (NON-CURRENT)

(Rs. in Lacs)

Particular	**Paid up value**	**No. of Shares**	**As at 31.03.2020**	**As at 31.03.2019**	**As at 01.04.2018**
Investment in equity investments					
Ordinary Share (Fully paid up) (at cost or deemed cost)					
Others					
Ganganagar Automobile Private Limited	10.00	250,000.00	2,500,000.00	2,500,000.00	2,500,000.00
Pawan Finvest Private Limited	10.00	48,345.00		-	483,450.00
Aligner Enterprises Private Limited	10.00	45,000.00		-	450,000.00
Investment in Government securities (unquoted)					
(At Amortized Cost)					

National Saving Certificate (Deposited					
within Sales Tax Dept. interest is to be adjusted on realization)			3,000.00	3,000.00	3,000.00
Grand Total			**2,503,000.00**	**2,503,000.00**	**3,436,450.00**

Quoted					
Aggregate book value			-	-	-
Aggregate market value			-	-	-
Unquoted					
Aggregated carrying value					-
Investment at Deemed Cost/Cost			-	25.03	34.33
Investment at amortized Cost			-	-	-
Investment at Fair Value through other Comprehensive Income		-	-		

9. OTHER FINANCIAL ASSETS (NON-CURRENT) (Rs. in Lacs)

- Particulars	As at 31.03.2020	As at 31.03.2019	A sat 01.04.2018
Security Deposits/ Earnest Money	11,295,338.85	16,583,142.85	15,271,682.85
Fixed Deposit with Banks	4,509,583.00	26,756.00	3,754,813.00
	15,804,921.85	**16,609,898.85**	**19,026,495.85**
Security Deposit with related party (interest free)			
Name			
Mala Agarwal	-	5,000.00	5,000.00

10. CURRENT TAX ASSETS (NET)

- Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Income Tax Paid (Net of Provision)	1,132,301.67	1,030,236.67	149,922.59
	1,132,301.67	**1,030,236.67**	**149,922.59**

11. DEFERRED TAXES

Assets

Under Previous GAAP, deferred taxes were recognized for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognized using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or through other comprehensive income.

(Rs. in Lacs)

Particulars	Arising During the Year (OCI)	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Deferred Tax Liability				
Gratuity	209,074.00			

		209,074.00		
Right to Use		1,464,260.00		
Total	**209,074.00**	**1,673,334.00**	**-**	**-**
Deferred Tax Assets				
Property Plant & Equipements		3,162,108.00	2,772,083.00	1,858,202.00
Others		-	187.00	352.00
Lease Liability		1,539,305.00		
Total	**-**	**4,701,413.00**	**2,772,270.00**	**1,858,554.00**
Net deferred tax (Assets)/liability	**(209,074.00)**	**3,028,079.00**	**2,772,270.00**	**1,858,554.00**

*Impact of deferred tax assets/liability on Right of Use assets and lease liability is given at holding company. However the same was not considered by the subsidiary company. Hence, no deferred tax asset or liability created for Right of Use assets and lease liability at subsidiary company in consolidated financial statements

12. INVENTORIES (at lower of cost and net relizable value)

(Rs. in Lacs)

Particulars	**As at 31.03.2020**	**As at 31.03.2019**	**As at 01.04.2018**
Trading Goods	200,416,979.95	919,168,229.41	803,066,881.79
	200,416,979.95	**919,168,229.41**	**803,066,881.79**

Note:

Inventories have been hypothecated as security against certain bank borrowings of the company

Cost of inventory recognized as an expense

Particulars	**2019-20**	**2018-19**	**2017-18**
Changes in inventories of Trading goods,	718,751,249.36	(116,095,881.19)	(646,265,632.93)
Stores and spares consumed	16,073,894.65	310,835.94	392,340.00
Power and fuel	7,996,257.48	10,916,583.00	6,932,698.00

13. TRADE RECEIVABLES **(Rs. in Lacs)**

Particulars	**As at 31.03.2020**	**As at 31.03.2019**	**As at 01.04.2018**
Outstanding for a period exceeding 6 months from the date they are			
due for payment	-		
Considered Good	5,024,577.69	3,023,662.70	4,374,066.90
Considered Doubtful	1,120,076.00	-	1,120,076.00
Other debtors			
Considered Good	336,303,937.45	665,812,753.71	677,399,887.89
	342,448,591.14	**668,836,416.41**	**682,894,030.79**
Provision for doubtful made	1,120,076.00	-	1,120,076.00
Total	**341,328,515.14**	**668,836,416.41**	**681,773,954.79**

Ageing of Receivables That are past due but not impaired

Particulars			
<180 days	336,303,938.45	665,812,753.71	677,399,887.89
>180days	5,024,577.69	3,023,662.70	5,494,142.90
	341,328,516.14	**668,836,416.41**	**682,894,030.79**

In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. There has been no significant change in the credit quality of receivables past due for more than 180 days.

Trade receivables have been given as Primary security towards borrowings

14. CASH AND CASH EQUIVALENTS

(in Rs.)

Balances with Banks			
On Current Account	11,016,710.68	18,426,561.63	34,791,726.26
Payu Money	525,512.00	-	-
Cash in Hand	4,376,759.99	6,729,226.83	3,691,626.57
	15,918,982.67	**25,155,788.46**	**38,483,352.83**

15. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(in Rs.)

In term deposit account			
With maturity more than 3 months but less than 12 months	-	2,017,862.00	-
at inception	-		
	-		
With maturity more than 12 months at inception	4,509,583.00	26,756.00	3,754,813.00
	4,509,583.00	2,044,618.00	3,754,813.00
Amount disclosed under other Financial Assets (Non-Current)	4,509,583.00	26,756.00	3,754,813.00
	-	**2,017,862.00**	**-**
Note			
Earmarked balance (In term deposit account)	20.17	0.27	37.54

The deposits maintained by the Company with banks comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

(in Rs.)

Particulars	**As at 31.03.2020**	**As at 31.03.2019**	**As at 01.04.2018**
16. Loans (Current)			
(Unsecured, Considered good unless otherwise stated)			
Advances to others	31,890,624.09		
standard Assets (Loans to Firm and Individuals)	-	1,980,750.00	1,586,890.00
Loans and Advances to Related Parties	-	7,500,000.00	-
	31,890,624.09	**9,480,750.00**	**1,586,890.00**

17. OTHER FINANCIAL ASSETS (CURRENT)

Interest Accrued on Fixed Deposits	143,863.00	-	-

	143,863.00	**-**	**-**

18. CURRENT TAX ASSETS(NET)

Income taxes paid (Net of Provision)	5,139,149.43	1,716,708.00	186,452.24
Stock of old Vehicle held for Disposal		-	4,100,767.00
	5,139,149.43	**1,716,708.00**	**4,287,219.24**

19. OTHER CURRENT ASSETS

Advances recoverable in cash or or in kind			
or for value to be received	50,160,569.22	87,238,284.41	62,530,634.09
Prepaid Expenses	1,669,629.45	1,567,722.00	1,787,685.00
Balance with revenue authorities etc.	18,606,899.07	96,608,429.93	181,517,537.00
Gratuity Fund Assets (net)	1,531,914.00		
Advance to Staff	2,504,854.55	2,041,633.00	1,278,841.00
	74,473,866.29	**187,456,069.34**	**247,114,697.09**

20. SHARE CAPITAL

Particulars	**figures as at 31.03.2020 (Rs.)**	**figures as at 31.03.2019 (Rs.)**	**figures as at 01.04.2018 (Rs.)**
Authorised 40,00,000 equity share of rs.10/- each	40,000,000.00	40,000,000.00	40,000,000.00
Issued,subscribed and paid up			
10,00,000 equity share of rs.10/- each	10,000,000.00	10,000,000.00	10,000,000.00
Total	**10,000,000.00**	**10,000,000.00**	**10,000,000.00**

Notes:

1. Rights, preferences and restrictions attached to equity shares .the company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

2. Details of share holders holding more than 5 % equity shares as at 31.03.2019 and 31.03.2020

	31.03.2020		**31.03.2019**		**01.04.2018**	
Share holder	**No. of share**	**Ownership interest %**	**No. of share**	**Ownership interest %**	**No. of share**	**Ownership Interest %**
Shankar Lal Agarwal	418000	41.80%	418000	0.42	418,000.00	0.42

As per the records of the company including its register of shareholder/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

21. OTHER EQUITY

	Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
1	**Retained earnings**	77,204,631.18	68,633,807.16	61,556,069.83
2	**Other comprehensive income**			
	Re measurements of the net defined benefit plans	1,651,637.00	-	-
3	**Other reserve**			
	Statutory Reserve	-	327,097.00	223,435.00
	General Reserve	327,097.00	-	-
	TOTAL	**79,183,365.18**	**68,960,904.16**	**61,779,504.83**

22. BORROWINGS

Particulars	As at 31.03.2020		As at 31.03.2019		As at 01.04.2018	
	Non-current	Current	Non-current	Current	Non-current	Current
Secured Borrowings **(A) TERM LOAN**						
From Banks (See note below)	9,455,920.73	3,189,704.41	7,200,048.00	3,450,986.00	6,923,305.00	2,007,179.80
(B) TERM LOAN						
From NBFC (See note below)	1,776,683.59	1,351,299.81	2,049,113.92	1,018,774.37	2,254,680.00	715,128.72
Unsecured Borrowings (INR)						
Inter Corporate Deposits	82,633,179.09	-	37,603,195.00	-	34,131,974.00	
From Directors	57,517,695.00		5,660,209.00	-	-	
From NBFC (See note below)	-	-	-	**5,651,741.00**	**5,778,664.00**	**16,954,498.00**
	51,383,478.41	**4,541,004.22**	**52,512,565.92**	**10,121,501.37**	**49,088,623.00**	**19,676,806.52**

meOf Banker/NBFC/Otl	As at 31.03.2020		As at 31.03.2019		As at 01.04.2018		Terms of repayments	Security
	Non-current	Current	Non-current	Current	Non-current	Current		
A. Term Loan from Banks (Secured)								
ICICI	2,126,578.00	400,130.00	2,526,708.00	361,663.00	2,888,371.00	356,956.00	Loan for purchase of House. Repayable to ICICI from May 2015 in 120 Monthly installments (Due with in One Year Rs. 361663) starting from 15.05.2015 at an interest rate of 9.90 % till 05.04.2025	Secured by Equitable mortgage of House Property (Flat No. 502, 5th Floor and Plot No. 120, Shakti nagar, Dadabari, Kota)
ICICI	428,410.00	79,868.00	508,278.00	72,332.00	580,610.00	65,508.00	Loan of Rs. 800000/- sanctioned on 01.05.2015 at Kota for renovation of Guest House Repayable to ICICI from June 2015 in 120 Monthly installments (Due with in One Year Rs. 72732) starting from 05.06.2015 at an interest rate of 9.95 % till 05.05.2025	Secured by Equitable mortgage of House Property (Flat No. 502, 5th Floor and Plot No. 120, Shakti nagar, Dadabari, Kota)
Yes Bank Ltd	924,517.00	387,332.00	1,311,849.00	354,870.00	-	-	Loan of Rs. 1972038/-sanctioned on 28.04.2018 at GD AUTO FARIDABAD foR CAR purchase. Repayable to Yes Bank in 60 Monthly installments (Due with in One Year Rs. 354870) at an interest rate of 8.65 %.	Rupees term loan from bank is secured/to be secured by first charge by way of hypothecation OF INNOVA CRYSTA (Vehicle)
Kotak Mahindra Bank	864,494.00	419,688.00	1,014,549.00	356,368.00	1,089,179.82	935,044.59	Repayable to Kotak Mahindra from January 2018 in 60 Monthly installments of Rs. 42459	Secured by the way of hypothication of INNOVA (Vehicle)
Kotak Mahindra Bank	31,205.00	357,570.00	334108.00	382,896.00	-	-	from April 2018 in 36 Monthly installments of Rs. 31426	Secured by the way of hypothication of HONDA WR-V (Vehicle)
Kotak Mahindra Bank	158,463.00	295,786.00	571571.50	131,072.00	-	-	Repayable to Kotak Mahindra from September 2018 in 36 Monthly installments of Rs. 27130	Secured by the way of hypothication of HONDA JAZZ (Vehicle)
Kotak Mahindra Bank	155,829.00	291,699.00	182823.00	124,669.00	-	-	Repayable to Kotak Mahindra from August 2018 in 36 Monthly installments of Rs. 26650	Secured by the way of hypothication of HONDA AMAZE. (Vehicle)
Kotak Mahindra Bank	390,583.00	92,917.00	0.00	-	-	-	Repayable to Kotak Mahindra from August 2019 in 60 Monthly installments of Rs. 11161	Secured by the way of hypothication of HONDA AMAZE. (Vehicle)
Kotak Mahindra Bank	499,623.00	120,982.00	0.00	-	-	-	Repayable to Kotak Mahindra from August 2019 in 60 Monthly installments of Rs. 14550	Secured by the way of hypothication of HONDA AMAZE. (Vehicle)
Kotak Mahindra Bank	862,654.00	227,698.00	0.00	-	-	-	Repayable to Kotak Mahindra from May 2019 in 60 Monthly installments of Rs. 26925	Secured by the way of hypothication of HONDA CITY. (Vehicle)
Kotak Mahindra Bank	432,854.00	217,515.00	0.00	-	-	-	Repayable to Kotak Mahindra from December 2019 in 36 Monthly installments of Rs. 22420	Secured by the way of hypothication of HONDA AMAZE. (Vehicle)
HDFC Bank	-	71,760.13	104522.42	377,509.59	568,083.20	291,458.40	Repayable to HDFC from June 2017 in 36 Monthly installments of Rs. 36255	Secured by the way of hypothication of HONDA CITY (Vehicle)
HDFC Bank	2,580,710.73	47,080.65	0.00	-	-	-	Repayable to HDFC from Mar 2020 in 48 Monthly installments of Rs. 65805	Secured by the way of hypothication of HONDA CRV (Vehicle)
HDFC Bank	-	135,598.82	610870.22	963,367.10	1,073,474.64	550,762.68	Repayable to HDFC from Jun 2017 in 34 Monthly installments of Rs. 58509	Secured by the way of hypothication of HONDA CRV (Vehicle)
HDFC Bank	-	44,079.81	64207.26	231,883.83	348,949.84	179,025.08	Repayable to HDFC from June 2017 in 36 Monthly installments of Rs. 22270	Secured by the way of hypothication of HONDA JAZZ (Vehicle)
	[illegible]	[illegible]						

Secured Loan from NBFC								
TATA MOTORS FINANCE LIMITED	702,364.74	338,537.18	1,040,901.92	306,891.08	1,350,814.00	281,177.00	Loan of Rs. 1680000/-sanctioned on 29.01.2018 at KOTA for HEXA purchase. Repayable to TMFL from February 2018 in 60 Monthly installments (Due with in One Year Rs.306891) at an interest rate of 8.76 %.	Rupees term loan from bank is secured/to be secured by first charge by way of hypothecation of TATA HEXA (Vehicle)
TATA MOTORS FINANCE LIMITED	-	135,943.95	147568.69	139,948.60	404,931.78	22,534.11	Repayable to TMFL from February 2018 in 36 Monthly installments of Rs. 14101	Secured by the way of hypothication of TATA MAGIC EXPRESS (Vehicle)
TATA MOTORS FINANCE LIMITED	-	166,156.72	351413.33	171,045.61	496,717.88	27,541.06	Repayable to TMFL from February 2018 in 36 Monthly installments of Rs. 17235	Secured by the way of hypothication of TATA 207Di (Vehicle)
TATA MOTORS FINANCE LIMITED	-	132,743.85	143234.82	122,959.05	378,305.84	10,847.08	Repayable to TMFL from March 2018 in 36 Monthly installments of Rs. 12581	Secured by the way of hypothication of TATA ACE MEGA XL (Vehicle)
TATA MOTORS FINANCE LIMITED	310,600.49	262,768.00	329556.76	372,285.22	-	-	Repayable to TMFL from June 2018 in 47 Monthly installments of Rs. 25089	Secured by the way of hypothication of TATA LPT709 (Vehicle)
TATA MOTORS FINANCE LIMITED	763,718.36	315,150.11	0.00	-	-	-	Repayable to TMFL from June 2019 in 47 Monthly installments of Rs. 33907	Secured by the way of hypothication of TATA WINGER 600 (Vehicle)
	1,776,683.59	**1,351,299.81**						
B. Term Loan from NBFC(Unsecured)								
Tata Capital Finance Ltd	-	-	-	5,651,741.00	5,778,664.00	16,954,498.00	Loan of Rs.1,80,00,000/- sanctioned on 23.01.2018 Repayable to TCFSL from February 2018 in 18 Monthly installments (Due with in One Year Rs. 5651741/-) starting from 22.02.2018 at an interest rate of 11.25 % till 22.07.2019	Unsecured demand Loan
	-	**-**						

23. PROVISIONS

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Provision for Employees Benefits			
For Gratuity	-	6,190,437.00	4,509,523.00
Less: Funded	-	(6,190,437.00)	(4,509,523.00)
Provision for Income Tax	-	-	-
Contingent Provision against standard Assets	-	4,541.00	9,493.00
	-	**4,541.00**	**9,493.00**

23. INCOME TAXES

Indian companies are subject to Indian income tax on a consolidated basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31.

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals and retirement benefit costs. Statutory income tax is charged at 22% plus a surcharge and education cess.

