

**NAGA DHUNSERI GROUP LIMITED**

CIN No. L01132WB1918PLC003029  
REGISTERED OFFICE : DHUNSERI HOUSE  
4A WOODBURN PARK, KOLKATA - 700 020  
Phone : 2280 1950 (5 Lines) Fax : 91 33 2287 8995

Ref. No. NDGL/7/2020/

04.09.2020

To,  
**National Stock Exchange of India Limited**  
(Symbol: NDGL)  
Exchange Plaza,  
Plot No: C/I, G Block,  
Bandra - Kurla Complex, Bandra (E)  
Mumbai - 400 051

**Sub: Annual Report for the Financial Year ended 31<sup>st</sup> March, 2020**

Dear Sir / Ma'am,

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed the Annual Report of the Company for the Financial Year ended 31<sup>st</sup> March, 2020 along with the Notice of the 102<sup>nd</sup> Annual General Meeting of the Company to be held on Tuesday, 29<sup>th</sup> September, 2020 at 11:30 A.M. (IST) through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM").

The same is available on our website:

(<http://www.nagadhunserigroup.com/downloads/NDGL-Annual-Report-2019-20.pdf>)

This is for your information and record.

Thanking You.

Yours faithfully,

For Naga Dhunseri Group Limited

*Chitra Thakwani*

**Chitra Thakwani**  
**Company Secretary & Compliance Officer**  
**ACS 54009**



Encl: As above.

Email: [mail@nagadhunserigroup.com](mailto:mail@nagadhunserigroup.com) Website : [www.nagadhunserigroup.com](http://www.nagadhunserigroup.com)



# **Naga Dhunseri Group Limited**

**Annual Report 2019 - 2020**

# NAGA DHUNSERI GROUP LIMITED

CIN : L01132WB1918PLC003029

## BOARD OF DIRECTORS :

Mr. Chandra Kumar Dhanuka, Chairman

Mrs. Aruna Dhanuka, Vice Chairman

Mr. Mrigank Dhanuka

Mr. Indra Kishore Kejriwal

Mr. Gobind Ram Goenka

Mr. Rajeev Rungta

## CHIEF EXECUTIVE OFFICER :

Mr. Hari Prasad Bhuwania

## COMPANY SECRETARY & COMPLIANCE OFFICER :

Ms. Chitra Thakwani

## STATUTORY AUDITOR :

M/s. Dhandhanania & Associates

*Chartered Accountants*

## BANKERS :

State Bank of India

HDFC Bank Ltd.

## REGISTERED OFFICE :

“DHUNSERI HOUSE”

4A, WOODBURN PARK,

KOLKATA - 700 020

CIN : L01132WB1918PLC003029

Phone : (033) 2280-1950 (5 Lines)

Fax : (033) 2287 8995

E-mail : mail@nagadhunserigroup.com

Website : www.nagadhunserigroup.com

## CHIEF FINANCIAL OFFICER :

Mr. Ayush Beriwalla

## INTERNAL AUDITORS :

M/s. Damle Dhandhanania & Associates

*Chartered Accountants*

## SECRETARIAL AUDITORS :

Sushil Tiwari & Associates

Practicing Company Secretary

## ASSOCIATE COMPANY :

M/s. Dhunseri Investments Ltd.

CIN : L15491WB1997PLC082808

## REGISTRAR & SHARE TRANSFER AGENTS :

M/s. Maheshwari Datamatics Pvt. Ltd.

23, R. N. Mukherjee Road, 5th Floor,

Kolkata - 700 001

Phone : (033) 2243-5029 / 2248 2248

Fax : (033) 2248 4787

E-mail : mdpldc@yahoo.com

## 102ND ANNUAL GENERAL MEETING

Tuesday, 29th September, 2020 at 11:30 A.M.

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## NAGA DHUNSERI GROUP LIMITED

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NAGA DHUNSERI GROUP LIMITED

CIN : L01132WB1918PLC003029

"Dhunseri House" 4A, Woodburn Park, Kolkata - 700 020

Tel : +91 33 2280 1950 (5 lines); Fax : +91 33 2287 8995

E-mail : mail@nagadhunserigroup.com; Website : www.nagadhunserigroup.com

### NOTICE

NOTICE is hereby given that the 102nd Annual General Meeting (AGM) of the Members of NAGA DHUNSERI GROUP LIMITED will be held on Tuesday, 29th September, 2020, at 11:30 A.M. through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") to transact the following businesses :

#### ORDINARY BUSINESS :

**1. Adoption of the Financial Statements**

To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year 2019-20 and the Reports of the Board of Directors and Auditors thereon.

**2. Declaration of Dividend**

To declare Dividend on the Equity Shares of the Company @ of ₹ 1.25 per Equity Share for the Financial Year ended 31st March, 2020.