Particulars			**For the year ended**
		31.03.2020	**31.03.2019**
Current Tax			
Tax provision		49.58	39.97
Tax refund/reversal pertaining to earlier years		0.12	(3.70)
Total Current Tax		**49.70**	**36.27**
Deferred Tax			
Deferred Tax		(4.65)	(9.14)
Deferred Tax OCI		2.09	-
Total Deferred tax		**(2.56)**	**(9.14)**
Total tax expense debited to profit & Loss A/c		**47.14**	**27.13**

A reconciliation of income tax expense applicable to accounting profit/ (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars			**For the year ended**
		31.03.2020	**31.03.2019**
Profit/loss before tax		**113.62**	**113.71**
Enacted Tax rate in India		22.88%	26%
Expected income tax expense/ (benefit) at statutory tax rate		26.00	29.56
Expenses/Capital Gain not deductible in determining taxable profits		119.08	248.86
Capital Gain		**(71.75)**	
			-
Effect of tax pertaining to prior years		0.12	-
Expenses deductible in determining taxable profits		(103.06)	(209.10)
Additional deduction as per tax			-
Tax on Capital Gain		11.01	-
Tax Expense for the year		49.58	40.70
Effective income tax rate		**43.64**	**35.79**

*The reconciliation of income tax was not prepared by the subsidiary company. Hence the above reconciliation is based on the holding company itself. However net profit and tax expense is taken for both holding and subsidiary company

24. SHORT TERM BORROWINGS (CURRENT)

Particular	31.03.2020	31.03.2019	01.04.2018
Secured			
Working Capital Loan			
(a) From HDFC Bank (See Note - 1)	189,613,390.21	106,082,803.86	712,710,171.31
(b) From Other Bank (See Note - 2)	105,063,446.75	855,872,849.16	483,977,941.66
(c) From NBFC (See Note - 3)	31,492,873.72	550,684,488.41	466,995,466.73
Unsecured			
From HDFC Bank	-	931,197.00	1,722,987.00
From Directors		5,690,000.00	
Inter- Corporate Deposits		775,000.00	2,700,000.00
	326,169,710.68	**1,520,036,338.43**	**1,668,106,566.70**
Notes:			
1. Cash Credit Limit from HDFC is secured by way of hypothecation of all company`s current assets including all stocks and book debts and other movable, both present and future .These loans are further secured / to be secured by way of first charge by way of mortgage, by deposit of title deeds in respect of workshop/ showroom land and building located at Kota and also personal guarantees of the Shri Shankar Lal Agarwal & Sourabh Agarwal Directors of the company.			
2. Secured by way of hypothecation of book debts and PDC from various banks			
3. Secured by way of hypothecation of book debts and Stock from NBFC			
4. Rate of Intt is from 8.65% to 11.75%			

25. TRADE PAYABLES

Particular	31.03.2020	31.03.2019	01.04.2018
(a)Micro, small and Medium	-	6,415,000.00	-
enterprises Development Act, 2006			
(b) Others (Trade Payable and others)	98,896,641.53	149,517,060.10	43,753,760.17
	98,896,641.53	**155,932,060.10**	**43,753,760.17**

26. OTHER FINANCIAL LIABILITIES CURRENT)

Particular	31.03.2020	31.03.2019	01.04.2018
Current Maturity of Long Term Borrowings	4,541,004.22	10,121,501.37	19,676,806.52
Current Due of Other Long Term Liabilities	-	-	-
	4,541,004.22	**10,121,501.08**	**19,676,806.52**

27. OTHER CURRENT LIABILITIES

Particular	31.03.2020	31.03.2019	01.04.2018
Advance from Customers	31,549,945.44	77,776,624.40	25,189,060.26
Statutory Levies	53,850,469.81	20,618,146.64	17,184,451.97
Bank Balance due to reconciliation	-	1,190,049.00	1,238,295.65
Other Payable	8,499,064.44	6,757,335.00	-
	93,899,479.69	**106,342,155.04**	**43,611,807.88**

28. PROVISIONS (CURRENT)

Provision for Employees Benefits			
Particular	**31.03.2020**	**31.03.2019**	**01.04.2018**
For Gratuity	-	258,068.00	131899
Less: Funded	-	(258,068.00)	-131899
Income Tax (Net)	2,550,000.00	-	-
	2,550,000.00	**-**	**-**

KALYANI COMMERCIALS LIMITED

Notes annexed to and forming part of statement of Profit and loss for the year ended on 31st March, 2020

29. REVENUE FROM OPERATIONS

Particulars	**2019-20**	**2018-19**
Sale of Products		
Sales of Vehicle and Spare Parts thereof	6133515754.84	8808495621.89
including oil ,Lubricants and Petro Products		
(Net of Discount)		
Sale of Services		
Job work Receipt	151789623.95	152184628.44
Commission Received	13934691.28	13941069.66
Interest Received (NBFC)	0.00	312888.00
Incentive Income	107589179.34	34594977.75
	6406829249.41	**9009529185.74**
Particulars of Sales of Products		
Vehicle & vehicle Body	5769401557.33	8545334642.87
Spare Parts & accessories	272793944.8	160494693.36
Petroleum Products	89381497.03	101748986.30
Other / Used Vehicles	1938755.71	917299.36
Total	**6133515754.84**	**8808495621.89**

30. OTHER INCOME

Interest income earned on financial assets		
Other Interest income	1459328.57	451474.22
Rent and hire receipts	1980000	1980000.00
Interest on Lease	130938	0.00
Interest on Gratuity NET	152110	
Miscellaneous Income	3668075.67	2706428.75
Continent Provision against Std. Assets	4541	
Excess Provision of Income Tax	12457	
Profit on Sale of Fixed Assets(Net)	7174603	93770.00
Total	**14582053.24**	**5231672.97**

31. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

OPENING INVENTORIES		
Finished Goods		
Vehicles (Including old Vehicle)	878096083.9	737281036.25
Spare Parts	38355804.38	61964692.24
Petroleum Products	2484486.01	3825429.73

Others	231855	1190.00
	919168229.31	**803072348.22**
CLOSING INVENTORIES		
Finished Goods		
Vehicles (Including old Vehicle)	155511832.4	833156099.02
Spare Parts	41296398.21	83526189.38
Petroleum Products	3384879.38	2484486.01
Others	223870	1455.00
	200416979.95	**919168229.41**
INCREASE (DECREASE) IN INVENTORIES	**718751249.36**	**-116095881.19**

32. PURCHASE OF STOCK IN TRADE

Purchases Vehicle (Including Used Vehicle)	4998886666.14	8330318959.05
Purchases Spare Parts & Accessories	139742710.2	140562634.80
Purchase Petro Product	87118793.19	96753404.67
	5225748169.48	**8567634998.52**

33. EMPLOYEE BENEFITS EXPENSE

Salaries, Wages, Bonus and Allowances etc.	132391851	134198138.00
Contribution of PF, ESI and other welfare fund scheme	7333880	7364613.00
Contribution to Gratuity	1450202	1744367.00
Employee Welfare Exp. Including compensation	5007172.02	5101147.16
	146183105.02	**148408265.16**

34.FINANCE COSTS

Bank charges and Guarantee commission	2226899.96	2363509.53
Interest Expenses	126066562.7	178214061.6
Interest on Lease	1008740	0
	129302202.61	**180577571.08**

35.DEPRECIATION AND AMORTIZATION EXPENSE

Depreciation on Property Plant & Equipment	18845628.5	21277411.39
Amortisation of Investment Property	129629.38	0.00
Amortisation to Right to Use	3656990	
Amortisation of Intangible Assets	24634119.74	150028.72
	47266367.62	**21427440.11**

36 OTHER EXPENSES

(in Rs.)

Particulars	2019-20	2018-19
Trading & Job / Servicing Expenses		
Stores, Spares and Tools Consumed.	16073894.65	310835.94
Job work and other charges	27054801.13	39732113.54
Repairs and Maintenance		
a) To Machinery	6069526.96	1167040.65
b) To Building	21839.56	1790377.50
Insurance Expenses	1145435.42	3117698.00
	50365497.72	**46118065.63**
Establishment and Selling Exp.		
Freight and Transportation Expenses	797830.1	3664974.00
Rent	4171060	46088093.00
Electricity & Water	7996257.48	10916583.00
Trade Certificate & TRC Charges	0	1640227.00
Telephone, telex and postage	4037043.18	3118336.30
Travelling and conveyance expenses	4753651.08	7581931.76
Legal, consultancy, retainership, professional	4551626.56	5575486.81
General repairs	596385.49	3195817.18
Vehicle hiring / running and maintenance	14297464.93	2623293.71
Miscellaneous expenses	16245389.34	20045044.93
Payment To Auditors	200000	100000.00
Advertisement	11504263.63	2045977.98
Donation	83000	
Sales Promotion	762957.22	12612061.97
Claims / rebate and discount exp.	4333857.95	25598412.06
Sales Commission	18106605.74	9518488.00
Contingent Provision against Standard Assets	0	-4952.00
	92437392.70	**154319775.70**
Grand Total	**142802890.42**	**200437841.33**

37. SEGMENT REPORTING:

(a) Primary Segment: Business Segment

Based on the guiding principles given in Accounting Standard AS –17 "Segment Reporting" notified under Companies (Accounting standard) Rules 2006, the Group's operating business are organized and managed separately according to the nature of products. The two identified reportable segments. One is automobile segment in which trading of vehicles and servicing (including Heavy Commercial Vehicle and Three Wheelers) and other which includes retail outlet of Petroleum Products (BPCL).

Secondary Segment: Geographical segment:
The analysis of Geographical segment is based on the geographical location i.e. domestic and overseas markets of the customers.

Secondary Segment Reporting (By Geographical segment)
The following is the distribution of the group`s revenue from operation (net) by Geographical markets, regardless of where the goods were produced:

(Rs. In Lacs)

Particulars	2019-20	2018-19
Revenue from domestic Market	64068.29	90095.29
Revenue from Overseas Market	0.00	0.00
Total	**64068.29**	**90095.29**

Geographical segment wise receivables:

Particulars	2019-20	2018-19
Receivable of domestic Market	3413.29	6688.36
Receivables of Overseas Market	0.00	0.00
Total	3413.29	6688.36

Geographical segment wise Fixed Assets:

Particulars	2019-20	2018-19
In India	2670.24	1284.82
Outside India	0.00	0.00
Total	**2670.24**	**1284.82**

a)Segment accounting polices:

In addition to the significant accounting policies applicable to the business segment as set in note 2, the accounting policies in relation to segment accounting are as under:

ii) Segment revenue & expenses:

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

iii) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, receivables, inventories and fixed assets, net of allowance and provisions, which are reported as direct off sets in the balance sheet. Segment Liabilities include all operating Liabilities and consist principally of trade payables & accrued liabilities. Segment assets and liabilities do not include deferred income taxes except in the division of the Commercial Vehicle. While most of the assets/liabilities can be directly attributed to individual segments, the carrying amount of certain assets /liabilities pertaining to two more segments are allocated to the segments on a reasonable basis.

iv) Inter segment sales:

Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated in consolidation. The main division is Ganganagar Motors (A division of Commercials Vehicles) and funds provided by the Ganganagar Motors to other division and interests on such balances are not charged.

(iv)other segment having revenue from sale of external customers in excess of 10% of total revenue of all segments is shown separately and others are shown in other segment.

Information about business segments: for the year ending as on 31st March 2020

(Rs.In Lacs)

Particulars	**Automobile**		**Others**		**Total**	
	Curr. Year	**Prev. Year**	**Curr. Year**	**Prev. Year**	**Curr. Year**	**Prev. Year**
Segment Revenue :						
External sales/income (Net)	63174.48	89072.67	893.81	1022.62	64068.29	90095.29
Other receipt	145.82	52.32	-	0.00	145.82	52.32
Total Revenue	**63320.30**	**89124.99**	**893.81**	**1022.62**	**64214.11**	**45462.34**
Segment Results :						
Segments results	1394.13	1914.32	12.46	15.14	1406.59	1929.46
Unallocated expenses (Net)	0.00	10.00	0.00	0.00	0.00	10.00
Operation profit before Interest	1394.13	1904.32	12.46	15.14	1406.59	1919.46
Financial exp.	(1293.02)	(1805.78)	0.00	0.00	(1293.02)	(1805.78)
Income tax current/Earlier Year	(49.70)	(36.27)	0.00	0.00	(49.70)	(36.27)
Deferred tax	4.65	9.14	0.00	0.00	4.65	9.14
Net Profit	**56.06**	**71.41**	**12.46**	**15.14**	**68.52**	**86.55**
Other Information :						
Segment Assets	9462.58	19526.98	125.47	125.32	9588.05	19652.30
Inter Branch	0.00	0.00	0.00	0.00	0.00	0.00
Unallocated assets						
Total Assets	**9462.58**	**19526.98**	**125.47**	**125.32**	**9588.05**	**19652.30**
Segments Liabilities :						
Share Capital	100.00	100.00	0.00	0.00	100.00	100.00
Reserve & Surplus	666.53	560.42	125.30	129.19	791.83	689.61
Secured & Unsecured Loan	4775.53	15725.49	0.00	0.00	4775.53	15725.49
Segment liabilities	3516.73	2723.61	0.17	0.39	3516.90	2724.00
Unallocated liabilities	403.78	413.20	0.00	0.00	403.78	413.20
Deferred tax liabilities	0.00	0.00	0.00	0.00	0.00	0.00

Total Liabilities	**9462.57**	**19522.72**	**125.47**	**129.58**	**9588.04**	**19652.30**
Capital Expenditure	110.19	565.71	0.00	0.00	110.19	565.71
Depreciation	472.66	214.27	0.00	0.00	472.66	214.27

38. RETIREMENT AND OTHER EMPLOYEE BENEFITS:

(a) Defined contribution plans

The Group operates defined contribution retirement benefit plan for all qualifying employees. Group directly contribute to the provident fund and having no obligation for further contribution:

(Rs. In Lacs)

Particulars	**2019-20**	**2018-19**
Provident Fund	48.95	48.33
Contribution Employee State Insurance	24.39	25.31

(b) Defined Benefit Plans

Gratuity

Gratuity is payable to all eligible employees of the group on retirement, death, permanent disablement and resignation in terms of the provision of the Payment of Gratuity Act, 1972. The benefits would be paid at the time of separation.

The following tables summarises the changes in the projected benefit obligation and plan assets and amounts recognised in the Balance Sheet as at March 31, 2020 and March 31, 2019, being the respective measurement dates:

		Gratuity (Funded)	
	Particulars	**2019-20**	**2018-19**
a	**Changes in present value of defined benefit obligations**		
	Present value of defined benefit obligation at the beginning of the Year	74.85	
	Current Service Cost	14.50	
	Interest Cost	5.61	
	Actuarial changes arising from change in financial assumptions	(9.13)	
	Actuarial changes arising from change in experience adjustments	0.00	
	Benefits paid	(1.83)	
	Present value of defined benefit obligation at the end of the Year **(Total)**	**84.00**	
b	**Changes in fair value of Plan Assets:**		
	Fair value of Plan Assets as at beginning of the Year	91.37	
	Interest Income	7.13	
	Employer Contribution	2.65	
	Return on plan assets excluding interest income (Fund Management Charges)	0.00	
	Benefits paid	(1.83)	
	Fair value of plan Assets as at end of the Year	99.32	

		Gratuity (Funded)	
	Particulars	**2019-20**	**2018-19**
c	**Net asset / (liability) recognised in the balance sheet**		
	Present value of defined benefit obligation at the end of the Year	84.00	
	Fair value of plan Assets as at end of the Year	99.32	
	Amount recognised in the Balance Sheet	15.32	
	Net (liability) / assets – Current	15.32	
	Net (liability) / assets - Non – current	0.00	

d	**Expenses recognised in the Statement of Profit and Loss for the year**		
	Current Service Cost	14.50	
	Interest Cost on benefit obligation (net)	(1.53)	
	Actuarial (gain)/ Loss	(9.13)	
	Total expenses included in employee benefits expenses	3.83	

		Gratuity (Funded)	
	Particulars	**2019-20**	**2018-19**
e	**Recognised in other comprehensive income for the year**		
	Actuarial changes arising from change in financial assumptions	(9.13)	
	Actuarial changes arising from change in experience adjustments	0.00	
	Return on plan assets excluding interest income	0.00	
	Recognised in other comprehensive income	(9.13)	

		Gratuity (Funded)	
	Particulars	**2019-20**	**2018-19**
1	Principal Actuarial Assumptions used as at the Balance Sheet date :		
	Discount Rate	7.25%	
	Expected Rate of Return on Plan Assets		
	Salary Escalation Rate	7.00%	

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market. Same assumptions were considered for comparative period i.e 2018-19 as considered in previous GAAP on transition to Ind AS. The above information is certified by the Actuary.

Investment risk The liability is funded with LIC as valued by LIC.

Interest risk The rate used to discount post-employment benefit obligation should be determined by reference to market yields at the balance sheet date on Government bonds. The currency and term of government bonds should be in consistent with the currency and estimated term of post-employment benefit obligation. .

Salary risk: Salary increase should take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

39. FINANCIAL INSTRUMENTS

Capital risk management

The Group being in a capital intensive industry, its objective is to maintain a strong credit rating healthy capital ratio and establish a capital structure that would maximize the return to stakeholders through optimum mix of debt and equity.

The Group's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets.
The Group regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents and current investments.

(Rs. In Lacs)

Particulars	As at 31st March 2020	As at 31st March 2019	As at 01st April 2018

Long term borrowings	1513.83	525.13	490.89
Current maturities of long term debt	45.41	101.22	196.77
Short term borrowings	3261.70	15200.36	16681.07
Total	4820.94	15826.71	17368.73
Less: cash and cash equivalent	159.19	251.56	384.83
Less: bank balances other than cash and cash equivalent	0	20.18	0.00
Net debt	4661.75	15554.97	16983.90
Total equity	891.83	789.61	717.80
Gearing ratio	0.19	0.05	0.04

Note
1. Equity includes all reserves of the group that are managed as capital
2. Debt is defined as long and short term borrowings.

Categories of Financial Instruments

(Rs. In lacs)

Particulars	31.03.2020		31.03.2019		01.04.2018	
	Carrying values	Fair value	Carrying values	Fair value	Carrying value	Fair value
Financial assets						
Measured at amortised cost						
Loans (Non-Current)	0.00	0.00	0.00	0.00	0.00	0.00
Loans (Current)	318.91	318.91	94.81	94.81	15.87	15.87
Other financial assets(Non-Current)	158.05	158.05	166.10	166.10	190.26	190.26
Trade receivables	3413.29	3413.29	6688.36	6688.36	6817.74	6817.74
Cash and cash equivalents	159.19	159.19	251.56	251.56	384.83	384.83
Bank balances other than cash and cash equivalents	0.00	0.00	20.18	20.18	0.00	0.00
Non-current Investments (NSC)	0.03	0.03	0.03	0.03	0.03	0.03
Other Financial Assets (Current)	1.43	1.43	0.00	0.00	0.00	0.00
Total financial assets at amortised cost (A)	**4050.90**	**4050.90**	**7221.04**	**7221.04**	**7408.73**	**7408.73**
Financial assets						
Measured at fair value through other comprehensive income	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Financial assets						
Measured at fair value through profit and loss	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total financial assets at fair value through profit and loss (C)						
Total financial assets (A+B+C)	**4050.90**	**4050.90**	**7221.04**	**7221.04**	**7408.73**	**7408.73**
Financial Liabilities						
Measured at amortised cost						
Long term Borrowings*	1559.24	1559.24	626.35	626.35	687.66	687.66

Short term Borrowings	3261.70	3261.70	15200.36	15200.36	16681.07	16681.07
Trade Payables	988.97	988.97	1559.32	1559.32	437.54	437.54
Other financial liabilities (Non-Current)	0.00	0.00	0.00	0.00	0.00	0.00
Other financial liabilities (Current) excluding current maturity of long term debt	0.00	0.00	0.00	0.00	0.00	0.00
Total financial Liabilities at amortised cost	**5809.91**	**5809.91**	**17386.03**	**17386.03**	**17806.27**	**17806.27**

* Including Current Maturity of Long Term Debt.

Financial Risk Management

The Group has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Group's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Group's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Group.

The risk management policy aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the Government policies. The Group is exposed in the ordinary course of its business to risks related to changes in interest rates, commodity price.

Foreign Currency Risk Management

The group does not have and foreign currency transactions so there are no need manage risk associated with foreign currency. Hence no disclosure required.

Commodity Price Risk:

The Group's revenue is exposed to the market risk of price fluctuations due to government policies or rules, other factors of demand and supply and regional economic conditions.

Credit Risk Management:

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Group's credit risk arises principally from the trade receivables, loans, cash & cash equivalents.

Trade receivables:

The group's customer profiles are corporate as well as large individuals. Accordingly group's customer risk is low. The sales are mostly in cash and credit to customer is around 30 days credit.

The history of trade receivables shows a negligible allowance for bad and doubtful debts.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in with a mix of fixed and floating rates of interest. The Group has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates.