**3. Appointment of Director**

To appoint a Director in place of Mr. Mrigank Dhanuka (DIN : 00005666), who retires by rotation and being eligible offers himself for re-appointment.

By Order of the Board  
For Naga Dhunseri Group Limited  
CHITRA THAKWANI

Place : Kolkata

Date : 30th July, 2020

Company Secretary & Compliance Officer  
ACS 54009

### NOTES

1. In view of the COVID-19 pandemic and restrictions imposed on the movement of people, the Ministry of Corporate Affairs ("MCA") vide its Circular dated 5th May, 2020 read with Circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as "MCA Circulars") and SEBI vide its Circular dated 12th May, 2020 have permitted for holding of the AGM through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members. Accordingly, in compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not annexed to this Notice.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 23rd September, 2020 to Tuesday, 29th September, 2020 (both days inclusive).
4. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to aklabhs@gmail.com with a copy marked to evoting@nsdl.co.in.

**NOTICE (Contd.)**

5. Subject to provisions of Section 126 of the Companies Act, 2013, Dividend for the Financial Year ended 31st March, 2020, as recommended by the Board if approved at the AGM will be on or after, Monday, 5th October, 2020.
  - a) To those Members whose names appear in the Register of Members of the Company as on 29th September, 2020.
  - b) In respect of Shares held in Electronic Form, to those “Deemed Members” whose names appear on the Statements of Beneficial Ownership furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL), at the end of the business hours on 22nd September, 2020.
6. Members holding shares in Electronic Form are hereby informed that Bank particulars registered against their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in electronic form for any change of Bank particulars or Bank mandates. Such changes are to be intimated only through the respective Depository Participants. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.
7. Pursuant to the Income Tax Act, 1961 ('IT Act') read with the Finance Act, 2020, dividend income is taxable in the hands of the Members with effect from April 1, 2020 and the Company is required to deduct tax at source from such dividend at the prescribed rates. A communication providing information and detailed instructions with respect to tax on dividend for the Financial Year ended 31st March, 2020 is being sent separately by the Company to the Members.
8. The Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall despatch the dividend warrants to such Members, upon normalisation of postal/courier services and other activities.
9. Members holding shares in Physical Form are requested to intimate any change of address and / or bank mandate to the Company at the Registered Office or Company's Registrar & Share Transfer Agent, M/s. Maheshwari Datamatics Private Limited, at 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001.
10. The details of Director seeking appointment / re-appointment under Item no. 3 of this Notice is annexed hereto.
11. In compliance with MCA Circulars, Notice of the AGM along with the Annual Report for FY 2019-20 are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or NSDL/ CDSL (“Depositories”).
12. Members holding shares in physical mode and who have not updated their e-mail addresses with the Company are requested to update their email addresses by writing to the Company's Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Private Limited at mdpldc@yahoo.com. Members are requested to submit request letter mentioning the Folio No. and Name of Shareholder along with scanned copy of the Share Certificate (front and back) and self-attested copy of PAN card for updation of email address. Members holding shares in dematerialised mode are requested to register / update their email addresses with their Depository Participants.
13. Members with physical holding may also directly register their email id/update their PAN by visiting the link of the Company's Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Pvt. Ltd. as given below :  
Link for email registration - <http://mdpl.in/form/email-update>  
Link for PAN Updation - <http://mdpl.in/form/pan-update>  
Members with demat holding may Register/Update their e-mail id through respective Depository Participants (DPs) (Any such updation effected by the DPs will automatically reflect in the Company's subsequent records).

**NOTICE (Contd.)**

14. Members may note that the Notice and Annual Report for FY 2019-20 is also be available on the Company's website [www.nagadhunserigroup.com](http://www.nagadhunserigroup.com), on the website of the Stock Exchange i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) respectively and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**PROCEDURE FOR ATTENDING THE AGM THROUGH VC / OAVM :**

15. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
16. The facility of participation at the AGM through VC/OAVM will be made available for members on first come first served basis. The large Shareholders (i.e., Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson's of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. can attend the AGM without any restriction on account of first come first served basis.
17. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
18. The Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in members login where the EVEN of Company will be displayed.
19. The Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
20. The Members are requested to join the Meeting through Laptops for better experience and will be required to allow Camera and use internet with a good speed to avoid any disturbance during the meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connected via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
21. Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/1800-222-990 or contact Mr. Amit Vishal, Senior Manager, NSDL at [amitv@nsdl.co.in](mailto:amitv@nsdl.co.in) / +91 99202 64780 or Ms. Pallavi Mhatre, Manager, at [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) / +91 75066 82281.

**PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS DURING AGM**

22. The Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request mentioning their name, DP Id and Client Id /folio number, PAN, mobile number at [mail@nagadhunserigroup.com](mailto:mail@nagadhunserigroup.com) on or before 27th September, 2020. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.
23. The Chairman of the Meeting reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.

**PROCEDURE FOR REMOTE E-VOTING**

24. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is pleased to provide its Members with a facility to exercise their right to vote by electronic means for the business to be transacted at the AGM.

**NOTICE (Contd.)**

25. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, the 22nd September, 2020 i.e. the cut-off date, are entitled to attend and vote at the AGM.
26. The remote e-voting period will commence at 9.00 A.M. on Saturday, 26th September, 2020 and will end at 5.00 P.M. on Monday, 28th September, 2020. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 22nd September, 2020 may cast their vote by remote e-voting. Once the vote on a resolution is cast by Member, it shall not be allowed to be changed subsequently. In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting.

The Company has appointed Mr. Atul Kumar Labh (FCS-4848; CP-3238), Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

27. The procedure and instructions for remote e-voting are given below :

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

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

**Details on Step 1 is mentioned below :**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

**NOTICE (Contd.)**

5. Your password details are given below :
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) In case you have not registered your email address with the Company/ Depository, please follow instructions mentioned above in this notice.
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](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

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.

**Details on Step 2 is given below :**

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



**NOTICE (Contd.)****PROCEDURE FOR E-VOTING DURING THE AGM**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**General Guidelines for Shareholders**

28. 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](http://www.evoting.nsdl.com) to reset the password.
29. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. : 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
30. The voting rights shall be as per the number of paid-up Equity Shares held by the Member(s) as on 22nd September, 2020, being the cut-off date. Members are eligible to cast vote electronically only if they are holding shares as on that date. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
31. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, 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 make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
32. The details of the voting result along with the Scrutinizer's Report shall be submitted to the Stock Exchange i.e. National Stock Exchange of India Limited where the Shares of the Company are listed within forty eight hours of conclusion of the AGM and shall also be placed on the Company's website at [www.nagadhunserigroup.com](http://www.nagadhunserigroup.com) and on NSDL's website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) simultaneously.

**OTHER INSTRUCTIONS**

33. The Register of Directors and Key Managerial Personnel and their Share holding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements, if any, in which Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection during the meeting on the NSDL e-voting system after login.
34. Members who have not encashed their dividend warrants, if any, for the financial years 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19 are requested to contact at the Registered Office of the Company or Company's Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Private Limited at 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001.

**NOTICE (Contd.)**

35. Members are requested to note that the unclaimed or unpaid dividend amounts lying with the Company as on the date of 31st March, 2020, for the last 7 years from Financial Year 2012-13 to 2018-19, has been uploaded on the website of the Company.
36. Members are requested to note that under Section 124(5) of the Companies Act, 2013, dividends not encashed/ claimed within seven consecutive years in respect of the financial year 2011-12 have been transferred to IEPF under Section 125(1) of the Companies Act, 2013. The relevant shares in respect of which dividend have not been claimed for seven consecutive years or more have also been transferred to IEPF under Section 124(6) of the Companies Act, 2013. The claimant of any shares and dividend transferred to as aforesaid shall be entitled to claim the shares and dividend from IEPF in accordance with such procedure and submission of such documents as prescribed in IEPF Rules, 2016.
37. Members are requested to note that unclaimed dividend for the Financial Year 2012-13 and the corresponding Equity shares of the Company in respect of which dividend entitlements have remained unclaimed / unpaid for seven consecutive years will be due for transfer to the IEPF of the Central Government on 19th September, 2020 and the reminder letter has also been sent to the shareholders for claiming the same by 21st August, 2020. Notice of the same has also been published in the newspapers.
38. Members may communicate with the Company Secretary or with the Company's Registrar and Share Transfer Agent for redressal of their queries, if any.
39. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) and Bank Account details by every participant in securities market. Members holding shares in demat form are, requested to submit PAN and Bank Account details to the Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN and Bank Account details either to the Company Secretary at the Registered Office or to the Company's Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Private Limited.
40. The Company's Shares are available in demat mode. The Shares of the Company can be dematerialised under ISIN : INE 756C01015. In terms of SEBI Circular, physical shares cannot be transferred w.e.f. 1st April, 2019. Members are requested to dematerialise their physical shares for operational convenience.
41. Members desiring any information relating to the accounts are requested to write to the Company atleast 10 days in advance so as to enable the management to keep the information ready.

**ANNEXURE TO THE NOTICE :****ITEM NO. 3**

**Details of Director seeking re-appointment in the forthcoming Annual General Meeting [Information pursuant to Regulations 36(3) & 26(4) of SEBI (LODR) Regulations, 2015]**

Name of the Director	Mr. Mrigank Dhanuka
Date of Birth	12.08.1980
Date of Appointment	31.01.2003
Relationship with Directors and Key Managerial Personnel	Related with Chairman
Expertise in specific functional areas	He is appointed on the Board of several other Associate Companies of the Group. He had his initial training with the Group Companies including NBFC Companies and has gathered considerable experience in all areas of businesses particularly in Tea & Petrochemicals which includes Tasting, Grading & Blending of Tea as well as Administration of Business in General.