(Rs. In Lacs)

Particulars	**As at 31 March 2020**	**As at 31 March 2019**	**As at 01st April 2018**
Fixed rate borrowings	157.73	137.19	119.00
Floating rate borrowings	3261.70	15135.71	16636.84
Total borrowings	3419.43	15272.90	16755.84

Liquidity Risk Management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Group requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Group generates sufficient cash flow for operations which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The Group has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

(Rs. In Lacs)

Particulars	**31.03.2020**			
	<1 year	**1-5year**	**>5year**	**Total**
Financial assets				
Non-current Investments	0.00	0.00	25.03	25.03
Loans (Non-current)	0.00	0.00	0.00	0.00
Loans (current)	318.91	0.00	0.00	318.91
Trade receivables	3413.29	0.00	0.00	3413.29
Cash and cash equivalents	159.19	0.00	0.00	159.19
Bank balances other than cash and cash equivalents	0.00	0.00	0.00	0.00
Other financial assets	1.43	158.05	0.00	159.48
Total financial assets	**3892.82**	**158.05**	**25.03**	**4075.90**
Financial Liabilities				
Long term Borrowings	45.41	1513.83	0.00	1559.24
Short term Borrowings	3261.70	0.00	0.00	3261.70
Trade Payables	988.97	0.00	0.00	988.97
Other financial liabilities (Non-Current)	0.00	0.00	0.00	0.00
Other financial liabilities (Current) excluding current maturity of long term borrowings	0.00	0.00	0.00	0.00
Total financial Liabilities	**4296.08**	**1513.83**	**0.00**	**5809.91**

Particulars	31.03.2019			
	<1 year	1-5year	>5year	Total
Financial assets				
Non-current Investments	0.00	0.00	25.03	25.03
Loans (Non-current)	0.00	0.00	0.00	0.00
Loans (current)	94.81	0.00	0.00	94.81
Trade receivables	6688.36	0.00	0.00	6688.36
Cash and cash equivalents	251.56	0.00	0.00	251.56
Bank balances other than cash and cash equivalents	0.00	20.18	0.00	20.18
Other financial assets	0.00	166.10	0.00	166.10
Total financial assets	**7034.73**	**186.28**	**25.03**	**7246.04**
Financial Liabilities				
Long term Borrowings	101.22	525.13	0.00	626.35
Short term Borrowings	15200.36	0.00	0.00	15200.36
Trade Payables	1559.32	0.00	0.00	1559.32
Other financial liabilities (Non-Current)	0.00	0.00	0.00	0.00
Other financial liabilities (Current)	0.00	0.00	0.00	0.00
Total financial Liabilities	**16860.90**	**525.13**	**0.00**	**17386.03**

Particulars	31.03.2018			
	<1 year	1-5year	>5year	Total
Financial assets				
Non-current Investments	0.00	0.00	34.36	34.36
Loans (Non-current)	0.00	0.00	0.00	0.00
Loans (current)	15.87	0.00	0.00	15.87
Trade receivables	6817.74	0.00	0.00	6817.74
Cash and cash equivalents	384.83	0.00	0.00	384.83
Bank balances other than cash and cash equivalents	0.00	0.00	0.00	0.00
Other financial assets	0.00	190.26	0.00	190.26
Total financial assets	**7218.44**	**190.26**	**34.36**	**7443.06**
Financial Liabilities				
Long term Borrowings	196.77	490.89	0.00	687.66
Short term Borrowings	16681.07	0.00	0.00	16681.07
Trade Payables	437.54	0.00	0.00	437.54
Other financial liabilities (Non-Current)	0.00	0.00	0.00	0.00
Other financial liabilities (Current)	0.00	0.00	0.00	0.00
Total financial Liabilities	**17315.34**	**490.89**	**0.00**	**17806.27**

Collateral

The Group has hypothecated of its Intangible assets, trade receivables, cash and cash equivalents (details as specified in note no. 21 & 23) in order to fulfil certain collateral requirements for the banking/ Other Financial

Institutions (NBFC) facilities extended to the Group. There is obligation to return the securities to the Group once these banking facilities are surrendered.

40. LEVEL WISE DISCLOSURE OF FINANCIAL INSTRUMENTS

Particulars	As at 31st March 2020	As at 31st March 2019	As at 01st April 2018	Level	Valuation techniques and key inputs
Long term Borrowings*					
Carrying value	1559.24	626.35	687.66	2	Discounted cash flow – observable future cash flows are based on terms discounted at a rate that reflects market risks.
Fair value	1559.24	626.35	687.66	2	

***including current maturity**

There is no instruments like preference shares measured at fair value using level iii technique so no sensitivity analysis and reconciliation are not given

41. CONTINGENT LIABILITIES AND COMMITMENTS

CONTINGENT LIABILIITIES (NOT PROVIDED FOR) IN RESPECT OF FOLLOWING:
a) **(RS. In Lacs)**

S.No.	Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
i)	Outstanding bank guarantee *	20.00	20.00	66.32
ii)	Other Claims against the Group not acknowledged a debt relating to supplies and service matters	210.67	184.32	185.54
iii)	*Show cause/demand/notices by excise deptt. service tax, income tax authorities being disputed by the group.*	732.54	0.00	1.75

Based on favourable decisions in similar cases, legal opinion taken by the group., discussions with the solicitors, etc., the group believes that there is fair chance of decisions in its favours in respect of all the items listed in (ii) above and hence no provisions is considered necessary against the same.

42. RELATED PARTY DISCLOSURE UNDER ACCOUNTING STANDARD IND AS-24

“Related party disclosures” notified under Companies (Accounting standard) Rules 2006.

During the year, the group entered into transactions with the related parties. Those transactions along with related balance as at 31st March 2020 and for the year ended are presented below.

List of related parties with whom transactions have taken place during the year along with nature and volume of transactions are summarized as follows:

List of related parties and relationship:

For Holding Company

Name of the related party	Relationship	% of holding	Incorporated in
Subsidiaries			
Ganganagar Vehicles Priavte Limited	Subsidiary group	51.08%	India
Nekub Consultancy Limited (The group is in under process of striking off in the year 2018-19)	Subsidiary group	100%	India
YYKS Consultancy Limited (The group is in under process of striking off in the year 2018-19)	Subsidiary group	100%	India
Enterprises controlled or are under same management with reporting enterprise			
Ganganagar Automobiles Private Limited			
Argent Leasing and Finance Limited			
Kota Trucks Private Limited			
Key Management personnel			
Shankar Lal Agarwal	Managing Director		
Sourabh Agarwal	Chief Financial Officer		
Vikram Jeet Singh	Group Secratory		
Relatives of Key management persons			
Smt. Mala Agarwal			

<u>Transactions with related parties:</u>

(Rs. In Lacs)

S. N.	Name	Nature of Transaction	2019-20	2018-19
1.	Ganganagar Vehicles Private Limited	Opening Balance Dr.	0.00	0.00
		Shares Opening Balance	408.68	408.68
		Purchase	2070.10	615.37
		Intt. Received	0.00	2.00
		Investment Purchase	0.00	0.00
		Sale	1458.61	828.70
		Shares closing Balance	408.68	408.68
		Outstanding at the year end	0.00	0.00
2.	NEKUB Consultancy Limited	Opening Balance Dr.	0.00	0.00
		Shares Opening Balance	0.00	5.00
		Loss on Sale of Investment	0.00	5.00
		Shares closing Balance	0.00	0.00
3.	YYKS Consultancy Limited	Opening Balance Dr.	0.00	0.00
		Shares Opening Balance	0.00	5.00
		Loss on Sale of Investment	0.00	5.00
		Shares closing Balance	0.00	0.00
4.	Ganganagar Automobile Private Limited	Opening Balance Dr.	0.00	0.00
		Shares Opening Balance	25.00	25.00
		Shares closing Balance	25.00	25.00
5.	Argent Leasing & Finance Ltd.(NBFC)	Opening Balance Cr.	24.66	22.38
		Interest Paid	0.00	2.53
		TDS Deducted	0.00	0.25
		Outstanding Balance(Cr.)	24.66	24.66
6.	M/s Kota Trucks Pvt. Ltd.	Opening Balance(Dr.)	0.00	0.00
		Transaction During the year		
		Rent (Received)	23.36	19.80
		Purchases	36.25	30.61

		Sales	64.48	72.48
		Intt. Received	0.00	0.00
		Outstanding at the year-end (Dr.)	0.00	0.00
7.	Shankar Lal Agarwal	Opening Balance (Cr.)	0.00	0.00
		Director Remuneration	4.20	4.20
		Loan Received	51.80	0.00
		Amount Repaid	51.80	0.00
		Outstanding at the year end	0.00	0.00
8.	Shankar Lal Agarwal HUF	Opening Balance (Cr.)	0.00	0.00
		Loan Received	176.00	0.00
		Outstanding at the year end	176.00	0.00
9.	Sourabh Agarwal	Opening Balance (Cr.)	56.60	0.00
		Rent Paid	3.60	3.60
		Director Remuneration	6.00	6.00
		Amount Received	108.45	71.00
		Interest Paid	0.00	6.22
		TDS Deducted	0.23	0.62
		Amount Paid (Loan Repayment)	103.05	20.00
		Loan account cr. Balance	62.00	56.60
10.	Vikramjit Singh(CS)	Opening	0.37	0.33
		Salary Paid	2.63	5.16
		TDS Deducted	0.00	0.07
		Outstanding at the year end	0.00	0.37
11.	Sourabh Agarwal HUF	Opening Balance (Cr.)	0.00	0.00
		Loan Received	49.75	0.00
		Outstanding at the year end	49.75	0.00
12.	Chandni Arora(CS)	Opening	0.00	0.00
		Salary Paid	1.37	0.00
		Outstanding at the year end	0.32	0.32

(V) Relatives to the Key Management:

1	Smt. Mala Agarwal	Opening Opening Balance (Sec. Deposit)	0.00 0.05	0.00 0.05
		Rent during the year	0.12	0.12
		Amount Paid	0.12	0.12
		Closing Balance (Sec. Deposit)	0.00	0.05

Note: The transaction relating to reimbursement of actual expenses to/from related Parties have not been considered above below.

For Subsidiary Company – Ganganagar Vehicles Private Limited

(A)Enterprises Where Control Exists:	Name	Holding %/ Relationship	Nature of transactions
1)Holding Company	Kalyani Commercials Limited	Holding Company 51.08%	Sale

2) Subsidiaries(Extent Of Holding)	Kota Trucks Private Limited		Nil
(B)Other Related Parties:	Argent Leasing and Finance Private Limited Ganganagar Automobiles Private Limited GBM Vaahan Private Limited Shankar Lal Agarwal HUF Ganganagar Automobiles (Proprietorship)	Company Having Common Director Company Having Common Director	Sale /Purchase Sale /Purchase Sale /Purchase
1) Joint Venture	Nil	Nil	Nil
2) Key Management Personal	a. Shankar Lal Agarwal b. Sourabh Agarwal c. Ashutosh Bagadia	Director Director Director	Nil Nil Nil
3)Other (Non-Executive Chairman)	Nil	Nil	Nil
4)Employees' Benefit Plans where there is significant influence	Nil	Nil	Nil

b.Transactions during the year with related parties:

Particulars	Total	
	31st March 2020	31st March 2019
Transactions with Key managerial personnel ('KMP')		
-Unsecured loan received	1,34,11,500	17,40,000
-Unsecured loan repaid	22,00,000	5,50,000
(b) Sourabh Agarwal		
-Unsecured loan received	8,47,000	6,00,000
-Unsecured loan repaid	8,47,000	4,85,000
ansactions with Holding Company		
(a) Kalyani Commercials Limited		
-Sale of traded goods	5,56,675	6,15,36,791
-Purchase of traded goods	-	8,28,70,155
-Interest Paid	-	2,00,411
Transactions with Subsidiary of Holding Company		
(a) Kota Trucks Private Limited		
-Sale of traded goods	8,233	45,28,565
-Purchase of traded goods	-	28,29,332
-Unsecured loan received	2,54,17,040	6,32,02,000
-Unsecured loan repaid		

	2,54,17,040	6,32,02,000
-Purchase of vehicles (fixed assets)	14,85,000	-
Transactions with enterprise over which KMP are able to exercise significant influence		
-Unsecured loan paid	8,10,000	-
-Unsecured loan received	11,90,000	7,75,000
(b) Ganganagar Automobiles Private Limited		
-Sale of traded goods	2,25,355	20,99,378
-Purchase of traded goods	5,309	9,187
-Unsecured loan received	3,02,34,558	1,58,90,426
-Unsecured loan paid	5,82,90,242	
(c) GBM Vaahan Private Limited		
-Sale of traded goods	11,89,93,147	9,45,59,109
-Purchase of traded goods	10,00,89,034	11,08,32,233
-Sale of fixed assets	-	1,48,30,087
Unsecured loan given	4,18,50,106	75,00,000
-Unsecured loan recived	5,94,39,023	
(d) Shankar Lal Agarwal HUF		
-Unsecured loan received	3,50,000	-
-Unsecured loan repaid	3,50,000	
(e) Ganganagar Automobiles (Proprietorship)		
-Sale of traded goods	373271	28,800
-Purchase of traded goods	11,53,294	57,930
-Unsecured loan received	5,37,41,297	59,46,780
-Unsecured loan repaid	6,64,07,660	14,46,780

c. Closing balances as on 31st March, 2020	**Total**	
	31st March 2020	**31st March 2019**
Balances due to / from Key managerial personnel ('KMP')		
(a) Shankar Lal Agarwal		

-Unsecured loan received	1,24,01,500	11,90,000
(b) Sourabh Agarwal		
-Unsecured loan received	-	1,15,000
Balances due to / from Subsidiary of Holding Company		
(a) Kota Trucks Private Limited		
-Trade payables	-	-
Balances due to / from enterprise over which KMP are able to exercise significant influence		
(a) Argent Leasing and Finance Private Limited		
-Unsecured loan received	11,55,000	7,75,000
(b) Ganganagar Automobiles Private Limited		
-Unsecured loan received	4,61,24,984	1,58,90,426
(c) GBM Vaahan Private Limited		
-Trade receivables	1,14,82,840	1,01,25,709
-Unsecured loan given	-	75,00,000
(d) Ganganagar Automobiles (Proprietorship)		
-Unsecured loan received	1,63,41,195	45,00,000

43 <u>DETAILS OF DUES TO MICRO SMALL AND MEDIUM ENTERPRISES AS PER MSME ACT 2006 ASIDENTIFIED BY THE GROUP</u>

(Rs. In lacs)

Particulars	**2020**	**2019**
The principal amount due and remaining unpaid to any supplier as at the end of each accounting year		64.15
The interest due an unpaid principal amount remaining as at the end of the each accounting year		-
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and medium enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) But without adding the interest specified under Micro Small and medium enterprises Development Act, 2006	*-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year, and	-	-

The amount of further interest remaining due and payable even in the succeeding years , until such date when the interest dues as above are actually paid to the Small Enterprises for the purpose of disallowance as a deductible expenditure U/s. 23 of the Micro Small and medium enterprises Development Act, 2006	-	-

44. <u>EARNING PER SHARES (E.P.S.)</u>

S. No.	***Particulars***	**2020**	**2019**
i)	*Calculation of weighted average number of face value of equity shares of Rs. 10 each*		
	No.of shares at the beginning of the year	1000000	1000000
	Total equity shares outstanding at the end of the year	1000000	1000000
	Weighted average no of equity shares outstanding during the year	1000000	1000000
ii)	*Net Profit after Tax available for equity shares holders (Rs.)*	7556669	7070492
iii)	*Basic and diluted earnings per shares (Rs.)*	7.56	7.07
iv)	*Nominal value of equity shares (Rs.)*	10	10

45. The group has complied with prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to it in terms of Non- Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. The group surrender the license of NBFC on dated 28 June 2019. Therefore, provisioning and other norms are not made.

46. Provision for loans has been made in the FY 2019. The group surrender the license of NBFC on dated 28 June 2019. Therefore, provisioning and other norms are not made.

Particulars	**% of Provision made**	**As at 31.03.2019**	**As at 31.03.2020**	**Total**
Standard Assets	0.25	4952.00	-49520.00	0.00
Total		**4952.00**	**-4952.00**	**0.00**

47. The government has introduced the Taxation Laws (Amendment) Act, 2019 and has given the option of lower tax rate subject to certain conditions. The management has carried out an assessment according to which the Group will move to lower tax rate. The effect of the same has been given to deferred tax assets as per AS 22 'Accounting for Taxes on Income'

48. The country wide lockdown had been announced from March 25, 2020 due to COVID-19 pandemic. As the challenges faced due to COVID-19 pandemic, the Group has not been able to operate at normal levels for few days. The Group took several pro-active measures, regarding its Work force and adopting stringent social distancing procedures. This helped the Group to overcome manpower challenges faced due to lockdown. Therefore, the Group's despatches, sales and market collections has not affected much, as the Group is able to gain its production and sales efficiency almost upto original levels.

50. THE DUES OUTSTANDING IN RESPECT OF INCOME TAX AND VAT ON ACCOUNT OF DISPUTES ARE AS UNDER:

Name of the Statute	**Nature of Dues**	**Demand (Rs. In Lakhs)**	**Amount paid against demand (Rs. In Lakhs)**	**Period to which the amount relates**	**Forum where dispute is pending**
Income Tax Act, 1961	Income Tax	3.74	0.00	FY 2010-11	CIT(A)
Income Tax Act, 1961	Income Tax	3.06	2.29	FY 2017-18	CIT(A)

RVAT Act	Sales Tax	421.01	42.10	FY 2014-15	Commissioner (A)
RVAT Act	Sales Tax	387.91	38.79	FY 2013-14	Commissioner (A)

51. <u>OTHER ADDITIONAL INFORMATION REGARDING THE DISCLOSURE OF INFORMATION PERTAINING TO SUBSIDIARY IS GIVEN AS PER ANNEXURE 1.</u>

52. <u>STATEMENT CONTAINING SALIENT FEATURES, PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013 OF SUBSIDIARY AS PER STANDALONE FINANCIAL STATEMENTS OF EACH ENTITY AS UNDER:</u>

Particulars	**Net Assets**				**Share in Profit(Loss)**			
	As % of Consolidated net assets		**Amount(Rs. Lacs)**		**As % of Consolidated net Profit**		**Amount(Rs. Lacs)**	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Parent Kalyani Commercials Limited	98.54	97.11	878.82	766.84	111.91	76.84	95.45	54.89
Subsidiary Ganganagar Vehicle Pvt. Ltd.	92.56	107.06	825.48	845.37	-23.32	44.35	-19.89	31.68
Minority Interest			**403.78**	**413.20**			**-9.73**	**15.14**

53. <u>FIRST TIME ADOPTION OF IND AS RECONCILIATION</u>

Reconciliation of Balance sheet	As Per annexure attached -2
Reconciliation of total comprehensive income	As Per annexure attached-3
Effect of IND AS adoption on total equity	As Per annexure attached-4
Effect of IND AS adoption on Cash Flow Statement for the year 2018	As Per annexure attached-5

Notes:

1. To comply with the Companies (Accounting Standard) Rules, 2006, certain account balances have been regrouped as per the format prescribed under Division II of Schedule III to the Companies Act, 2013.

2. Financial liabilities and related transaction costs:

Borrowings and other financial liabilities which were recognized at historical cost under previous GAAP have been recognized at amortised cost under IND AS with the difference been adjusted to opening retained earnings. Under previous GAAP, transaction costs incurred in connection with borrowings were amortised equally over the tenure of the borrowings. Under IND AS, transaction costs are deducted from the initial recognition amount of the financial liability and charged over the tenure of borrowing using the effective interest method. Difference in the un-amortised borrowing cost as per IND AS and previous GAAP on transition date has been adjusted to the cost of asset under construction or opening retained earnings, as applicable.

3. Financial assets at amortised cost:

Certain financial assets held on with an objective to collect contractual cash flows in the nature of principal and interest have been recognized at amortised cost on transition date as against historical cost under the previous GAAP with the difference has been adjusted to the opening retained earnings.

4. Deferred tax as per balance sheet approach:

Under previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profits and accounting profits for the period. Under IND AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments has also lead to recognition of deferred taxes on new temporary differences.

5. Defined benefit liabilities:

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

6. Other comprehensive income:

Under IND AS, all items of income and expense recognized in the period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss and "other comprehensive income" includes re-measurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

54. OTHER ADDITIONAL INFORMATION

(Rs. in Lacs)

S. No.	Particulars	2020	2019
I	C.I.F. Value of Imports	0	0
	Raw Material	0	0
	Stores & Spares	0	0
	Machinery	0	0
ii)	Expenditure in foreign currency (paid or provided) including overseas branches	0	0
iii)	Income in Foreign Currency	0	0
iv)	Net dividend remitted in foreign currency/foreign intuitional investors	0	0
	No. of NRI share holders	0	0
	No of shares held by them	0	0
	Dividend paid (Rs. In lacs)	0	0
	Year to which dividend relates	NA	NA

v) Value of raw material & stores and components consumed:

(Rs. In Lacs)

Particulars	2020	%	2019	%
Raw Material	0	0	0	0
Imported	0	0	0	0
Indigenous	0	0	0	0
Total :-	0	0	0	0
Stores & Spares	0	0	0	0
Imported	0	0	0	0
Indigenous	0	0	0	0
Total	0	0	0	0

55. Figures for previous year have been re-arranged/regrouped wherever necessary to make them comparable.

SIGNED FOR IDENTIFICATION
For M.C. Bhandari & Company
Firm`s Registration No. 303002E
Chartered Accountants

For and on behalf of Board of Directors
Kalyani Commercials Ltd.