**NOTICE (Contd.)**

Qualifications	B.Com (Hons.); Industrial & Operations Engineering from University of Michigan, USA
Directorship held in other Companies as on 31st March, 2020	<ol style="list-style-type: none"> <li>1. Trimplex Investments Ltd. - Director</li> <li>2. Madhuting Tea Pvt. Ltd. - Director</li> <li>3. Mint Investments Ltd.- Director</li> <li>4. Dhunseri Investments Ltd. - Director</li> <li>5. Dhunseri Ventures Ltd. (Formerly Dhunseri Petrochem Ltd.) - Vice-Chairman</li> <li>6. Jatayu Estate Pvt. Ltd. - Director</li> <li>7. Makandi Tea &amp; Coffee Estates Ltd. (Foreign Co.) - Director</li> <li>8. Kawalazi Estate Co. Ltd. (Foreign Co.) - Director</li> <li>9. Dhunseri Infrastructure Ltd. - Director</li> <li>10. Dhunseri Tea &amp; Industries Ltd.- Director</li> <li>11. Tastetaria Foods Private Ltd. (Formerly Tastetaria Pvt. Ltd.) - Director</li> <li>12. Twelve Cupcakes Pte Ltd. (Foreign Co.) - Executive Director</li> </ol>
Membership / Chairmanship of Committees of other Public Limited Companies as on 31st March, 2020	<p><b>Naga Dhunseri Group Ltd.</b> Stakeholders Relationship Committee - Member Share Transfer committee - Member</p> <p><b>Dhunseri Ventures Ltd. (Formerly Dhunseri Petrochem Ltd.)</b> Investment Committee - Member Share Transfer Committee - Member</p> <p><b>Dhunseri Investments Ltd.</b> Share Transfer Committee - Member Nomination and Remuneration Committee- Member Risk Management Committee - Member</p> <p><b>Dhunseri Tea &amp; Industries Ltd.</b> Committee of Directors - Member Investment Committee - Member Risk Management Committee - Member Share Transfer Committee - Member</p>
Shareholdings in the Company	1286 (0.13%)

By Order of the Board  
For Naga Dhunseri Group Limited

Chitra Thakwani  
Company Secretary & Compliance Officer  
ACS 54009

Place : Kolkata  
Date : 30th July, 2020

**BOARD'S REPORT**

We have pleasure in presenting the 102nd Annual Report together with Audited Financial Statements of the Company for the Financial Year ended 31st March, 2020.

**1. Financial Results** (₹ in Lakhs)

	Standalone For the year ended 31.03.2020	Standalone For the year ended 31.03.2019	Consolidated For the year ended 31.03.2020	Consolidated For the year ended 31.03.2019
<b>Particulars</b>				
Profit before Depreciation & Taxation	(92.09)	76.11	(111.83)	56.36
Less : Depreciation	47.67	32.66	47.67	32.66
Provision for Taxation (Net)	(103.73)	32.89	(103.73)	32.89
<b>Profit after Taxation</b>	<b>(36.03)</b>	<b>10.56</b>	<b>(55.77)</b>	<b>(9.19)</b>
Add : Share of Profit / (Loss) of Associates	—	—	(488.22)	911.05
<b>Net Profit for the Year</b>	<b>(36.03)</b>	<b>10.56</b>	<b>(543.99)</b>	<b>901.86</b>
Add : Balance brought forward	1,979.03	2,139.80	2,870.33	2,139.80
Less : Dividend Paid during the Year	25.00	25.00	25.00	25.00
Less : Dividend Distribution Tax Paid during the Year	5.14	5.14	5.14	5.14
Amount available for appropriation	<b>1,912.86</b>	<b>2,120.22</b>	<b>2,296.20</b>	<b>3,011.52</b>
<b>The Directors recommend this amount to be Appropriated as under :</b>				
Transfer to NBFC Reserve Fund	—	41.19	—	41.19
Transfer to General Reserve	—	100.00	—	100.00
Balance carried Forward	1,912.86	1,979.03	2,296.20	2,870.33
	<b>1,912.86</b>	<b>2,120.22</b>	<b>2,296.20</b>	<b>3,011.52</b>

**2. Operations**

The Income of the Company during the year under review mainly comprised of Profit on Sale of Investment in Shares & Securities, Dividend and Lease Rental Income. During the year under review, the Company's Standalone Net Loss is ₹ 36.03 Lakhs compared to Net Profit of ₹ 10.56 Lakhs during the previous year.

**3. Dividend**

The Directors are pleased to recommend a dividend @ of ₹ 1.25 per equity share (12.50%) of ₹ 10/- each for the Financial Year ended 31st March, 2020, subject to approval of the Shareholders at the ensuing Annual General Meeting to be held on 29th September, 2020. The total outflow on account of dividend for 2019-20 is ₹ 12.50 Lakhs.

**4. COVID-19 Impact Assessment**

The management has, at the time of approving the financial statements, assessed the potential impact of the Covid-19 on the Company. Barring any future Covid-19 related escalations, based on the current assessment, the management is of the view that impact of Covid-19 on the operations of the Company and the carrying value of its assets and liabilities is not likely to be material.

**BOARD'S REPORT (Contd.)****5. Associate and Subsidiary Company**

Pursuant to Section 2(6) of the Companies Act, 2013, the Company has an Associate Company as on 31st March, 2020, i.e. Dhunseri Investments Limited. The Company does not have any Subsidiary or Joint Venture as on 31st March, 2020.

Pursuant to Provisions of Section 129(3) of the Companies Act, 2013, a statement in Form AOC- 1, containing the salient features of the Financial Statements of the Company's Associate is attached to the Financial Statements of the Company.

**6. NBFC Public Deposits Directions**

With reference to RBI's NBFC Public Deposit Directions, the Board of Directors of the Company has confirmed by passing a Resolution by Circulation that the Company has neither invited nor accepted any Deposits from the Public during the Financial Year 2019-20. The Company does not intend to invite or accept any Public Deposits during the Financial Year 2020-21. No amount on account of principal or interest on Deposit from Public was outstanding as on the date of the Balance Sheet.

**7. Directors' Responsibility Statement**

Based on the framework of Internal Controls and Compliance Systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors and the reviews performed by the Management and the Audit Committee of the Board, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the Financial Year 2019-20. Accordingly, pursuant to Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Directors of your Company confirm :

- (a) That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and no material departures have been made from the same;
- (b) That they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for that period;
- (c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) That they have prepared the annual accounts on a going concern basis;
- (e) That they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**8. Directors & Key Managerial Personnel**

Mr. Mrigank Dhanuka (DIN : 00005666) retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment as a Director of the Company. The proposal for his re-appointment is included in the Notice of AGM which forms a part of this Annual Report.

Mr. Mrigank Dhanuka who was the Managing Director of the Company has resigned from his post on 22nd July, 2019. However, he continues to act as the Non-Executive Non Independent Director of the Company.

Mr. I. K. Kejriwal (DIN : 00012320), Mr. G. R. Goenka (DIN : 00133700) and Mr. Rajeev Rungta (DIN : 00122221), Non-Executive Independent Directors of the Company have completed their term of 5 years on 30th September, 2019. They have been re-appointed for a second term of 5 consecutive years from 1st October, 2019 to 30th September, 2024 by passing a Special Resolution at the AGM held on 29th August, 2019.

**BOARD'S REPORT (Contd.)**

Section 149(13) states that the provisions of Sub-section (6) and (7) of Section 152 of the Companies Act, 2013, relating to Retirement of Directors by rotation shall not be applicable to the Independent Directors.

Mr. H. P. Bhuwania, Chief Executive Officer whose term of appointment ended on 9th February 2020, was re-appointed as Chief Executive Officer of the Company from 10th February, 2020 to 28th February, 2021.

There are no other changes in the Directors and Key Managerial Personnel of the Company during the year.

**9. Number of Meetings of the Board**

The Board met five times during the Financial Year 2019-20. The details have been provided in the Corporate Governance Report in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is annexed to this Report.

**10. Annual Performance Evaluation**

The Independent Directors at a separate meeting held on 20th December, 2019, in absence of the Non-Independent Directors and Management, considered / evaluated the performance of the Board as a whole, performance of the Chairman and other Non-Independent Directors.

On the basis of parameters formulated by the Nomination and Remuneration Committee of the Board, a self-assessment questionnaire forms were sent for evaluation of the Board, the Committees, Director and the Chairman.

The Board at its Meeting held on 14th February, 2020, evaluated the performance of the Board, the Committees and each of the Directors including Independent Directors excluding the Directors being evaluated. The Board also reviewed the performance of the Chairman. The Board was unanimous that the performance of the Board as a whole, its Committees and the Chairman was satisfactory.

**11. Declaration by Independent Directors**

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he meets the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013, Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and have registered themselves in the data bank of Independent Directorship as per Rule 6(1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 of the Companies Act, 2013.