Sd/-
(CA S.K. Mahipal)
Partner

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(S.L. Agarwal)	**(Puneet Sethi)**	**(Chandni Arora)**	**(SourabhAgarwal)**
M. Director	**Director**	**CS**	**CFO**
DIN: 01341113	**DIN: 08212766**	**M. No.:47215**	**DIN: 02168346**

Date: 02/07/2020
Place: Delhi

Annexure 1

Particulars regarding subsidiary companies pursuant to General Circular No. 2/2011 dated February 8, 2011 from Ministry of corporate affairs Government of India Year ended March 31st, 2020.

Name of subsidiary Group	Capital	Reserve	Total Assets	Total Liabilities	Turnover	Profit/ Loss Before Taxation	Provision For Taxation	Profit/Loss After Taxation	Proposed Dividend
Ganganagar Vehicles Private Ltd.	800.00	25.48	6631.92	5806.44	40684.34	0.82	20.71	-19.89	-

For the year 31.03.2019

Name of subsidiary Group	Capital	Reserve	Total Assets	Total Liabilities	Turnover	Profit/ Loss Before Taxation	Provision For Taxation	Profit/Loss After Taxation	Proposed Dividend
Ganganagar Vehicles Private Ltd.	800.00	45.36	12119.88	11274.51	49989.17	41.25	9.57	31.68	-

STANDALONE AUDITORS REPORT

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KALYANI COMMERCIALS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **KALYANI COMMERCIALS 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 ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

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

Other Matters

1. The Company was registered u/s 45-IA of the RBI Act 1934 as an NBFC Company besides its other business activities. During the year the company has surrendered its NBFC status to the RBI and continued to running its normal business activities. Pursuant to this the Company has prepared its financial statement as per Ind AS. The same is not affecting the business activity of the company in any manner including going concern concept.

2. Due to COVID-19 related lock-down, we were not able to participate in the physical verification of inventory at the year end. Consequently, we have performed alternative procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for Selected Items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these Standalone Financial Results. Our opinion is not modified in respect of this matter.

   Our opinion is not modified in respect of this matter.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, 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.

KEY AUDIT MATTERS	AUDITORS' RESPONSE
1. Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances	**Principal Audit Procedures** We assessed the Company's process to identify the impact of the revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internalcontrols and substantive testing as follows: • Evaluated the design of internal controls relating to implementation of the revenue accounting standard. • Selected a sample and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry, observation, re-performance and inspection of evidence in respect of operation of these controls. • Tested the relevant information of management controls relating to sales and service and other related information used in recording and disclosing revenue in accordance with the revenue accounting standard.

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

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, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

Management's Responsibility for the Standalone Financial Statements

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

In preparing the standalone financial statements, 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.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government 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.

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, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS 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 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.

e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position

ii. The Company did not have any long term contract including derivative contract for which there were any material foreseeable losses.

iii. There was no amount required to be transferred, to the Investor Education and Protection Fund by the Company.

Dated: 02.07.2020
Place: Delhi
UDIN:20070366AAAAAN9625

For M.C. Bhandari & Co.
Chartered Accountants
Firm Registration No.: 303002E

CA. S.K. Mahipal
Partner
Membership No. 070366

ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred to in paragraph 1 under the heading of "Report on other legal and Regulatory requirements" of the independent Auditor's Report on the Accounts of KALYANI COMMERCIALS LIMITED ("The Company'') for the year ended on 31st March 2020.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

i. In respect of fixed assets :

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b. The fixed assets were physically verified during the year by the management in accordance with a program of verification, the frequency of verification is reasonable having regard to the size of the company and the nature of its fixed assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification as compared to books records.

c. The title deeds of all the immovable properties are held in the name of the Company.

ii. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification/ material discrepancies noticed on physical verification have been properly dealt with in the books of account.

iii. The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

iv. In our opinion the, company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees, and security.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vii. a. The Company is generally regular in depositing undisputed statutory dues including income-tax, and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

b. The dues outstanding in respect of Income Tax and VAT on account of disputes are as under:

Name of the Statute	Nature of Dues	Demand (Rs. In Lakhs)	Amount paid against demand (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	3.74	0.00	FY 2010-11	CIT(A)
Income Tax	Income Tax	3.06	2.29	FY 2017-18	CIT(A)

Act, 1961					
RVAT Act	Sales Tax	421.01	42.10	FY 2014-15	Commissioner (A)
RVAT Act	Sales Tax	387.91	38.79	FY 2013-14	Commissioner (A)

viii. The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

ix. The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) .in our opinion and information and explanation given to us the company has not defaulted in repayment of due to banks.

x. No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

xi. In our opinion, managerial remuneration has been paid (and)/ provided in accordance with the requisite approvals mandated by the provisions of section 197 of the Act read with Schedule V to the Act.

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

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

xv. The company has not entered into any non-cash transactions with directors or persons connected with them.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.However, the company has surrendered the license on Dated 11/02/2020

For M.C. Bhandari & Co.
Chartered Accountants
Firm Registration No.: 303002E

Dated: 02.07.2020
Place: Delhi
UDIN:20070366AAAAAN9625

CA. S.K. Mahipal
Partner
Membership No. 070366

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Kalyani Commercials Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) (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 **KALYANI COMMERCIALS LIMITED** (the “Company”) as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 Aud it of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with 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 t o permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

For M.C. Bhandari & Co.
Chartered Accountants
Firm Registration No.: 303002E

Dated: 02.07.2020
Place: Delhi
UDIN:20070366AAAAAN9625

CA. S.K. Mahipal
Partner
Membership No. 070366

KALYANI COMMERCIALS LIMITED

Balance Sheet as at 31st March, 2020

(In Rs.)

Particulars	Notes	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
I ASSETS				
Non-current assets				
(a) Property, plant and equipment	4	47,869,557.50	53,430,051.81	57,409,214.73
(b) Investment property	5	1,543,482.62	1,673,112.00	1,816,432.00
(c) Capital work-in-progress		-	142,500.00	-
(d) Right to use assets	6	6,399,734.00		
(e) Intangible assets	7	78,976.65	143,948.39	64,977.11
(f) Financial assets		-		
(i) Investments	8	43,370,830.00	43,370,830.00	44,370,710.00
(ii) Loans		-	-	-
(iii) Other financial assets	9	3,841,697.85	2,096,011.85	5,656,158.85
(g) Current tax assets	10	1,132,301.67	1,030,236.67	149,922.59
(h) Deferred tax assets (Net)	11	1,394,381.00	1,618,025.00	1,418,661.00
(i) Other non-current assets		-	-	-
Total non-current assets		105,630,961.29	103,504,715.72	110,886,076.28
Current assets				
(a) Inventories	12	72,088,289.59	366,497,122.41	301,869,236.22
(b) Financial assets				
(i) Investments				
(ii) Trade receivables	13	133,609,978.07	302,357,461.41	381,156,518.79
(iii) Cash and cash equivalents	14	7,214,244.37	13,598,816.46	28,650,992.73
(iv) Bank balances other than (iii) above	15	-	2,017,862.00	-
(v) Loans	16	-	1,980,750.00	1,586,890.00
(vi) Other Financial assets	17	143,863.00	6,756.00	54,813.00
(c) current Tax assets	18	208,144.74	-	-
(d) Other current assets	19	17,585,093.48	4,221,331.34	61,096,505.09
Total current assets		230,849,613.25	690,680,099.62	774,414,955.83
TOTAL ASSETS		336,480,574.54	794,184,815.34	885,301,032.11
II EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	20	10,000,000.00	10,000,000.00	10,000,000.00
(b) Other equity	21	77,881,800.97	66,684,752.77	61,195,268.08
Total equity		87,881,800.97	76,684,752.77	71,195,268.08
Non-current liabilities				
(a) Financial liabilities				
(i) Lease Liabilities	6	2,508,097.00		
(ii) Borrowings	22	68,310,064.74	48,651,140.92	44,730,433.00
(iii) Other financial liabilities		-	-	-
(b) Provisions	23	-	4,541.00	9,493.00
		-	-	-
Total non-current liabilities		70,818,161.74	48,655,681.92	44,739,926.00
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	24	135,833,774.78	559,549,410.43	712,902,759.70
(ii) Trade payables	25	22,423,862.20	79,758,390.10	16,272,965.17

(iiii) Lease Liabilities	6	4,219,635.00		
(iv) Other financial liabilities	26	1,205,867.18	6,747,497.08	17,658,140.52
(b) Other current liabilities	27	14,097,472.58	22,789,083.04	22,262,583.88
(c) Provisions	28	-	-	269,388.76
(d) current Tax liabilities		-	-	-
Total current liabilities		177,780,611.74	668,844,380.65	769,365,838.03
Total liabilities		248,598,773.48	717,500,062.57	814,105,764.03
TOTAL EQUITY AND LIABILITIES		336,480,574.45	794,184,815.34	885,301,032.11

See accompanying notes to the Standalone Financial Statements
Signed in terms of our report of even date annexed

For M.C. Bhandari & Company
Firm`s Registration No. 303002E
Chartered Accountants

For and on behalf of Board of Directors
Kalyani Commercials Ltd.

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
(CA S.K. Mahipal)	**(S.L. Agarwal)**	**(Puneet Sethi)**	**(Chandni Arora)**	**(SourabhAgarwal)**
Partner	**M. Director**	**Director**	**CS**	**CFO**
	DIN: 01341113	**DIN: 08212766**	**M. No.:47215**	**DIN: 02168346**

Date: 02/07/2020
Place: Delhi

KALYANI COMMERCIALS LIMITED

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

(In Rs.)

Particulars	Note No	2019-20	2018-19
I Revenue from operations	29	2,277,246,007.62	4,013,087,455.74
II Other Income	30	10,453,415.57	2,957,142.97
III Total Income		**2,287,699,423.19**	**4,016,044,598.71**
IV Expenses:			
		-	-
Changes in inventories of Trading Goods	31	294,408,832.82	(64,627,886.19)
Purchase of Trding Goods	32	1,830,915,808.43	3,865,658,386.52
Employee benefit expense	33	61,240,017.12	63,824,911.16
Financial costs	34	43,545,956.23	75,555,988.08
Depreciation and amortization expense	35	9,418,632.23	6,868,386.11
Other expenses	36	36,894,664.16	60,519,566.33
Total Expenses		**2,276,423,910.99**	**4,007,799,352.01**
V Profit before exceptional items and tax (III-IV)		11,275,512.20	8,245,246.70
VI Exceptional item		-	(999,880.00)
VII Profit/(loss) before tax (V-VI)		11,275,512.20	7,245,366.70
VIII Tax expense/ benefits			
(1) Current Income Tax		2,408,000.00	2,325,000.00
(2) Deferred tax (Assets)Liability		14,570.00	(199,364.00)
(3) Income Tax Expenses Earlier Years		12,241.00	(369,754.00)
IX Profit/(Loss) for the year after tax		**8,840,701.20**	**5,489,484.70**
XI Profit for the year		**8,840,701.20**	**5,489,484.70**
XII Other Comprehensive Income			
A i) Items that will not be reclassified to profit or loss			
a) Re-measurements of the defined benefit plans		913,784.00	-
b) Equity instruments through Other comprehensive income		-	-
ii) Income tax relating to items that will not be reclassified to profit or loss		(209,074.00)	-
Total (A)		**704,710.00**	-
B i) Items that will be reclassified to profit or loss			
(a) The effective portion of gains and loss on hedging instruments			
(b) Changes in Foreign Currency Monetary Item translation difference account(FCMITDA)			

ii) Income tax relating to items that will be reclassified to profit or loss			
Total (B)		-	-
Total Other comprehensive income / (loss) (A+B)		704,710.00	-
XIII Total comprehensive income / (loss)		**9,545,411.20**	**5,489,484.70**
Earning per equity share:			
(1) Basic		9.55	5.49
(2) Diluted		9.55	5.49

Significant Accounting Policies and Notes to the financial statements 1&2
Signed in terms of our report of even date annexed

For M.C. Bhandari & Company
Firm`s Registration No.
303002E
Chartered Accountants

For and on behalf of Board of Directors

Kalyani Commercials Ltd.

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
(CA S.K. Mahipal)	**(S.L. Agarwal)**	**(Puneet Sethi)**	**(SourabhAgarwal)**	**(Chandni Arora)**
Partner	**M. Director**	**Director**	**CS**	**CFO**
	DIN: 01341113	**DIN: 08212766**	**M. No.:47215**	**DIN: 02168346**

Date: 02/07/2020
Place: Delhi

KALYANI COMMERCIALS LIMITED

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

			For the year ended	
			31.03.2020	**31.03.2019**
			(Rupees)	**(Rupees)**
A	**CASH FLOW FROM OPERATING ACTIVITIES:**			
	Net Profit		7,556,669	8,657,684
	Add: Deferred Tax expense		(255,808)	(913,717.00)
	Provision for Tax		4,970,241	3,626,776
	Exceptional Item			
	Profit before tax &Exceptional Items Including OCI		12,271,102	12,370,623
	Adjustment for:			
	Depreciation and amortization		47,266,368	21,427,439
	Interest Income		(1,459,329)	(451,474)
	Interest on Lease		(130,938)	
	Contingent Provision against standard Assets		(4,541)	(4,952)
	Provision		(12,457)	
	Interest Expense		126,066,563	178,214,062
	Interest on Lease Expense		1,008,741	
	Profit on Sale of Fixed Assets		(7,174,603)	(93,770)
	Operating profit before working capital changes		177,830,906	211,461,928
	Adjustments for movement in working capital :			
	Adjustments for (increase) / decrease in operating assets:			
	Stock		718,751,249	(116,101,348)
	Trade receivables		327,507,901	12,937,538
	Other Current Assets		33,934,229	2,570,511
			1,080,193,380	(100,593,298)
	Adjustments for increase / (decrease) in operating liabilities:			
	Trade payables		(57,748,637)	112,178,300
	Other current liabilities		(14,261,867)	53,175,042
			(72,010,504)	165,353,342
	Direct taxes paid/deducted at source		(5,267,994)	(4,699,809)
	NET CASH FROM/(USED IN) OPERATING ACTIVITIES		**1,180,745,788**	**271,522,163**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**			
	Long-term loans and advances recovered			(2,191,774)
	Short-term loans and advances recovered		59,981,710	51,764,768
	Increase in other non current financial assets		(4,424,982)	
	Increase in other current financial assets		(137,107)	-
	Closing Subsidiary company reserves			111,020
	Interest Received		1,459,329	451,474
	Other non current assets			3,728,058
	Sale of Investment			933,450
	Purchase of fixed assets		(10,876,422)	(14,941,637)
	ROU			-
	Sale of Fixed Assets		8,421,000	173,124
	NET CASH FROM/(USED IN) INVESTING ACTIVITIES		**54,423,528**	**40,028,482**
C	**CASH FLOW FROM FINANCING ACTIVITIES:**			
	Increase/(Decrease) in other financial liabilities		(5,541,630)	-

	Increase/(Decrease) in long term borrowings		(766,497,494)	3,423,943
	Increase/(Decrease) in short term borrowings		(344,503,647)	(148,070,228)
	Interest Paid		(126,066,563)	(178,214,062)
	Lease Rent Payment		(3,814,650)	
	Increase/(Decrease) in other long term liabilities		-	-
	NET CASH FROM / (USED IN) FINANCING ACTIVITIES		**(1,246,423,984)**	**(322,860,347)**
D	**Net Increase/(Decrease) in cash and cash equivalents**	**(A+B+C)**	**(11,254,668)**	**(11,309,702)**
E	**Cash and cash equivalents as at the end of previous period**		27,173,650	38,483,353
F	**Cash and cash equivalents as at end of the year**		**15,918,983**	**27,173,650**

Note: The Cash Flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

For M.C. Bhandari & Company
Firm`s Registration No. 303002E
Chartered Accountants

For and on behalf of Board of Directors

Kalyani Commercials Ltd.

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
(CA S.K. Mahipal)	**(S.L. Agarwal)**	**(Puneet Sethi)**	**(Chandni Arora)**	**(SourabhAgarwal)**
Partner	**M. Director**	**Director**	**CS**	**CFO**
	DIN: 01341113	**DIN: 08212766**	**M. No.:47215**	**DIN: 02168346**

Date: 02/07/2020
Place: Delhi

KALYANI COMMERCIALS LIMITED

Notes Annexed to and forming part of Balance Sheet as at 31/03/2020

A. Equity Share Capital

(In RS.)

	As at 01.04.2018	**Movement during the year 2019**	**As at 31.03.2019**	**Movement during the year 2020**	**As at 31.03.2020**
Share Capital		-			10,000,000.00

	10,000,000.00		10,000,000.00	-	

B. **Statement of Changes in equity**

Particulars	General Reserve	Statutory Reserve	Retained Earnings	OCI for Acturial loss	Total
Balance as at 1st April 2018	-	223,435.00	60,971,833.08		61,195,268.08
Ind As adjustments				..	
Balance as at 1st April 2018	-	223,435.00	60,971,833.08	..	**61,195,268.08**
Ind As adjustments					
Transfer from retained earning		103,662.00			103,662.00
Profit for the year	-	-	5,489,484.69	-	5,489,484.69
Transfer in statutory reserve	-	-	(103,662.00)	-	(103,662.00)
Total income for the year 2019	**-**	**327,097.00**	**66,357,655.77**	**-**	**66,684,752.77**
Total comprehensive income for the year as at 31st March 2020	**-**	**-**	**-**	**-**	
Adjustment to Gratuity Plan			-	1,651,637.00	1,651,637.00
Profit for the year			9,545,411.20		9,545,411.20
Transfer to Gen Res.	327,097.00	(327,097.00)	-		-
Balance as on 31.03.2020	**327,097.00**	**-**	**75,903,066.97**	**1,651,637.00**	**77,881,800.97**

Note – 1

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2020 AND STATEMENT OF PROFIT AND LOSS AND ALSO THE CASH FLOW STATEMENT FOR THE YEAR ENDED ON THAT DATE

1. COMPANY OVERVIEW

Kalyani Commercials Limited (Company) is a public limited company registered under Companies Act, 1956, listed in Bombay Stock Exchange. The registered office of the company is situated BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, Delhi, 110042.

The company dealing in trading of Heavy Commercial Vehicle,Three Wheeler and servicing (Dealership of TATA and BAJAJ), Petroleum Product (Dealership of Bharat Petroleum Limited).

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS)prescribed under the section 133 of the Companies Act,2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 02nd July, 2020. For all periods up to and including the year ended 31 March 2019, the Company prepared its Standalone financial statements in accordance with requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP").These are the first Ind AS Standalone Financial Statements of the Company. The date of transition to Ind AS is 1 April, 2018. Refer note 2.24 below for the details of first-time adoption exemptions availed by the Company.

Basis of preparation and presentation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Standalone Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1 April, 2019. Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2020, the Statement of Profit and Loss, the Statements of Cash Flows and the Statement of Changes in Equity for the year ended 31 March, 2020, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "financial statements").

The Standalone Financial Statements have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36. In addition, for financial reporting purposes, fair value measurements are categorized 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 measurements in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.4. Accounting estimates could change from period to period.

Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, investment in subsidiaries. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

Basis of classifications of current and non-current

All the assets and liabilities have been classified as current or non-current in the balance sheet,

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

Deferred tax assets and liabilities are classified as no-current assets/ liabilities.

Revenue Recognition

A. In case of sale of goods performance obligation is satisfied when control is transferred to customer and recoverability of amount is probable. Transaction price is same as invoice value excluding taxes. Revenue is recognized as and when performance obligation is satisfied.

B. In case of sale of service performance obligation is satisfied when work is executed, customer approves the work performed and recoverability of amount is probable. Transaction price is same as invoice value excluding taxes. Revenue is recognized as and when performance obligation is satisfied.

The company accounts for discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive.

Goods and Service Tax (GST) is not received by the company on its own account. Rather it is tax collected on value added to the goods/ services by the seller on behalf of the Government. Accordingly, it is excluded from revenue. However such tax expenses are included in cost where Company is not availing tax credit of the same.

A. Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. The Company has taken discount rate @12%.

Accounting policy

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Transition

Effective April 1, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

Borrowing costs

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

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalization are determined by applying a capitalization rate to the expenditures on that asset.

The Company suspends capitalization of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

Retirement and other employee benefits

Defined Contribution plans

Payment to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

(a) Provident fund of the Company is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

(b) Pension Fund of the Company is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

Defined Benefit Obligation Plans

Gratuity

The Company provides for gratuity, a defined benefit retirement plan (“the Gratuity Plan”) covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the Kalyani Commercial Limited Employees’ Gratuity Fund Trust (“the Trust”). Trustees administer contributions made to the Trusts and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by Indian law

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments is recognized in net profit in the Statement of Profit and Loss.

Compensated absences

The Company has a policy on compensated absences which are non-accumulating in nature.

Taxation

Tax expense comprises of current tax, deferred tax and Dividend Tax which are described as follows -:

(a) Current Tax

Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of reporting period. Current Tax is generally charged to profit & loss except when they relate to items which are recognized in other comprehensive income or equity.

(b) Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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.

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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred Tax is generally charged to profit & loss except when they relate to items which are recognized in other comprehensive income or equity.

Deferred tax asset and deferred tax liabilities are off-set if a legally enforceable right exist to set-off current tax asset against current tax liabilities and the deferred taxes relates to the same taxable entity and the same taxation authority.

Property, Plant and Equipment

PROPERTIES, PLANT & EQUIPMENTS are stated at cost net of Cenvat less accumulated depreciation and impairment losses, if any. Cost of acquisition is inclusive of freight, duties, attributable overheads, taxes and incidental/preoperative expenses and interest on loans attributable to the acquisition of assets upto the date of commissioning of assets.

Assets in the course of construction are capitalized in the assets under construction account. At the point when the asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of the PROPERTY, PLANT & EQUIPMENT and depreciation commences.

Free hold land is carried at historical cost.

Leasehold land is not amortized as all leasehold land is on 99 years lease with local authority and such leasehold land is outside the scope of Ind AS-16.

All other items of property plant and equipment are stated at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of items.

Subsequent costs are included in assets carrying amount or recognized as a separate asset, as the case may be, only when it is probable that future economic benefits with the PROPERTY, PLANT & EQUIPMENT will flow to the entity and cost of the item will be measured reliably.

Carrying amount of component is recognized as a separate asset. Such component is derecognized when replaced. Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost. Otherwise, such items are classified as inventories.

Repairs and maintenance are charged to profit and loss account as and when they are incurred.

An item of PROPERTY, PLANT & EQUIPMENT is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PROPERTY, PLANT & EQUIPMENT is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit & loss.

Transition to IND AS

- On transition to Ind AS, Company elected to continue with the historical cost of all its PROPERTY, PLANT & EQUIPMENT recognized as at 1st April, 2018 as per previous GAAP and use that historical cost as the deemed cost of property, plant and equipment less accumulated depreciation and cumulative impairment on the transition date of April 1, 2018.
- Such deemed cost exemption has been availed by the company as per para D-5 of Ind AS-101 First time adoption of Ind AS.

Depreciation and estimates

- Depreciation is calculated using written down value method to allocate their cost, net off there residual value.
- The useful life of asset has been taken as specified in schedule II of Companies Act, 2013.
- The residual value is not more than 5% of asset.
- The residual value is taken after considering the restoration cost.
- The assets' residual values and useful lives of the assets are reviewed and adjusted if appropriate at the end of each reporting period.

Class of Assets	Years
Building	15 to 50 years
Plant & Machinery	3 to 15 years
Furniture & Fixtures	3 to 10 years
Vehicles	4 to 5 years
Office Equipment's	3 to 10 years

<u>Intangible Assets (Software)</u>

Intangible assets (which comprises of software acquired) and depreciation /amortization on WDV method as per Companies Act 2013 and impairment losses if any,

Amortization is recognized on a written down value basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Transition to IND AS

- On transition to Ind AS, Company elected to continue with the historical cost of all its Intangible Assets recognized as at 1st April, 2018 as per previous GAAP and use that historical cost as the deemed cost of Intangible assets less accumulated depreciation and cumulative impairment on the transition date of April 1, 2016.

- Such deemed cost exemption has been availed by the company as per para D-5 of Ind AS-101 First time adoption of Ind AS.

Capital Work in Progress

Capital work in progress are stated at cost and inclusive of preoperative expenses, project development expenses etc.

Impairment of Non-Financial assets including of Property, Plant & Equipments and Intangible Assets:

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors.

An impairment loss is recognized in the Statement of Profit and Loss whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. A previously recognized impairment loss is increased or reversed depending on changes in circumstances.

However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

Inventories

Inventories are valued as follows:

A.	(a)	Trading Goods (Including Spare parts)	At Cost or net realizable value, whichever is lower cost for this purpose includes direct material cost plus appropriate share of overhead.

Provisions, contingent liabilities & Assets

A Provision is recognized when an enterprise has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settled the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not disclosed to its present value and are determined based on best management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

A contingent asset is a possible asset that arises from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

Other contingent liabilities and assets are not recognized but are disclosed in the notes.

Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the 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 recognized immediately in profit or loss.

Financial assets

Initial recognition and measurement

The Company initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Classification of financial assets

On initial recognition, a financial asset is classified to be measured at amortised cost, fair valuethrough other comprehensive income (FVTOCI) or FVTPL.

Subsequent measurement

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. For the purposes of subsequent measurement, debt instruments are classified in three categories:
- Debt instruments at amortised cost;
- Debt instruments at fair value through other comprehensive income (FVTOCI);
- Debt instruments at fair value through profit or loss (FVTPL).

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the 'Other income' line item.

Investment in subsidiary

Investment in subsidiary is carried at deemed cost in the separate financial statements.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings a nd payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss (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.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Company chooses to subsequently measure it loans and borrowings at amortized cost using the interest rate mentioned in loan agreement of loans taken before 01.04.2019. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of new financial liability. Similarly a substantial modification, of the terms of an existing financial liability and the recognition of a new financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.17 <u>Fair Value Measurement</u>

The Company measures financial instruments, such as, equity instruments at fair value at each reporting date.
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:

- In the principal market for the asset or liability, or
- 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 categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

The Company's management determines the policies and procedures for both recurring fair value measurement, such as instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operation.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.
For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Segment Reporting Policies

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Chief operating decision maker review the performance of the Company according to the nature of products manufactured traded and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of segments is based on the activities performed by each segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole.

Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Dividend to equity holders of the Company

The Company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

Earnings per Share

a) **Basic EPS:** Basic EPS is calculated by dividing the profit attributable to shareholders by the weighted average number of shares outstanding during financial year adjusted for bonus elements in the equity shares issued during the year.

b) **Diluted EPS:** Diluted EPS adjusts the figures used in the determination of basic EPS to take into account:

- The after income tax effect of interest and other financing costs associated with the dilutive potential equity share and

- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential shares.

First-time adoption - mandatory exceptions, optional exemptions

These are the Company's first financial statements prepared in accordance with Ind AS. The significant accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2020, the comparative information presented in these financial statements for the year ended March 31, 2019 and in the preparation of an opening Ind AS balance sheet as at April 01, 2018 (the date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amount reported previously in financial statements prepared in accordance with the Accounting Standards notified under Section133 of the Companies Act, 2013, read with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

(a) Optional exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

i. Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

ii. Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment (PROPERTY, PLANT &EQUIPMENT) as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities in case there is no change in the functional currency. This exemption can also be used for intangible assets covered by Ind AS 38 'Intangible Assets'.

iii. Investment in subsidiary

As per Ind AS 27, investment in subsidiary needs to be accounted into the books either at cost or at value determined in accordance with Ind AS 109. If a first time adopter measures such an investment at cost in accordance with Ind AS 27, it shall measure its investment at one of the following amounts in its separate opening balance sheet:

- Cost determined in accordance with the Ind AS 27; or
- Deemed cost

Deemed cost shall be either:
(a) The fair value at the entity's date of transition to Ind AS; or
(b) The carrying value as per the previous GAAP at the date of transition.

A first time adopter may choose either (a) or (b) above to measure its investment in each subsidiary.

(b) Ind AS mandatory exceptions applied

i. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2018 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:
-Investment in equity instruments carried at FVTPL or FVTOCI;
-Investment in debt instruments carried at FVTPL; and
-Impairment of financial assets based on expected credit loss model.

ii. De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

However, Ind AS 101 allows a first-time adopter to apply the derecognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities, derecognised as a result of past transactions, was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition provisions of Ind AS 109, prospectively from the date of transition to Ind AS.

iii. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments)on the basis of the facts and circumstances that exist at the date of transition to Ind AS.25

1. CRITICAL JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with the generally accepted accounting principles (GAAP) requires the management to make judgment, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and Liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

The areas involving critical estimates or judgments are:

- Estimation of current tax expense and payable
- Estimated useful life of Property Plant and equipment
- Estimated Useful life of intangible assets
- Estimation for the value of contingent liabilities
- Recognition of revenue

Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

Key sources of estimation uncertainty

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

ii) Impairment of property plant and equipment

Determining whether the property, plant and equipment are impaired requires an estimate in the value in use of plant and equipment. The value in use calculation requires the Management to estimate the future cash flows expected to arise from the property, plant and equipment and a suitable discount rate in order to calculate present value. When the actual cash flows are less than expected, a material impairment loss may arise

iii) Provisions and liabilities

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 that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

iv) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

v) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- 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'.
- by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and
- applying Ind AS in measurement of recognised assets and liabilities

These are the Group's first financial statements prepared in accordance with Ind AS. The significant accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2020, the comparative information presented in these financial statements for the year ended March 31, 2019 and in the preparation of an opening Ind AS balance sheet as at April 01, 2018 (the date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amount reported previously in financial statements prepared in accordance with the Accounting Standards notified under Section133 of the Companies Act, 2013, read with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

2. PROPERTY PLANT & EQUIPMENT

(In Rs.)

4. Property Plant & Equipment

Particulars	Freehold land	Leasehold land	Commercial Land	Buildings	Plant and machinery	Electrical fittings	Office equipment	Furniture and fixtures	Computer	Vehicles	Tangibles Total
Cost/Deemed cost											
As At 01.04.2017	**1,246,397.00**	**2,879,425.00**	**11,657,836.00**	**59,913,353.34**	**12,992,691.60**	**2,755,949.55**	**7,615,391.50**	**7,450,177.61**	**8,889,468.11**	**8,193,075.02**	**123,593,764.73**
Addition	-	-	-	2,194,822.09	100,000.00	-	262,622.28	2,538,188.66	895,729.97	1,892,256.09	**7,883,619.09**
Deduction	-	-	-	-	-	-	-	-	-	2,468,485.00	**2,468,485.00**
As At 31.03.2018	**1,246,397.00**	**2,879,425.00**	**11,657,836.00**	**62,108,175.43**	**13,092,691.60**	**2,755,949.55**	**7,878,013.78**	**9,988,366.27**	**9,785,198.08**	**7,616,846.11**	**129,008,898.82**
As At 01.04.2018	**1,246,397.00**	**2,563,311.00**	**11,657,836.00**	**58,812,677.43**	**13,092,691.60**	**2,755,949.55**	**7,878,013.78**	**9,988,366.27**	**9,785,198.08**	**7,616,846.11**	125,397,286.82
Addition		-	-	-	207,215.00	-	114,500.00	82,750.00	144,592.47	2,126,170.00	2,675,227.47
Deduction		-	-	-	-	-	-	-	-	1,167,817.00	1,167,817.00
As at 31.03.2019	**1,246,397.00**	**2,563,311.00**	**11,657,836.00**	**58,812,677.43**	**13,299,906.60**	**2,755,949.55**	**7,992,513.78**	**10,071,116.27**	**9,929,790.55**	**8,575,199.11**	**126,904,697.29**
Addition	-	-	-	-	107,000.00	-	252,018.51	-	371,110.29	522,815.00	1,252,943.80
Deduction	1,246,397.00	-	-	-							1,246,397.00
As at 31.03.2020	**-**	**2,563,311.00**	**11,657,836.00**	**58,812,677.43**	**13,406,906.60**	**2,755,949.55**	**8,244,532.29**	**10,071,116.27**	**10,300,900.84**	**9,098,014.11**	**126,911,244.09**
Accumulated Depreciation and Impairment											
As at 01.04.2017	**-**	**-**	**-**	**27,001,625.13**	**8,783,362.14**	**2,242,428.17**	**6,870,316.01**	**6,333,240.95**	**8,290,123.60**	**4,792,817.37**	**64,313,913.37**
depreciation expens	-	-	-	3,369,661.69	852,834.74	135,898.64	286,910.56	629,549.81	406,423.95	1,152,823.34	**6,834,102.73**
Deduction	-	-	-	-	-	-		-		1,364,764.01	**1,364,764.01**
As at 01.04.2018	**-**	**-**	**-**	**28,576,106.82**	**9,636,196.88**	**2,378,326.81**	**7,157,226.57**	**6,962,790.76**	**8,696,547.55**	**4,580,876.70**	**67,988,072.09**
depreciation expens	-	-	-	2,902,681.93	676,208.41	92,146.34	229,230.97	747,065.82	485,440.71	1,442,263.21	**6,575,037.39**
Deduction		-	-							1,088,464.00	**1,088,464.00**
As at 31.03.2019	**-**	**-**	**-**	**31,478,788.75**	**10,312,405.29**	**2,470,473.15**	**7,386,457.54**	**7,709,856.58**	**9,181,988.26**	**4,934,675.91**	**73,474,645.48**
depreciation expens	-	-	-	2,623,818.06	583,208.18	62,484.70	214,850.24	566,316.54	336,176.73	1,180,186.66	**5,567,041.11**
Deduction	-	-	-								
As at 31.03.2020	**-**	**-**	**-**	**34,102,606.81**	**10,895,613.47**	**2,532,957.85**	**7,601,307.78**	**8,276,173.12**	**9,518,164.99**	**6,114,862.57**	**79,041,686.59**
Carryng Value											
As at 31.03.2020	-	2,563,311.00	11,657,836.00	24,710,070.62	2,511,293.13	222,991.70	643,224.51	1,794,943.15	782,735.85	2,983,151.54	**47,869,557.50**
As at 31.03.2019	1,246,397.00	2,563,311.00	11,657,836.00	27,333,888.68	2,987,501.31	285,476.40	606,056.24	2,361,259.69	747,802.29	3,640,523.20	53,430,051.81
As at 01.04.2018	1,246,397.00	2,879,425.00	11,657,836.00	30,236,570.61	3,456,494.72	377,622.74	720,787.21	3,025,575.51	1,088,650.53	3,035,969.41	57,409,214.73
useful Life of the Assets (Years)	NA	60-99	30.00	15.00	10.00	10.00	3.00	6.00	(8-15)	3.00	
Method of depreciation	NA	NA	WDV	WDV	WDV	WDV	WDV	WDV	WDV	WDV	

Notes

1 Certain Property Plant & Equipment are pledged against borrowings, the details relating to which have been described in Note_pertaining to borrowings

5. INVESTMENT PROPERTY

(In Rs.)

Particulars	Leasehold land	Buildings (Owned)	Tangibles Total
Cost/Deemed cost			
As At 01.04.2018	316,114.00	3,295,498.00	3,611,612.00
Addition	-	-	
Deduction	-	-	
As at 31.03.2019	316,114.00	3,295,498.00	3,611,612.00
Addition	-		
Deduction	-		
As at 31.03.2020	316,114.00	3,295,498.00	3,611,612.00

Accumulated depreciation and impairment			
as at 01.04.2018	-	1,795,180.00	1,795,180.00
depreciation expenses	-	143,320.00	143,320.00
Deduction			
as at 31.03.2019	-	1,938,500.00	1,938,500.00
depreciation expenses		129,629.38	129,629.38
Deduction			
as at 31.03.2020	-	2,068,129.38	2,068,129.38
Carrying Value			
As at 31.03.2020	316,114.00	1,227,368.62	1,543,482.62
As at 31.03.2019	316,114.00	1,356,998.00	1,673,112.00
As at 01.04.2018	316,114.00	1,500,318.00	1,816,432.00
useful Life of the Assets (Years)			
Method of depreciation			
Disclosure pursuant to Ind AS 40 "Investment Property"			

a. Amount of Income recognised in the Statement of Profit and Loss for investment property:

(Rs. in Lacs)

Sr. No.	2019-20	2018-19	2017-18
1.A-165 ,IPIA Kota Khasra No 1044/1045 Sathur Bundi	19.80	19.80	19.80

b. Fair market value of Investment property:

(Rs. in Lacs)

Sr. No.	2019-20	2018-19	2017-18
1. Fair Value of investment property*			
A-165 ,IPIA Kota Khasra No 1044/1045 Sathur Bundi			
*** Fair market value not ascertained by the Company**			

6.<u>RIGHT TO USE ASSETS</u>

The changes in the carrying value of right of use assets for the year ended March 31, 2020 are as follows:**(In Rs.)**

Particulars	Building)
Reclassified on account of adoption of Ind AS 116	
Additions	10,056,724.00
Deletions	
Total	
Amortization	3,656,990.00
Balance as of March 31, 2020	**6,399,734.00**

The break-up of current and non-current lease liabilities as of March 31, 2020 is as follows:

Particulars	Amount
Current lease liabilities	4,219,635.00
Non-current lease liabilities	2,508,097.00
Total	**6,727,732.00**

The details regarding the lease payable as of March 31, 2020 on an undiscounted basis are as follows:

Particulars	Amount

Less than one year	4,219,695.00
One to five years	3,281,985.00
More than five years	-
Total	**7,501,680.00**

7. <u>INTANGIBLE ASSETS</u>(In Rs.)

Software	
Cost/Deemed cost	
As At 01.04.2018	755,492.00
Addition	229,000.00
Deduction	
As at 31.03.2019	984,492.00
Addition	-
Deduction	
As at 31.03.2020	984,492.00
Accumulated Amortization and impairment	
as at 01.04.2018	690,514.89
Amortization expenses	150,028.72
Deduction	
as at 31.03.2019	840,543.61
Amortization expenses	64,971.74
Deduction	
as at 31.03.2020	905,515.35
Carrying Value	
as at 31.03.2020	78,976.65
as at 31.03.2019	143,948.39
as at 01.04.2018	64,977.11
Useful Life of the assets (Range)	3.00
MethodOf Amortization	**WDV**

8. <u>INVESTMENTS (NON-CURRENT)</u>(In Rs.)