**12. Policy on Directors' Appointment and Remuneration and other details**

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

**13. Committees**

The Board has constituted various Committees in accordance with the requirement of the Companies Act, 2013. The Company has the following Committees :

- A) Audit Committee
- B) Nomination and Remuneration Committee
- C) Stakeholders' Relationship Committee
- D) Share Transfer Committee
- E) Corporate Social Responsibility Committee
- F) Internal Complaint Committee

Details of all the above Committees along with the Composition and Meetings held during the year under review are provided in the Report on Corporate Governance forming part of this Report.

**BOARD'S REPORT (Contd.)****14. Auditors**

Pursuant to provision of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s. Dhandhan & Associates, Chartered Accountants (FRN : 316052E) were appointed as the Statutory Auditors of the Company for a period of 5 years to hold office from conclusion of the 99th Annual General Meeting of the Company (AGM) held on 8th August, 2017, till the conclusion of 104th AGM of the Company.

Pursuant to the amendments made to Section 139 of the Companies Act, 2013, by the Companies (Amendment) Act, 2017, effective from 7th May, 2018, the requirement of seeking ratification each year from the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute.

**15. Auditors' Report and Secretarial Auditors' Report**

The Auditors' Report and Secretarial Auditors' Report are self-explanatory and does not contain any qualifications, reservations or adverse remarks or disclaimer and have been annexed to the Report.

**16. Risk Management**

The Company being a Non-Banking Financial Company is primarily engaged in the business of making investments in Shares and Securities. The Management constantly monitors the capital market risks and systematically addresses them through mitigating actions on a continuous basis. The Audit Committee has additional oversight in the area of Financial Risks and Internal Controls.

The development and implementation of Risk Management Policy has been covered in the Management Discussion and Analysis which forms part of this Report.

**17. Particulars of Loans, Guarantees and Investments**

The particulars of Loans, Guarantees and Investments have been disclosed in the Financial Statements.

**18. Transactions with Related Parties**

All Contracts / Arrangements / Transactions entered by the Company during the Financial Year with Related Parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any Contract / Arrangement / Transaction with Related Parties which could be considered material in accordance with the policy of the Company on materiality of Related Party Transactions.

Your Directors draw attention of the Members to Note 28 to the Financial Statements which sets out related party disclosures.

**19. Annual Return and Extract of the Annual Return**

Under Section 92(3), 134(3)(a) of the Companies Act, 2013 and read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return is given in **Annexure I** in the prescribed Form MGT 9 which forms part of this report. The Annual Return is available on the website of the Company at : <http://www.nagadhunserigroup.com/investors.html>.

**20. Corporate Social Responsibility (CSR)**

The Company has in place a CSR Committee in line with the provisions of Section 135 of the Companies Act, 2013, as stated in the Corporate Governance Report. The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and CSR activities undertaken by the Company during the year are set out in **Annexure - II** of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is also available on the Company's website: [www.nagadhunserigroup.com](http://www.nagadhunserigroup.com).

**21. Particulars of Employees**

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

**BOARD'S REPORT (Contd.)**

- a. **Ratio of Remuneration of each Director to the median remuneration of the Employees of the Company for the Financial Year 2019-2020.**

Sl. No.	Name of the Director	Remuneration (₹)	Ratio
1.	Mrs. Aruna Dhanuka	15,500/-	0.04:1
2.	Mr. C. K. Dhanuka	20,000/-	0.06:1
3.	Mr. Mrigank Dhanuka	12,78,838/-	3.61:1
4.	Mr. Rajeev Rungta	20,500/-	0.06:1
5.	Mr. I. K. Kejriwal	23,000/-	0.06:1
6.	Mr. G. R. Goenka	24,500/-	0.07:1

The median remuneration of employees of the Company during the F.Y. 2019-20 is ₹ 3.54 lakhs.

- b. **Percentage Increase of Remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the Financial Year :**

Sl. No.	Name and Designation	% of Increase
1.	Mr. C. K. Dhanuka - Non-Executive Chairman	NA (Note-1)
2.	Mr. Mrigank Dhanuka - Non-Executive Director	NA (Note-1)
3.	Mrs. Aruna Dhanuka - Non-Executive Director	NA (Note-1)
4.	Mr. Rajeev Rungta - Non-Executive Independent Director	NA (Note-1)
5.	Mr. I. K. Kejriwal - Non-Executive Independent Director	NA (Note-1)
6.	Mr. G. R. Goenka - Non-Executive Independent Director	NA (Note-1)
7.	Mr. Ayush Beriwal - Chief Financial Officer	135.02%
8.	Mr. H. P. Bhuwania - Chief Executive Officer	No Change
9.	Ms. Chitra Thakwani - Company Secretary	No Change

Note - 1 : There is no increase in sitting fees payable to the Non-Executive Directors. The sitting fees is paid based on the number of Meetings attended by the Directors during the Financial Year 2019-20.