Particular	**Paid up value**	**No. of Shares**	**As at 31.03.2020**	**As at 31.03.2019**	**As at 01.04.2018**
<u>Investment in equity investments</u>					
Ordinary Share (Fully paid up) Cost/Deemed cost					
<u>Others</u>					
Ganganagar Automobile Private Limited	10.00	250,000.00	2,500,000.00	2,500,000.00	2,500,000.00
Investment in Subsidiaries(Unquoted) (At cost or deemed cost)					
Ganganagar Vehicles Private Limited	10.00	4,086,783.00	40,867,830.00	40,867,830.00	40,867,830.00
Nekub Consultancy Limited	10.00	-		-	499,940.00
YYKS Buildcon Limited	10.00	-		-	499,940.00
Investment in Government securities (unquoted)					
(At Amortized Cost)					
National Saving Certificate (deposited			3,000.00	3,000.00	3,000.00

within Sales Tax Dept. interest is to be adjusted on realization)					
Grand Total			**43,370,830.00**	**43,370,830.00**	**44,370,710.00**
Quoted					
Aggregate book value			-	-	-
Aggregate market value			-	-	3.17
Unquoted					
Aggregated carrying value			433.68	433.68	443.68
Investment at Deemed Cost/Cost			433.68	433.68	443.68

9. <u>OTHER FINANCIAL ASSETS (NON-CURRENT)</u>

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Security Deposits/ Earnest Money	1,841,697.85	2,076,011.85	1,956,158.85
Fixed Deposit with Banks	2,000,000.00	20,000.00	3,700,000.00
	3,841,697.85	**2,096,011.85**	**5,656,158.85**
Security Deposit with related party (interest free)			
Mala Agarwal	-	5,000.00	5,000.00

10. <u>CURRENT TAX ASSETS (NET)</u>

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Income Tax Paid (Net of Provision)	1,132,301.67	1,030,236.67	149,922.59
	1,132,301.67	**1,030,236.67**	**149,922.59**

10. **<u>DEFERRED TAXES ASSETS</u>**

Under Previous GAAP, deferred taxes were recognized for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognized using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or through other comprehensive income.

Particulars	As at 31.03.2019	Arising During the year	Arising During the year OCI	As at 31.03.2020	As at 31.03.2019
Deffered Tax Liability					
Gratuity	-		209,074.00	209,074.00	-
Right to Use Assets	-	1,464,260.00		1,464,260.00	
Total	**-**	**1,464,260.00**	**209,074.00**	**1,673,334.00**	**-**
Deffered Tax Assets					
Property, Plant and Equipment	1,618,025.00	(89,615.00)		1,528,410.00	1,618,025.00
Lease Liability	-	1,539,305.00	-	1,539,305.00	
Total	**1,618,025.00**	**1,449,690.00**	**-**	**3,067,715.00**	**1,618,025.00**
Net deferred tax (Assets)/liability	**1,618,025.00**	**(14,570.00)**	**(209,074.00)**	**1,394,381.00**	**1,618,025.00**

12. <u>INVENTORIES (AT LOWER OF COST AND NET RELISABLE VALUE)</u>

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Trading Goods	72,088,289.59	366,497,122.41	301,869,236.22
	72,088,289.59	**366,497,122.41**	**301,869,236.22**

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Changes in inventories of trading Goods	294,408,832.82	(64,627,886.19)	(254,688,038.36)
Stores and spares consumed	330,850.00	206,800.94	321,901.00
Power and fuel	2,908,599.00	2,849,790.00	2,801,485.00

13. TRADE RECEIVABLES

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Outstanding for a period exceeding 6 months from the date they are due for payment (Unsecured)			
Considered Good	5,024,577.69	3,023,662.70	4,374,066.90
Considered Doubtful	1,120,076.00	-	1,120,076.00
Other debtors			
Considered Good	128,585,400.38	299,333,798.71	376,782,451.89
	134,730,054.07	**302,357,461.41**	**382,276,594.79**
Provision for doubtful made	1,120,076.00	-	1,120,076.00
Total	**133,609,978.07**	**302,357,461.41**	**381,156,518.79**
Ageing of Receivables That are past due but not impaired			
Particulars			
<180 days	128,585,400.38	299,333,798.71	376,782,451.89
>180days	5,024,577.69	3,023,662.70	5,494,142.90
	133,609,978.07	**302,357,461.41**	**382,276,594.79**
In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. There has been no significant change in the credit quality of receivables past due for more than 180 days.			
Trade receivables have been given as Primary security towards borrowings			

14. CASH AND CASH EQUIVALENTS

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Balances with Banks			
On Current Account	6,534,595.34	11,084,707.63	26,997,029.26
On Term Deposit accounts with maturity less than 3 months			
at inception	-	-	-
Cash in Hand	679,649.03	2,514,108.83	1,653,963.57
	7,214,244.37	**13,598,816.46**	**28,650,992.83**

15. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
In term deposit account			

With maturity more than 3 months but less than 12 months	-	2,017,862.00	-
at inception			
With maturity more than 12 months at inception	2,000,000.00	20,000.00	3,700,000.00
	2,000,000.00	**2,037,862.00**	**3,700,000.00**
Amount disclosed under other Financial Assets (Non-Current)	2,000,000.00	20,000.00	3,700,000.00
	-	2,017,862.00	-
Note			
Earmarked balance (In term deposit account)	**20.00**	**20.18**	**37.54**
The deposits maintained by the Company with banks comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.			

16. LOANS (CURRENT)

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
(Unsecured, Considered good unless otherwise stated)			
Loans and Advances			
standard Assets (NBFC Business)	-	1,980,750.00	1,586,890.00
	-	**1,980,750.00**	**1,586,890.00**

17. OTHER FINANCIAL ASSETS (CURRENT)

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Interest Accrued on Fixed Deposits	143,863.00	6,756.00	54,813.00
	143,863.00	**6,756.00**	**54,813.00**

18. CURRENT TAX ASSETS (NET)

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
(i) Income taxes paid (Net of Provision)	208,144.74	-	-
	208,144.74	**-**	**-**

19. OTHER CURRENT ASSETS

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Advances recoverable in cash or in kind			
or for value to be received	6,560,189.43	2,377,404.41	4,284,911.09
Prepaid Expenses	190,429.00	582,153.00	973,379.00
Balance with revenue authorities etc.	8,116,196.05	652,535.93	55,008,583.00
Gratuity fund assets (Net)	1,531,914.00		
Advance to Staff	1,186,365.00	609,238.00	829,632.00
	17,585,093.48	**4,221,331.34**	**61,096,505.09**

20. SHARE CAPITAL

Particulars	Figures as at 31.03.2020	Figures as at 31.03.2019	Figures as at 01.04.2018
	(Rs.)	**(Rs.)**	**(Rs.)**

AUTHORISED			
40,00,000 Equity Share Of Rs.10/- each	40,000,000.00	40,000,000.00	40,000,000.00
ISSUED,SUBSCRIBED AND PAID UP			
10,00,000 Equity Share Of Rs.10/- each	10,000,000.00	10,000,000.00	10,000,000.00
Total	**10,000,000.00**	**10,000,000.00**	**10,000,000.00**

Notes:

1. Rights, preferences and restrictions attached to equity shares .The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

2. Details of Shareholders holding more than 5 % equity shares as at 31.03.2019

2. Details of Shareholders holding more than 5 % equity shares as at 31.03.2019

	31.03.2020		**31.03.2019**		**01.04.2018**	
Share Holder	**No. of Share**	**Ownership Interest %**	**No. of Share**	**Ownership Interest %**	**No. of Share**	**Ownership Interest %**
Shankar Lal Agarwal	418000	41.80%	418000	0.42	418000	0.42

As per the records of the company including its register of shareholder/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

21. OTHER EQUITY

Particulars	Figures as at 31.03.2020	Figures as at 31.03.2019	Figures as at 01.04.2018
Retained earnings	75,903,066.97	66,357,655.77	60,971,833.08
other comprehensive income			
Re measurements of the net defined benefit plans	1,651,637.00	-	-
Other reserve			
Statutory Reserve	-	327,097.00	223,435.00
General Reserve	327,097.00	-	-
TOTAL	**77,881,800.97**	**66,684,752.77**	**61,195,268.08**

22. BORROWINGS

Particulars	As at 31.03.2020		As at 31.03.2019		As at 01.04.2018	
	Non-current	Current	Non-current	Current	Non-current	Current

Secured Borrowings						
(A) TERM LOAN From Banks						
(in Indian currency)	3,479,505.00	867,330.00	4,346,835.00	788,865.00	3,468,981.00	422,464.80
(B) TERM LOAN From NBFC						
(in Indian currency)	702,364.74	338,537.18	1,040,901.92	306,891.08	1,350,814.00	281,177.72
Unsecured Borrowings (INR)						
Inter Corporate Deposits	35,353,195.00	-	37,603,195.00	-	34,131,974.00	
From Directors	28,775,000.00		5,660,209.00	-	-	
From NBFC	-		-	5,651,741.00	5,778,664.00	16,954,498.00
	68,310,064.74	**1,205,867.18**	**48,651,140.92**	**6,747,497.08**	**44,730,433.00**	**17,658,140.52**

Name Of Banker/NBFC/Other	As at 31.03.2020		As at 31.03.2019		As at 01.04.2018		Terms of repayments	Security
	Non-current	Current	Non-current	Current	Non-current	Current		
A. Term Loan from Banks (Secured)								
ICICI	2,126,578.00	400,130.00	2,526,708.00	361,663.00	2,888,371.00	356,956.00	Loan of Rs. 4000000/- sanctioned on 28.03.2015 for innova Car purchase at Kalisindh. Repayable to ICICI from May 2015 in 120 Monthly installments (Due with in One Year Rs. 361663) starting from 15.05.2015 at an interest rate of 9.90 % till 05.04.2025	Rupees term loan from bank is secured/to be secured by first charge by way of hypothecation OF INNOVA CRYSTA (Vehicle)
ICICI	428,410.00	79,868.00	508,278.00	72,332.00	580,610.00	65,508.00	Loan of Rs. 800000/- sanctioned on 01.05.2015 at Kota for renovation of Guest House Repayable to ICICI from June 2015 in 120 Monthly installments (Due with in One Year Rs. 72732) starting from 05.06.2015 at an interest rate of 9.95 % till 05.05.2025	Rupees term loan from bank is secured/to be secured by first charge by way of hypothecation of Plant & Machinery.
Yes Bank Ltd (GD)	924,517.00	387,332.00	1,311,849.00	354,870.00			Loan of Rs. 1972038/-sanctioned on 28.04.2018 at GD AUTO FARIDABAD foR CAR purchase. Repayable to ICICI in 600 Monthly installments (Due with in One Year Rs. 361663)starting from 15.05.2018 at an interest rate of 8.65 % till 15.04.2023	Rupees term loan from bank is secured/to be secured by first charge by way of hypothecation OF INNOVA CRYSTA (Vehicle)
	3,479,505.00	**867,330.00**	**4,346,835.00**	**788,865.00**	**3,468,981.00**	**422,464.00**		
TATA MOTORS FINANCE LIMITED	702,364.74	338,537.18	1,040,901.92	306,891.08	1,350,814.00	281,177.00	Loan of Rs. 1680000/-sanctioned on 29.01.2018 at KOTA for HEXA purchase. Repayable to YBL from February 2018 in 60 Monthly installments (Due with in One Year Rs.354870) starting from 02.02.2018 at an interest rate of 8.76 % till 02.01.2023	Rupees term loan from bank is secured/to be secured by first charge by way of hypothecation of TATA HEXA (Vehicle)
	702,364.74	**338,537.18**	**1,040,901.92**	**306,891.08**	**8,288,776.00**	**1,126,105.00**		
B. Term Loan from NBFC(Unsecured)								
								Unsecured demand Loan
Tata Capital Finance Ltd	-			5,651,741.00	5,778,664.00	16,954,498.00	Loan of Rs.1,80,00,000/- sanctioned on 23.01.2018 Repayable to TCFSL from February 2018 in 18 Monthly installments (Due with in One Year Rs. 5651741/-) starting from 22.02.2018 at an interest rate of 11.25 % till 22.07.2019	Rupees term loan from bank is secured/to be secured by first charge by way of hypothecation of Plant & Machinery.
	-	**-**	**-**	**5,651,741.00**	**5,778,664.00**	**16,954,498.00**		

23.PROVISIONS

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Provision for Employees Benefits			
For Gratuity	-	6,190,437.00	4,509,523.00
Less;Funded	-	(6,190,437.00)	(4,509,523.00)
Contingent Provision against standard Assets	-	4,541.00	9,493.00
	-	**4,541.00**	**9,493.00**

23. INCOME TAXES

Indian companies are subject to Indian income tax on a standalone basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31. For each fiscal year.

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals and retirement benefit costs. Statutory income tax is charged at 22% plus a surcharge and education cess.

Particulars	For the year ended	
	31.03.2020	31.03.2019
Current Tax		
Tax provision	24.08	23.25
Tax refund/reversal pertaining to earlier years	0.12	(3.70)
Total Current Tax	**24.20**	**19.55**
Deferred Tax		
Deferred Tax	0.15	(1.99)
Deferred Tax OCI	2.09	
Total Deferred tax	**2.24**	**(1.99)**
Total tax expense debited to profit & Loss A/c	**26.44**	**17.56**

A reconciliation of income tax expense applicable to accounting profit/ (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	For the year ended	
	31.03.2020	31.03.2019
Profit/loss before tax	**112.76**	**72.45**
Enacted Tax rate in India	0.23	0.26
Expected income tax expense/ (benefit) at statutory tax rate	25.80	18.84
Expenses/Capital Gain not deductible in determining taxable profits	119.08	78.72
Capital Gain	**(71.75)**	**-**
Effect of tax pertaining to prior years	0.12	-
Expenses deductible in determining taxable profits	(103.06)	(86.27)
Tax on Capital Gain	11.01	-
Tax Expense for the year	**24.08**	**23.13**
Effective income tax rate	**21.36**	**31.93**

24. SHORT TERM BORROWINGS (CURRENT)

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Secured			
(a) Indian Rupee (See Note - 1)	28,492,043.93	103,281,536.86	281,407,251.31
(b) From Other Bank (See Note - 2)	75,848,857.13	236,319,163.16	206,430,823.66
(c) From NBFC (See Note - 3)	31,492,873.72	219,017,513.41	223,341,697.73
Unsecured			
From HDFC Bank	-	931,197.00	1,722,987.00
	135,833,774.78	**559,549,410.43**	**712,902,759.70**

1. Cash Credit Limit from HDFC is secured by way of hypothecation of all company`s current assets including all stocks and book debts and other movable, both present and future. These loans are further secured / to be secured by way of first charge by way of mortgage, by deposit of title-deeds, in respect of factory land and building located at Kota and also personal guarantees of the Shri Shankar Lal Agarwal & Sourabh Agarwal Directors of the company.

2. Secured by way of hypothecation of book debts and PDC from banks and outstanding balance at the year end from Axis Bank Ltd. by Rs. 99.01 Lacs. SBI by Rs 306.80 Lacs, HDFC Corporate Card by Rs. 20.43 Lacs, Std. Chartered Bank by Rs. 332.25 Lacs.

3. Secured by way of hypothecation of book debts and Stock from NBFC and outstanding balance at the year end from Tata Motors Finance Solution Ltd. by Rs 284.15, Bajaj Capital Finance Ltd. Rs 30.78.

4. Rate of Int. is from 8.65% to 11.75%

25. TRADE PAYABLES

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
(a)Micro, small and Medium	-	6,415,000.00	-
enterprises Development Act, 2006			
(b) Others (Trade Payable and others)	22,423,862.20	73,343,390.10	16,272,965.17
	22,423,862.20	**79,758,390.10**	**16,272,965.17**

26. OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Current Maturity of Long Term Borrowings	1,205,867.18	6,747,497.08	17,658,140.52
	1,205,867.18	**6,747,497.08**	**17,658,140.52**

27. OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Advance from Customers	7,717,334.19	11,394,560.40	12,077,062.26
Statutory Levies	6,380,138.39	10,204,473.64	8,947,225.97
Bank Balance due to reconciliation	-	1,190,049.00	1,238,295.65
	14,097,472.58	**22,789,083.04**	**22,262,583.88**

28. PROVISIONS (CURRENT)

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Provision for Employees Benefits			
For Gratuity	-	258,068.00	131,899.00
Less; Funded	-	(258,068.00)	(131,899.00)
Income Tax (Net)	-	-	269,388.76
	-	**-**	**269,388.76**

KALYANI COMMERCIALS LIMITED

Notes annexed to and forming part of Statement of Profit& Loss year ended on 31/03/2020

29. REVENUE FROM OPERATIONS

Particulars	2019-20	2018-19
Revenue from Operations		
Sale of Products (A)		
Sales of Vehicle and Spare Parts thereof including oil, Lubricants and Petro Products (Net of discount)	**2,215,870,528.51**	**3,941,656,494.89**
Sale of Services (B)		
Job work Receipt	50,269,076.44	54,607,105.44
Commission Received	2,904,988.00	3,694,223.66
Interest Received (NBFC)	-	513,299.00
Incentive Income	8,201,414.67	12,616,332.75
(A+B)	**2,277,246,007.62**	**4,013,087,455.74**
Particulars of Sales of Products		
Vehicle & vehicle Body	1,963,000,912.90	3,678,495,515.87
Spare Parts & accessories	161,549,362.87	160,494,693.36
Oil & Lubricants	43,495.84	50,369.40
Petro Products	89,338,001.19	101,698,616.90
Old Vehicles \ Others	1,938,755.71	917,299.36
Total	**2,215,870,528.51**	**3,941,656,494.89**

30. OTHER INCOME(In Rs.)

Particulars	2019-20	2018-19
Interest income	802,866.57	423,878.22
(Interest Income 0n Finance P/Y)		
Rent and hire receipts	1,980,000.00	1,980,000.00
Interest on Lease	130,938.00	
Interest on Gratuity (Net)	152,110.00	
Miscellaneous Income	195,900.00	459,494.75
Contingent Prov. Agst Std. Assets	4,541.00	
Excess Provision of Income Tax	12,457.00	
Profit on Sale of Fixed Assets	7,174,603.00	93,770.00
Total	**10,453,415.57**	**2,957,142.97**

31. CHANGES IN INVENTORIES OF TRADING GOODS (In Rs.)

Particulars	2019-20	2018-19
OPENING INVENTORIES		
Trading Goods		
Vehicles	325,424,977.02	266,184,757.25
Spare Parts	38,355,804.38	31,690,859.24
Oil & Lubricants	58,474.27	78,453.82
Petrol (MS)	841,104.43	1,112,556.98
Diesel (HSD)	1,584,907.31	2,634,418.93
Battery Water and Acid	1,455.00	1,190.00
Used Vehicle	230,400.00	167,000.00

	366,497,122.41	**301,869,236.22**
CLOSING INVENTORIES		
Trading Goods		
Vehicles	27,183,142.00	325,424,977.02
Spare Parts	41,296,398.21	38,355,804.38
Oil & Lubricants	106,179.69	58,474.27
Petrol (MS)	874,640.58	841,104.43
Diesel (HSD)	2,404,059.11	1,584,907.31
Battery Water and Acid	870.00	1,455.00
Used Vehicle	223,000.00	230,400.00
	72,088,289.59	**366,497,122.41**
INCREASE (DECREASE) IN INVENTORIES	**294,408,832.82**	**(64,627,886.19)**

32. PURCHASE OF TRADING GOODS **(In Rs.)**

Particulars	2019-20	2018-19
Purchases Vehicle (Net of Incentive / Claims)	1,602,690,455.09	3,627,987,747.05
Purchases Spare Parts & Accessories (Net of Incentive / Claims)	139,742,710.15	140,562,634.80
Purchase Petro Product	87,118,793.19	96,753,404.67
Purchase Used Vehicle	1,363,850.00	354,600.00
	1,830,915,808.43	**3,865,658,386.52**

33. EMPLOYEE BENEFITS **(In Rs.)**

Particulars	2019-20	2018-19
Salaries, Wages, Bonus, Gratuity and Allowances etc.	54,449,044.00	56,419,776.00
Contribution of PF, ESI and other welfare fund scheme	3,923,189.00	4,571,600.00
Employee Welfare Exp. Including compensation	1,417,582.12	1,089,168.16
Contribution to Gratuity	1,450,202.00	1,744,367.00
	61,240,017.12	**63,824,911.16**

34. FINANCE COSTS(In Rs.)

Particulars	2019-20	2018-19
Bank charges	1,006,643.53	936,093.53
Interest Expenses		
a) On Term Loan	3,926,497.57	646,231.48
b) On working capital/others	37,604,075.13	73,973,663.07
Interest on Lease	1,008,740.00	
	43,545,956.23	**75,555,988.08**

35.DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	2019-20	2018-19
Depreciation on Property Plant & Equipment	5,567,041.11	6,575,037.39
Amortisation of Investment Property	129,629.38	143,320.00

Amortisation of Intangible Assets	64,971.74	150,028.72
Amortization of Right to use	3,656,990.00	-
	9,418,632.23	**6,868,386.11**

36 OTHER EXPENSES

(In Rs.)

Particulars	2019-20	2018-19
Trading & Job / Servicing Expenses		
Stores, Spares and Tools Consumed.	330,850.00	206,800.94
Job work and other charges	12,099,957.13	10,954,342.54
Repairs and Maintenance		
a) To Machinery	945,088.97	1,059,327.65
b) To Building	21,839.56	167,093.50
Insurance Expenses	556,035.65	439,338.00
	13,953,771.31	**12,826,902.63**
Establishment and Selling Exp.		
Freight and Transportation Expenses	86,768.50	130,602.00
Rent	1,660,140.00	5,696,759.00
Electricity & Water	2,908,599.00	2,849,790.00
Trade Certificate & TRC Charges	-	402,300.00
Telephone, telex and postage	1,477,861.09	717,397.30
Travelling and conveyance expenses	1,383,047.95	1,762,643.76
Legal, consultancy, retainership, professional	2,199,414.70	2,105,321.81
arbitration expenses	-	-
General repairs	449,696.49	366,484.18
Vehicle running and maintenance	1,629,242.80	1,810,924.71
Miscellaneous expenses	6,080,306.14	7,318,664.93
Payment To Auditors	100,000.00	100,000.00
Advertisement	449,045.12	289,774.98
Donation	31,000.00	-
Sales Promotion	762,957.22	5,456,546.97
Claims / rebate and discount exp.	680,813.84	15,403,513.06
Sales Commission	3,042,000.00	3,286,893.00
Provision for Bad & Doubtful Debts	-	(4,952.00)
	22,940,892.85	**47,692,663.70**
	36,894,664.16	**60,519,566.33**

37. SEGMENT REPORTING:

(a) Primary Segment: Business Segment

Based on the guiding principles given in "Ind Accounting Standard –108 Operating Segment" notified under Companies (Accounting standard) Rules 2006, the Company's operating business are organized and managed separately according to the nature of the product of Trading and services provided. The two identified reportable segments. One is automobile segment in which trading of vehicles and servicing (including Heavy Commercial Vehicle and Three Wheelers) and other which includes retail outlet of Petroleum Products (BPCL).

Secondary Segment: Geographical segment:

The analysis of Geographical segment is based on the geographical location i.e. domestic and overseas markets of the customers.

Secondary Segment Reporting (By Geographical segment)
The following is the distribution of the company`s revenue from operation (net) by Geographical markets, regardless of where the goods were produced:

(Rs. In Lacs)

Particulars	2019-20	2018-19
Revenue from domestic Market	22772.46	40130.87
Revenue from Overseas Market	0.00	0.00
Total	**22772.46**	**40130.87**

Geographical segment wise receivables:

Particulars	2019-20	2018-19
Receivable of domestic Market	1336.10	3023.57
Receivables of Overseas Market	0.00	0.00
Total	**1336.10**	**3023.57**

Geographical segment wise Property, Plant & Equipment:

Particulars	2019-20	2018-19
In India	478.70	534.30
Outside India	0.00	0.00
Total	**478.70**	**534.30**

b) Segment Accounting Polices:

In addition to the significant accounting policies applicable to the business segment as set in note 2, the accounting policies in relation to segment accounting are as under:

i) Segment Revenue & Expenses:

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

ii) Segment Assets and Liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, receivables, inventories and fixed assets, net of allowance and provisions, which are reported as direct off sets in the balance sheet. Segment Liabilities include all operating Liabilities and consist principally of trade payables & accrued liabilities. Segment assets and liabilities do not include deferred income taxes except in the division of the Commercial Vehicle. While most of the assets/liabilities can be directly attributed to individual segments, the carrying amount of certain assets /liabilities pertaining to two more segments are allocated to the segments on a reasonable basis.

iii) Inter Segment Sales:

Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated in consolidation. The main division is Ganganagar Motors (A division of Commercials Vehicles) and funds provided by the Ganganagar Motors to other division and interests on such balances are not charged.

iv) Other segment having revenue from sale of external customers in excess of 10% of total revenue of all segments is shown separately and others are shown in other segment.

Information about business segments:
For the year ending as on 31st March 2020

(Rs. In lacs)

Particulars	Automobile		Others		Total	
	Curr. Year	Prev. Year	Curr. Year	Prev. Year	Curr. Year	Prev. Year
Segment Revenue :						
External sales/income (Net)	21878.65	39108.25	893.81	1022.62	22772.46	40130.87
Other receipt	104.53	29.57	0.00	0.00	104.53	29.57
Total Revenue	**21983.18**	**39137.82**	**893.81**	**1022.62**	**22876.99**	**40160.45**
Segment Results :						

Segments results	535.76	822.87	12.46	15.14	548.22	838.01
Operation profit before Interest	535.76	822.87	12.46	15.14	548.22	838.01
Financial exp.	(435.46)	(755.56)	0.00	0.00	(435.46)	(755.56)
Exceptional Item	0.00	(10.00)			0.00	(10.00)
Income tax current/Earlier Year	(24.20)	(19.55)	0.00	0.00	(24.20)	(19.55)
Deferred tax Liability	(0.15)	1.99	0.00	0.00	(0.15)	1.99
OCI (Net)	7.05	0.00	0.00	0.00	7.05	0.00
Net Profit	**83.00**	**39.75**	**12.46**	**15.14**	**95.46**	**54.89**
Other Information :						
Segment Assets	3239.34	7812.27	125.47	129.58	3364.81	7941.85
Total Assets	**3239.34**	**7812.27**	**125.47**	**129.58**	**3364.81**	**7941.85**
Segments Liabilities :						
Share Capital	100.00	100.00	0.00	0.00	100.00	100.00
Reserve & Surplus	653.52	537.66	125.30	129.19	778.82	666.85
Secured & Unsecured Loan	2041.44	6082.00	0.00	0.00	2041.44	6082.00
Segment liabilities	444.37	1092.60	0.17	0.39	444.54	1092.99
Total Liabilities	**3239.33**	**7812.26**	**125.47**	**129.58**	**3364.80**	**7941.84**
Capital Expenditure	12.53	30.47	0.00	0.00	12.53	30.47
Depreciation	94.18	68.68	0.00	0.00	94.18	68.68

38. RETIREMENT AND OTHER EMPLOYEE BENEFITS:

(a)Defined Contribution Plans

The Company operates defined contribution retirement benefit plan for all qualifying employees. Company directly contribute to the provident fund and having no obligation for further contribution:

(Rs. In Lacs)

Particulars	2019-20	2018-19
Provident Fund	30.44	33.17
Contribution Employee State Insurance	8.80	12.54

(b) Defined Benefit Plans

Gratuity

Gratuity is payable to all eligible employees of the company on retirement, death, permanent disablement and resignation in terms of the provision of the Payment of Gratuity Act, 1972. The benefits would be paid at the time of separation.

The following tables summarizes the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as at March 31, 2020 and March 31, 2019, being the respective measurement dates:

	Particulars	Gratuity (Funded)	
		2019-20	2018-19
A	**Changes in present value of defined benefit obligations**		
	Present value of defined benefit obligation at the beginning of the Year	74.85	
	Current Service Cost	14.50	
	Interest Cost	5.61	
	Actuarial changes arising from change in financial assumptions	(9.13)	
	Actuarial changes arising from change in experience adjustments	0.00	
	Benefits paid	(1.83)	

	Present value of defined benefit obligation at the end of the Year **(Total)**	**84.00**	
B	**Changes in fair value of Plan Assets:**		
	Fair value of Plan Assets as at beginning of the Year	91.37	
	Interest Income	7.13	
	Employer Contribution	2.65	
	Return on plan assets excluding interest income (Fund Management Charges)	0.00	
	Benefits paid	(1.83)	
	Fair value of plan Assets as at end of the Year	99.32	

	Particulars	Gratuity (Funded)	
		2019-20	**2018-19**
c	**Net asset / (liability) recognised in the balance sheet**		
	Present value of defined benefit obligation at the end of the Year	84.00	
	Fair value of plan Assets as at end of the Year	99.32	
	Amount recognised in the Balance Sheet	15.32	
	Net (liability) / assets - Current	15.32	
	Net (liability) / assets - Non - current	0.00	
d	**Expenses recognised in the Statement of Profit and Loss for the year**		
	Current Service Cost	14.50	
	Interest Cost on benefit obligation includes Expected return on plan assets (net)	(1.53)	
	Actuarial (gain)/ Loss	(9.13)	
	Total expenses	**3.83**	

	Particulars	Gratuity (Funded)	
		2019-20	**2018-19**
e	**Recognized in other comprehensive income for the year**		
	Actuarial changes arising from change in financial assumptions	(9.13)	
	Actuarial changes arising from change in experience adjustments	0.00	
	Return on plan assets excluding interest income	0.00	
	Recognized in other comprehensive income	**(9.13)**	

	Particulars	Gratuity (Funded)	
		2019-20	**2018-19**
1	**Principal Actuarial Assumptions used as at the Balance Sheet date :**		
	Discount Rate	7.25%	
	Expected Rate of Return on Plan Assets		
	Salary Escalation Rate	7.00%	

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market. Same assumptions were considered for comparative period i.e 2018-19 as considered in previous GAAP on transition to Ind AS. The above information is certified by the Actuary.

Investment Risk: The liability is funded with LIC as valued by actuarial valuer of LIC.

Interest Risk: The rate used to discount post-employment benefit obligation should be determined by reference to market yields at the balance sheet date on Government bonds. The currency and term of government bonds should be in consistent with the currency and estimated term of post-employment benefit obligation. .

Salary Risk: Salary increase should take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

No other post-retirement benefits are provided to these employees.

39. FINANCIAL INSTRUMENTS

Capital Risk Management

The Company being in a trading industry, its objective is to maintain a strong credit rating healthy capital ratio and establish a capital structure that would maximize the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its trading business, repayment of principal and interest on its borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets.
The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst trading business projects and strategic acquisitions, to capture market opportunities at minimum risk.
The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents and current investments.

(Rs. In Lacs)

Particulars	As at 31stMarch 2020	As at 31stMarch 2019	As at 01stApril 2018
Long term borrowings	683.10	486.51	447.30
Current maturities of long term debt	12.06	67.47	176.58
Short term borrowings	1358.34	5595.49	7129.03
Total	2053.50	6149.47	7842.91
Less: cash and cash equivalent	72.14	135.99	286.51
Less: bank balances other than cash and cash equivalent	0.00	20.18	0.00
Net debt	1981.36	5993.30	7556.4
Total equity	**878.86**	**766.85**	**711.95**
Gearing ratio	**0.44**	**0.13**	**0.09**

Note1. Equity includes all reserves of the company that are managed as capital.
2. Debt is defined as long and short term borrowings.

Categories Of Financial Instruments

(Rs. In Lacs)

Particulars	31.03.2020		31.03.2019		01.04.2018	
	Carrying values	Fair value	Carrying values	Fair value	Carrying value	Fair value
Financial assets						
Measured at amortised cost						
Loans (Non-Current)	0.00	0.00	0.00	0.00	0.00	0.00
Loans (Current)	0.00	0.00	19.81	19.81	15.87	15.87
Other financial assets(Non-current)	38.42	38.42	20.96	20.96	56.56	56.56
Trade receivables	1336.10	1336.10	3023.57	3023.57	3811.57	3811.57
Cash and cash equivalents	72.14	72.14	135.99	135.99	286.51	286.51
Bank balances other than cash and cash equivalents	0.00	0.00	20.18	20.18	0.00	0.00
Non-current Investments (NSC)	0.03	0.03	0.03	0.03	0.03	0.03
Other Financial Assets (Current)	1.44	1.44	0.07	0.07	0.55	0.55
Total financial assets at amortised cost (A)	**1448.13**	**1448.13**	**3220.61**	**3220.61**	**4171.09**	**4171.09**
Financial assets	**N.A.**					

Measured at fair value through other comprehensive income	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**
Financial assets	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**
Measured at fair value through profit and loss	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**
Total financial assets at fair value through profit and loss (C)						
Total financial assets (A+B+C)	**1448.13**	**1448.13**	**3220.61**	**3220.61**	**4171.09**	**4171.09**
Financial Liabilities						
Measured at amortised cost						
Long term Borrowings*	695.16	695.16	553.98	553.98	623.88	623.88
Short term Borrowings	1358.34	1358.34	5595.49	5595.49	7129.03	7129.03
Trade Payables	224.24	224.24	797.58	797.58	162.73	162.73
Other financial liabilities (Non-Current)	0.00	0.00	0.00	0.00	0.00	0.00
Other financial liabilities (Current)	0.00	0.00	0.00	0.00	0.00	0.00
Total financial Liabilities at amortised cost	**2277.74**	**2277.74**	**6947.05**	**6947.05**	**7915.64**	**7915.64**

* Including Current Maturity of Long Term Debt.

Financial Risk Management

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aim to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the Government policies. The Company is exposed in the ordinary course of its business to risks related to changes in interest rates, commodity price.

Foreign Currency Risk Management

The company does not have and foreign currency transactions so there are no need manage risk associated with foreign currency. Hence no disclosure required.

Commodity Price Risk:

The Company's revenue is exposed to the market risk of price fluctuations due to government policies or rules, other factors of demand and supply and regional economic conditions.

Credit Risk Management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. Company's credit risk arises principally from the trade receivables, loans, cash & cash equivalents.

Trade receivables:
The company's customer profiles are corporate as well as large individuals. Accordingly company's customer risk is low. The sales are mostly in cash and credit to customer is around 30 days credit.The history of trade receivables shows a negligible allowance for bad and doubtful debts.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in with amix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates.

(Rs. In Lacs)

Particulars	**As at 31 March 2020**	**As at 31 March 2019**	**As at 01st April 2018**
Fixed rate borrowings	53.87	121.34	282.56
Floating rate borrowings	1358.34	5595.50	7129.03
Total borrowings	**1412.21**	**5716.84**	**7411.59**

Liquidity Risk Management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Rs. In lacs

Particulars	**31.03.2020**			
	<1 year	**1-5year**	**>5year**	**Total**
Financial assets				
Non-current Investments			433.71	433.71
Loans (Non-current)				0.00
Loans (current)				0.00
Trade receivables	1336.10	0.00	0.00	1336.10
Cash and cash equivalents	72.14	0.00	0.00	72.14
Bank balances other than cash and cash equivalents	0.00	0.00	0.00	0.00
Other financial assets	1.44	0.00	0.00	1.44
Total financial assets	**1409.68**	**0.00**	**433.71**	**1843.39**
Financial Liabilities				
Long term Borrowings	12.06	683.10	0.00	695.16

Short term Borrowings	1358.34	0.00	0.00	1358.34
Trade Payables	224.24	0.00	0.00	224.24
Other financial liabilities (Non-Current)	0.00	0.00	0.00	0.00
Other financial liabilities (Current)	0.00	0.00	0.00	0.00
Total financial Liabilities	**1594.64**	**683.10**	**0.00**	**2277.74**

Particulars	**31.03.2019**			
	<1 year	**1-5year**	**>5year**	**Total**
Financial assets				
Non-current Investments	0.00	0.00	433.71	433.71
Loans (Non-current)	0.00	0.00	0.00	0.00
Loans (current)	19.80	0.00	0.00	19.80
Trade receivables	3023.57	0.00	0.00	3023.57
Cash and cash equivalents	135.99			135.99
Bank balances other than cash and cash equivalents		20.18		20.18
Other financial assets	0.00	0.00	0.00	0.00
Total financial assets	**3179.36**	**20.18**	**433.71**	**3633.25**
Financial Liabilities				
Long term Borrowings	67.47	486.51	0.00	553.98
Short term Borrowings	5595.49			5595.49
Trade Payables	797.58			797.58
Other financial liabilities (Non-Current)	0.00			0.00
Other financial liabilities (Current)	0.00			0.00
Total financial Liabilities	**6460.54**	**486.51**	**0.00**	**6947.05**

Particulars	**31.03.2018**			
	<1 year	**1-5year**	**>5year**	**Total**
Financial assets				
Non-current Investments			433.71	433.71
Loans (Non-current)			0.00	0.00
Loans (current)	15.87			15.87
Trade receivables	3811.57			3811.57
Cash and cash equivalents	286.51			286.51
Bank balances other than cash and cash equivalents	0.00	0.00	0.00	0.00
Other financial assets	0.00	0.00	0.00	0.00
Total financial assets	**4113.95**	**0.00**	**433.71**	**4547.66**
Financial Liabilities				
Long term Borrowings	176.58	447.30	0.00	623.88
Short term Borrowings	7129.03			7129.03
Trade Payables	162.73			162.73
Other financial liabilities (Non-Current)	0.00			0.00
Other financial liabilities (Current)	0.00			0.00
Total financial Liabilities	**7468.34**	**447.30**	**0.00**	**7915.64**

Collateral

The Company has pledged/ hypothecated of its Intangible assets, trade receivables, cash and cash equivalents (details as specified in note no. 22) in order to fulfil certain collateral requirements for the banking/ Other Financial Institutions (NBFC) facilities extended to the Company. There is obligation to return the securities to the Company once these banking facilities are surrendered.

40. LEVEL WISE DISCLOSURE OF FINANCIAL INSTRUMENTS

Particulars	As at 31st March 2020	As at 31st March 2019	As at 01st April 2018	Level	Valuation techniques and key inputs
Long term Borrowings					
Carrying value	695.16	553.98	623.88	2	Discounted cash flow – observable future cash flows are based on terms discounted at a rate that reflects market risks.
Fair value	695.16	553.98	623.88	2	

* including current maturity

There is no instruments like preference shares measured at fair value using level iii technique so no sensitivity analysis and reconciliation are not given

41. CONTINGENT LIABILITIES AND COMMITMENTS

(Rs. In Lacs)

S.No.	Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
i)	Outstanding bank guarantee *	20.00	20.00	66.32
ii)	Other Claims against the Company not acknowledged a debt relating to supplies and service matters	210.67	184.32	185.54
iii)	Show cause/demand/notices by excise deptt. service tax, income tax authorities being disputed by the company. (net demand)	732.54	0.00	1.75

Based on favourable decisions in similar cases, legal opinion taken by the company., discussions with the solicitors, etc., the company believes that there is fair chance of decisions in its favours in respect of all the items listed in (ii) above and hence no provisions is considered necessary against the same.

42. RELATED PARTY DISCLOSURE UNDER ACCOUNTING STANDARD IND AS-24

"Related party disclosures" notified under Companies (Accounting standard) Rules 2006.

During the year, the company entered into transactions with the related parties. Those transactions along with related balance as at 31st March 2020 and for the year ended are presented below.