- c. **The percentage increase in the median remuneration of the employees in the Financial Year 2019-20 : 5.67%**
- d. **The number of permanent employees on the rolls of Company as on 31st March, 2020 : 9 (Nine)**
- e. Average percentile increase made in the salaries of employees other than the Managerial Personnel in the Financial Year 2019-20 was NIL and in the case of Managerial Remuneration the increase was NIL. The remuneration payable to Managing Director is as per the agreement entered into with the Company.  
Increase in Managerial Remuneration for the year : NIL
- f. **Affirmation that the remuneration is as per the remuneration policy of the Company :**  
The Company affirms that remuneration is as per remuneration policy of the Company.
- g. **The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended for the Financial Year ended 31st March, 2020 :**



**BOARD'S REPORT (Contd.)**
**i. Details of top ten employees in terms of remuneration drawn :**

Sl. No.	Name of Employee	Age	Qualification	Designation	Date of Joining	Experience (in years)	Remuneration (in ₹)	Last Employment
1.	Mr. Ayush Beriwalla	38	Graduate, CA	CFO	03.11.2016	13	33,24,639	Dhunseri Investments Ltd.
2.	Mr. Mrigank Dhanuka*	39	Graduate	Director	08.02.2018	19	12,72,338	Dhunseri Tea & Petrochem Pte Ltd.
3.	Mr. Hari Prasad Bhuwania	81	Graduate	CEO	10.02.2020	53	6,00,000	First Employment
4.	Mr. Swapan Kumar Das	65	Graduate	Accounts Executive	01.11.1979	40	4,33,205	Merlin Holidays Ltd.
5.	Mr. Sumanjit Das	50	Graduate	Accounts Executive	18.04.1994	26	4,40,260	Eastern Data Product Pvt. Ltd.
6.	Mr. Deepak Verma	31	Graduate	Accounts Executive	27.07.2015	8	3,73,695	Deepa Agarwal & Co.
7.	Mr. K. Venugopal Nair	59	Graduate	Accounts Executive	01.04.2007	34	3,34,877	Mayfair India Ltd.
8.	Ms. Chitra Thakwani	28	Graduate, CS	Company Secretary	09.08.2018	3	3,14,218	Mint Investments Ltd.
9.	Mr. Maheshwar Mukhi	45	Graduate	Office Assistant	01.10.2014	6	1,84,314	First Employment
10.	Mr. Vinod Singh	31	Graduate	Office Assistant	01.10.2014	6	1,84,584	First Employment

\* Resigned from the post of Managing Director w.e.f. 22nd July, 2019.

**NOTES :**

- Nature of employment is permanent other than that of Mr. H. P. Bhuwania, Chief Executive Officer, whose nature of employment is contractual.
- Mr. Mrigank Dhanuka is related to Mr. C. K. Dhanuka and Mrs. Aruna Dhanuka. Mr. Mrigank Dhanuka is son of Mr. C. K. Dhanuka and Mrs. Aruna Dhanuka. None of the other employees mentioned above are related to any Directors of the Company.
  - Employed throughout the Financial Year 2019-20 and drawing a remuneration in aggregate not Less Than One Crore Two Lakh Rupees per annum : NIL**
  - Employed for a part of the Financial Year 2019-20 and drawing a remuneration in aggregate not Less Than Eight Lakh Fifty Thousand Rupees per month : NIL**

**BOARD'S REPORT (Contd.)**

- iii. **Employed throughout the Financial Year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company : NIL**

**22. Disclosure Requirements**

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandate the formulation of certain policies for all Listed Companies. All Policies are available on the Company's website [www.nagadhunserigroup.com](http://www.nagadhunserigroup.com). The Corporate Governance Report with a Certificate of Practicing Company Secretary and Management Discussion and Analysis Report are attached, which form part of this Report.

The key policies that have been adopted by the Company are as follows :

The Company has formulated Nomination & Remuneration Policy and the same is available in the website of the Company.

(<http://www.nagadhunserigroup.com/downloads/Nomination-and-Remuneration-Policy.pdf>)

The Company has formulated a Policy related to Disclosure of Material Events affecting the Company i.e. Policy for Determination of Materiality of an Event / Information and the same is available on the website of the Company.

(<http://www.nagadhunserigroup.com/downloads/Policy-for-determination-of-materiality-of-an-event-or-information.pdf>)

The Company has formulated the Corporate Social Responsibility Policy and the same is available on the website of the Company.

(<http://www.nagadhunserigroup.com/downloads/CSR-Policy-2019.pdf>)

Policy on dealing with Related Party Transactions is available on the website of the Company.

(<http://www.nagadhunserigroup.com/downloads/Related-Party-Transaction-Policy.pdf>)

Policy on Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons is available on the website of the Company.