List of related parties with whom transactions have taken place during the year along with nature and volume of transactions are summarized as follows:

List of related parties and relationship:

Name of the related party	Relationship	% of holding	Incorporated in
Subsidiaries			
Ganganagar Vehicles Priavte Limited	Subsidiary company	51.08%	India
Nekub Consultancy Limited (The company is in under process of striking off in the year 2018-19)	Subsidiary company	100%	India
YYKS Consultancy Limited (The company is in under process of striking off in the year 2018-19)	Subsidiary company	100%	India
Enterprises controlled or are under same management with reporting enterprise			
Ganganagar Automobiles Private Limited			
Argent Leasing and Finance Limited			
Kota Trucks Private Limited			
Key Management personnel			
Shankar Lal Agarwal	Managing Director		
Sourabh Agarwal	Chief Financial Officer		
Chandni Arora	Company Secratory		
Relatives of Key management persons			
Smt. Maya Agarwal			

b) <u>Transactions with related parties:</u>

(Rs. In Lacs)

S.N.	Name	Nature of Transaction	2019.20	2018-19
1	Ganganagar Vehicles Private Limited	Opening Balance Dr.	0.00	0.00
		Shares Opening Balance	408.68	408.68
		Purchase	2070.10	615.37
		Intt. Received	0.00	2.00
		Investment Purchase	0.00	0.00
		Sale	1458.61	828.70
		Shares closing Balance	408.68	408.68
		Outstanding at the year end	0.00	0.00
2.	NEKUB Consultancy Limited	Opening Balance Dr.	0.00	0.00
		Shares Opening Balance	0.00	5.00
		Loss on Sale of Investment	0.00	5.00
		Shares closing Balance	0.00	0.00
3.	YYKS Consultancy Limited	Opening Balance Dr.	0.00	0.00
		Shares Opening Balance	0.00	5.00
		Loss on Sale of Investment	0.00	5.00
		Shares closing Balance	0.00	0.00
1	Ganganagar Automobile Private Limited	Opening Balance Dr.	0.00	0.00
		Shares Opening Balance	25.00	25.00
		Shares closing Balance	25.00	25.00
2	Argent Leasing & Finance Ltd.(NBFC)	Opening Balance Cr.	24.66	22.38
		Interest Paid	0.00	2.53
		TDS Deducted	0.00	0.25
		Outstanding Balance(Cr.)	24.66	24.66
3	M/s Kota Trucks Pvt. Ltd.	Opening Balance(Dr.)	0.00	0.00
		Transaction During the year		
		Rent (Received)	23.36	19.80

		Purchases	36.25	30.61
		Sales	64.48	72.48
		Intt. Received	0.00	0.00
		Outstanding at the year end (Dr.)	0.00	0.00
1.	Shankar Lal Agarwal	Opening Balance (Cr.)	0.00	0.00
		Director Remuneration	4.20	4.20
		Loan Received	51.80	0.00
		Amount Repaid	51.80	0.00
		Outstanding at the year end	0.00	0.00
2.	Shankar Lal Agarwal HUF	Opening Balance (Cr.)	0.00	0.00
		Loan Received	176.00	0.00
		Outstanding at the year end	176.00	0.00
3.	Sourabh Agarwal	Opening Balance (Cr.)	56.60	0.00
		Rent Paid	3.60	3.60
		Director Remuneration	6.00	6.00
		Amount Received	108.45	71.00
		Interest Paid	0.00	6.22
		TDS Deducted	0.23	0.62
		Amount Paid (Loan Repayment)	103.05	20.00
		Loan account cr. Balance	62.00	56.60
4.	Vikramjit Singh(CS)	Opening	0.37	0.33
		Salary Paid	2.63	5.16
		TDS Deducted	0.00	0.07
		Outstanding at the year end	0.00	0.37
5.	Sourabh Agarwal HUF	Opening Balance (Cr.)	0.00	0.00
		Loan Received	49.75	0.00
		Outstanding at the year end	49.75	0.00
6.	Chandni Arora (CS)	Opening	0.00	0.00
		Salary Paid	1.37	0.00
		Outstanding at the year end	0.32	0.32
(V)Relatives to the Key Management:				
1	Smt. Mala Agarwal	Opening	0.00	0.00
		Opening Balance (Sec. Deposit)	0.05	0.05
		Rent during the year	0.12	0.12
		Amount Paid	0.12	0.12
		Closing Balance (Sec. Deposit)	0.00	0.05

Note: The transactions relating to reimbursement of actual expenses to/from related parties have not been considered above below.

i) Details of dues to Micro Small and medium enterprises as per MSMED Act. 2006 as identified by the company.

(Rs. In Lacs)

Particulars	2020	2019
The principal amount due and remaining unpaid to any supplier as at the end of each accounting year	-	64.15

The interest due an unpaid principal amount remaining as at the end of the each accounting year		-
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and medium enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) But without adding the interest specified under Micro Small and medium enterprises Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year, and	-	-
The amount of further interest remaining due and payable even in the succeeding years , until such date when the interest dues as above are actually paid to the Small Enterprises for the purpose of disallowance as a deductible expenditure U/s. 23 of the Micro Small and medium enterprises Development Act, 2006	-	-

44. EARNING PER SHARES (E.P.S.)

S. No.	*Particulars*	2020	2019
i)	*Calculation of weighted average number of face value of equity shares of Rs. 10 each*		
	No. of shares at the beginning of the year	1000000	1000000
	Total equity shares outstanding at the end of the year	1000000	1000000
	Weighted average no of equity shares outstanding during the year	1000000	1000000
ii)	*Net Profit after Tax available for equity shares holders (Rs.)*	9545411	5489485
iii)	*Basic and diluted earnings per shares (Rs.)*	9.55	5.49
iv)	*Nominal value of equity shares (Rs.)*	10	10

45. LOANS AND ADVANCES INCLUDE FOLLOWING AMOUNTS DUE FROM SUBSIDIARY

(Amount in Lakhs)

Name of The Party	Amount outstanding as at year end		Maximum Amount outstanding during the year	
	2020	2019	2020	2019
Ganganagar Vehicles Private Ltd.	0.00	0.00	1718.00	1050.00

46. The Company was registered u/s 45-IA of the RBI Act 1934 as an NBFC Company besides its other business activities. During the year the company has surrendered its NBFC status to the RBI on dated 28 June 2019 and continued to running its normal business activities. Pursuant to this the Company has prepared its financial statement as per Ind AS. The same is not affecting the business activity of the company in any manner including going concern concept.

47. PROVISION FOR LOANS

Particulars	% of Provision made	As at 31.03.2019	As at 31.03.2020	Total
Standard Assets	0.25	4952.00	-4952.00	0.00
Total		**4952.00**	**-4952.00**	**0.00**

48. The government has introduced the Taxation Laws (Amendment) Act, 2019 and has given the option of lower tax rate subject to certain conditions. The management has carried out an assessment according to which the Company will move to lower tax rate. The effect of the same has been given to deferred tax assets as per AS 22 'Accounting for Taxes on Income'

49. The country wide lockdown had been announced from March 25, 2020 due to COVID-19 pandemic. As the challenges faced due to COVID-19 pandemic, the Company has not been able to operate at normal levels for few days. The Company took several pro-active measures, regarding its Work force and adopting stringent social distancing procedures. This helped the Company to overcome manpower challenges faced due to lockdown. Therefore the Company's despatches, sales and market collections has not affected much, as the Company is able to gain its production and sales efficiency almost upto original levels.

The Company has made an assessment of its capital and financial resources including liquidity position and ability to service debt and other financing arrangements for next one year.

The Company has also assessed the recoverability of the carrying values of its assets such as property, plant and equipment, inventory, trade receivables and other current assets as at balance sheet date and has concluded that there is no impact of COVID-19 thereon. Further, the Company has also evaluated impact of COVID-19 on internal financial controls over financial reporting and concluded that there is no impact of COVID-19 thereon subject to the above paragraph.

In view of the above, there is no impact of COVID-19 on the financial statements of the Company subject to the above paragraph for the financial year ended March 31, 2020.

50. THE DUES OUTSTANDING IN RESPECT OF INCOME TAX AND VAT ON ACCOUNT OF DISPUTES ARE AS UNDER:

Name of the Statute	**Nature of Dues**	**Demand (Rs. In Lakhs)**	**Amount paid against demand (Rs. In Lakhs)**	**Period to which the amount relates**	**Forum where dispute is pending**
Income Tax Act, 1961	Income Tax	3.74	0.00	FY 2010-11	CIT(A)
Income Tax Act, 1961	Income Tax	3.06	2.29	FY 2017-18	CIT(A)
RVAT Act	Sales Tax	421.01	42.10	FY 2014-15	Commissioner (A)
RVAT Act	Sales Tax	387.91	38.79	FY 2013-14	Commissioner (A)

51. OTHER ADDITIONAL INFORMATION

a. i. The details of Trading goods opening, purchases, sales and closing stock are given as under.

Particulars	**2020**		**2019**	
	Qty/No/Ltr	**Amt (Rs.)**	**Qty/No/Ltr**	**Amt (Rs.)**
Opening Stock				
Comm. Vehicle	139	307323862	130	255730507
Three Wheelers	142	18101115	90	10454250
MS	12079	841104	15560	1112557
HSD	23893	1584907	40185	2634419
Purchases				
Comm. Vehicle	688	1392952637	1579	3794292318
Three Wheelers	1617	209737818	1781	222894604
MS	122858	8832696	116532	8565298
HSD	1164866	78691798	1288710	88666549
Sales				
Comm. Vehicle	824	1887822196	1570	3456227188
Three Wheelers	1620	238666836	1729	210785998
MS	121209	9107541	120012	9112985
HSD	1150383	80230460	1305002	92585631
Closing Stock				
Comm. Vehicle	3	7799282	139	307323862

Three Wheelers	139	19383860	142	18101115
MS	12389	874641	12079	841104
HSD	36604	2404059	23893	1584907
Shortage				
MS	1339		1384	
HSD	1772		1141	

b. (Rs. in Lacs)

S. No.	Particulars	2020	2019
I	C.I.F. Value of Imports	0	0
	Raw Material	0	0
	Stores & Spares	0	0
	Machinery	0	0
ii)	EXPENDITURE IN FOREIGN CURRENCY (PAID OR PROVIDED) INCLUDING OVERSEAS BRANCHES	0	0
iii)	Income in Foreign Currency	0	0
iv)	Net dividend remitted in foreign currency/foreign intuitional investors	0	0
	No. of NRI share holders	0	0
	No of shares held by them	0	0
	Dividend paid (Rs. In lacs)	0	0
	Year to which dividend relates	NA	NA

v) VALUE OF RAW MATERIAL & STORES AND COMPONENTS CONSUMED:

(Rs. In Lacs)

Particulars	2020	%	2019	%
Raw Material	0	0	0	0
Imported	0	0	0	0
Indigenous	0	0	0	0
Total :-	0	0	0	0
Stores & Spares	0	0	0	0
Imported	0	0	0	0
Indigenous	0	0	0	0
Total	0	0	0	0

52. FIRST TIME ADOPTION OF IND AS RECONCILIATION

Reconciliation of Balance sheet	As Per annexure attached
Reconciliation of total comprehensive income	As Per annexure attached
Effect of IND AS adoption on total equity	As Per annexure attached

Notes:

1. To comply with the Companies (Accounting Standard) Rules, 2006, certain account balances have been regrouped as per the format prescribed under Division II of Schedule III to the Companies Act, 2013.

2. Financial liabilities and related transaction costs:

Borrowings and other financial liabilities which were recognized at historical cost under previous GAAP have been recognized at amortised cost under IND AS with the difference been adjusted to opening retained earnings. Under previous GAAP, transaction costs incurred in connection with borrowings were amortised equally over the tenure of the borrowings. Under IND AS, transaction costs are deducted from the initial recognition amount of the financial liability and charged over the tenure of borrowing using the effective interest method. Difference in the un-amortised borrowing cost as per IND AS and previous GAAP on transition date has been adjusted to the cost of asset under construction or opening retained earnings, as applicable.

3. Financial assets at amortised cost:
Certain financial assets held on with an objective to collect contractual cash flows in the nature of principal and interest have been recognized at amortised cost on transition date as against historical cost under the previous GAAP with the difference has been adjusted to the opening retained earnings.

4. Deferred tax as per balance sheet approach:
Under previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profits and accounting profits for the period. Under IND AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments has also lead to recognition of deferred taxes on new temporary differences.

5. Other comprehensive income:
Under IND AS, all items of income and expense recognized in the period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss and "other comprehensive income" includes re-measurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

53. Figures for previous year have been re-arranged/regrouped wherever necessary to make them comparable.

SIGNED FOR IDENTIFICATION

For M.C. Bhandari & Company
Firm`s Registration No. 303002E
Chartered Accountants

For and on behalf of Board of Directors
Kalyani Commercials Ltd.

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
(CA S.K. Mahipal)	**(S.L. Agarwal)**	**(Puneet Sethi)**	**(Chandni Arora)**	**(SourabhAgarwal)**
Partner	**M. Director**	**Director**	**CS**	**CFO**
	DIN: 01341113	**DIN: 08212766**	**M. No.:47215**	**DIN: 02168346**

Date: 02/07/2020
Place: Delhi

Form No. MGT-11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L65923DL1985PLC021453
Name of the Company: Kalyani Commercials Limited
Venue of the Meeting: BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, Delhi-110 042
Date and Time: Wednesday, 30th September, 2020 at 9:00 A.M.

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

1. Name:____________________________Address:____
E-mail ID:_________________________Signature:___________________________, or failing him/her

2. Name:____________________________Address:____
E-mail ID:_________________________Signature:___________________________, or failing him/her

3. Name:____________________________Address:____
E-mail ID:_________________________Signature:___________________________, or failing him/her

as my/our Proxy to attend vote (for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Wednesday, 30th September, 2020 at 9:00 A.M. at BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, Delhi-110 042 and at any adjournment thereof) in respect of such resolutions as are indicated below:

S. No.	Resolution	Number of shares held	For	Against
ORDINARY BUSINESS:				
1.	Adoption of Consolidated/ Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon.			
2.	Appointment of Director in place of Ms. Manushree Agarwal (DIN No. 06620217), who retires by rotation and, being eligible, offers herself for re-appointment.			
SPECIAL BUSINESS:				
3.	Regularise the appointment of Mr. Gagan Anand (DIN: 08604211)			
4.	Re-Appointment of Mr. Alok Kumar Gupta As Independent Director in Terms of Section 149 of The Companies Act, 2013			
5.	Approval for Contribution Under the Provisions of Section 181 of The Companies Act, 2013.			
6.	To Approve the Limits for The Loans And Investment By The Company In Terms of The Provisions of Section 186 of the Companies Act, 2013			

7.	Approval for Related Party Transactions			
8.	To Increase the Borrowing Limit Under Section 180(1)(C) of The Companies, Act, 2013			
9.	To Take Approval to Sell or Dispose of Undertakings Under Section 180(1)(A) of The Companies, Act, 2013			

** This is optional. Please put a tick mark (√) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.

Signed this …… Day of.................................. 2020

Signature of shareholder..………………………………….

Signature of Proxy holder(s) ………………………………….

Affix One Rupee Revenue Stamp

Note:

a. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ELECTRONIC VOTING PARTICULARS

EVEN(Electronic Voting Event Number)	PASSWORD	USER ID	NO. OF SHARES

The e-voting facility will be available during the following voting period:

Commencement of e-voting	26st September, 2020 at 9:00 A.M.
End of e-voting	29th September, 2020 till 5:00 P.M.

- **The cut-off date for the purpose of e-voting is 23rd September 2020.**

ATTENDANCE SLIP

Registered Folio / DP ID & Client ID
Name and Address of the Shareholder

1. I hereby record my presence at the 35th Annual General Meeting of the Company being held on at the registered office of the company, at BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, Delhi-110 042
2. Signature of the Shareholder/Proxy Present
3. Shareholder/Proxy holder desiring to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.
4. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.

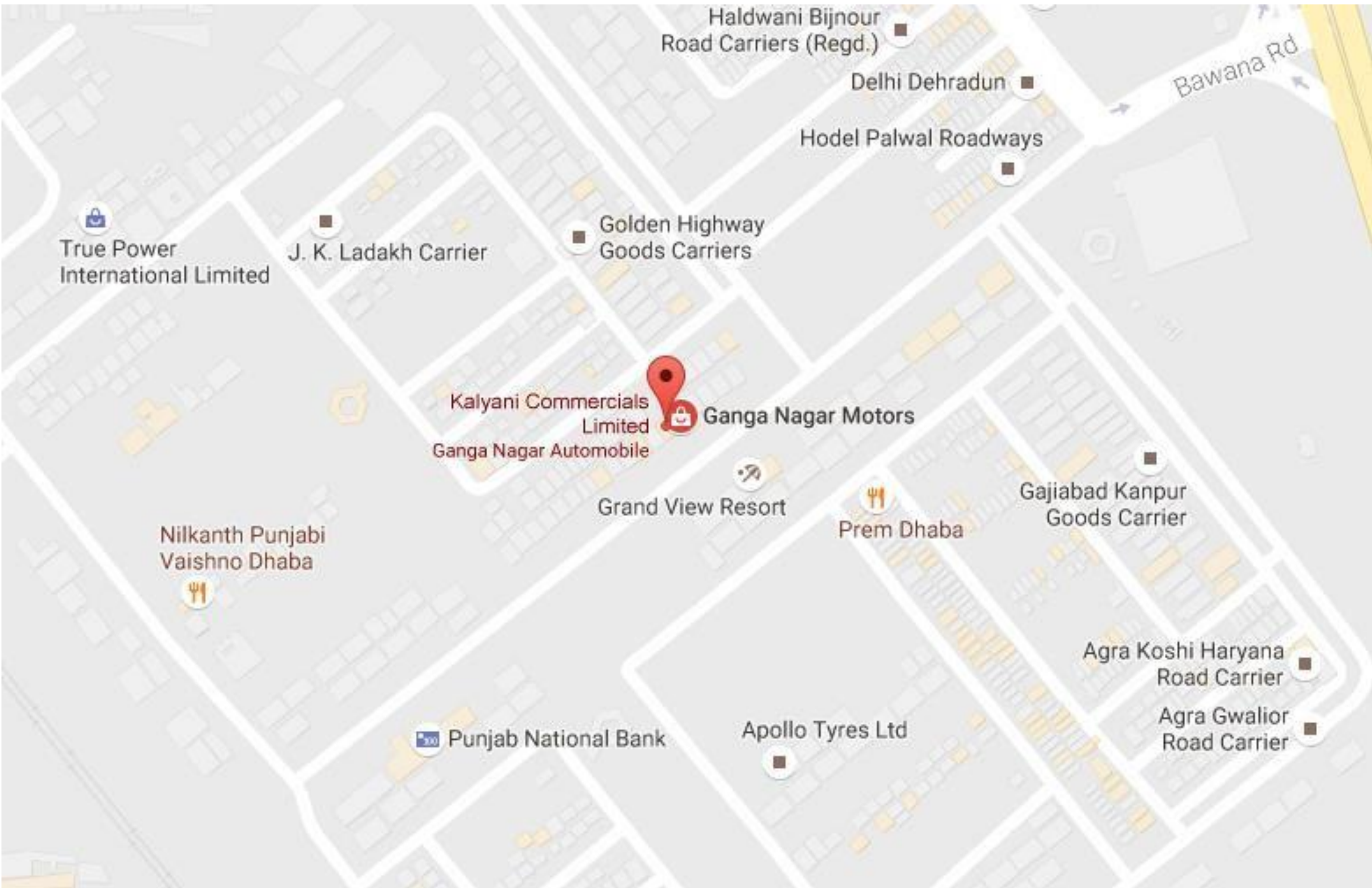
NOTE: PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING.

ELECTRONIC VOTING PARTICULARS

EVEN (E Voting Event Number)	User ID	Password / PIN

Note: Please read the instructions printed under the Note to the Notice dated 7th September, 2020 of the 35th Annual General Meeting of the Company. The E-Voting period starts from 9:00 A.M on Saturday 26th September, 2020and ends at 5:00 P.M Tuesday 29th September, 2020. The e-Voting module shall be disabled by NSDL for voting thereafter.

Route Map for AGM of Kalyani Commercials Limited to be held on Wednesday, 30thSeptember, 2020 at 10:00 A.M.



If undelivered please return to:

KALYANI COMMERCIAL LIMITED
Regd. Office: BG-223, Sanjay Gandhi Transport Nagar,
GT Karnal Road, Delhi-110042
E-mail:kalyanicommercialslimited@gmail.com