(<http://www.nagadhunserigroup.com/downloads/Code-of-Conduct-to-Regulate-Monitor-and-Report-Trading-by-Designated-Persons.pdf>)

The Company has formulated the Policy on Preservation of Documents and the same is available in the website of the Company.

(<http://www.nagadhunserigroup.com/downloads/Policy-on-preservation-of-documents.pdf>)

Policy for Determining Material Subsidiaries of the Company is available on the website of the Company.

(<http://www.nagadhunserigroup.com/downloads/Policy-for-determining-Material-Subsidiaries.pdf>)

The Company has formulated a Policy and Procedure for Inquiry in case of Leakage of Unpublished Price Sensitive Information.

(<http://www.nagadhunserigroup.com/downloads/Policy-and-Procedure-for-Inquiry-in-case-of-Leakage-of-Unpublished-Price-Sensitive-Information.pdf>)

The Company has formulated Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information and the same is available in the website of the Company.

**BOARD'S REPORT (Contd.)**

(<http://www.nagadhunserigroup.com/downloads/Code-for-Fair-disclosure-of-UPSI.pdf>)

The Policy which deals with the Retention and Archival of Corporate Records of the Company is also available on the website of the Company.

(<http://www.nagadhunserigroup.com/downloads/archival-policy-2019.pdf>)

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including Directors of the Company to report genuine concerns. The said Policy is available on the website of the Company.

(<http://www.nagadhunserigroup.com/downloads/Whistle-Blower-Policy.pdf>)

Details of the Familiarization Programme of the Independent Directors are available on the website of the Company.

(<http://www.nagadhunserigroup.com/downloads/programme-independent-directors.pdf>)

**23. State of Company's Affairs**

The Company's is primarily engaged in the business of making Investments in Shares and Securities. The Company is a Non-Banking Financial Company in terms of the provisions of Section 45IA of the Reserve Bank of India Act, 1934. The Management regularly monitors the changing market conditions and trends. Further, any slowdown of the economic growth or volatility in global financial market could adversely affect the Company's business.

**24. Material Changes and Commitments, if any, affecting the Financial Position of the Company**

There are no such material changes and commitments which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this Report.

**25. Details of significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.**

No significant and material orders were passed by any Regulator or Court or Tribunals impacting the going concern status and affecting the company's operations in future.

**26. Particulars regarding Conservation of Energy and Technology Absorption**

The particulars in respect of Conservation of Energy and Technology Absorption are not applicable to the Company as it is a NBFC Company, not dealing with any manufacturing activities.

**27. Foreign Exchange Earnings and outgo**

During the year under review there were no foreign exchange earnings and outgo.

**28. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has set up Internal Complaint Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, along with its relevant Rules.

The Committee met once during the Financial Year 2019-20 on 6th January, 2020.

No complaints have been received by the Company during the Financial Year 2019-20.

**29. Internal Financial Control Systems and their Adequacy:**

The Company has an effective system of Internal Financial Control that commensurate with the size of the Company and ensures operational efficiency, accuracy in Financial Reporting and compliance of applicable Laws and Regulations.

The system is also reviewed from time to time for effectiveness.

**BOARD'S REPORT (Contd.)**

**30. Management Discussion and Analysis Report**

The Management's Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of the Corporate Governance Report.

**31. Fraud**

There were no cases of any fraud reported during the Financial Year under review.

**32. Green Initiatives**

As part of our green initiative, the electronic copies of this Annual Report including the Notice of the 102nd AGM are sent to all Members whose email addresses are registered with the Company / Registrar / Depository Participant(s).

As per SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 the requirement of sending physical copies of annual report to those shareholders who have not registered their email addresses was dispensed with for Listed Entities who would be conducting their AGMs during the calendar year 2020. In this respect the physical copies are not being provided to the shareholders. The copy of the same would be available on the website: [www.nagadhunserigroup.com](http://www.nagadhunserigroup.com). The initiatives were taken for asking the shareholders to register or update their email addresses.

The Company is providing e-voting facility to all its Members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014. The instructions for e-voting are provided in annexed to the Notice.

**33. Acknowledgement**

The Board of Directors take this opportunity to express their grateful appreciation for the excellent assistance and cooperation received from the banks and other authorities. The Board of Directors also gratefully acknowledge with thanks the cooperation and support received from the Shareholders of the Company. The Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff.

For and on behalf of the Board of Directors

C. K. Dhanuka

Chairman

(DIN : 00005684)

Place : Kolkata

Date : 30th July, 2020

**Form No. MGT - 9**  
**EXTRACT OF ANNUAL RETURN****ANNEXURE - I****as on Financial Year ended on 31st March, 2020**[ Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Company  
(Management and Administration) Rules, 2014 ]**I. REGISTRATION AND OTHER DETAILS :**

(i) CIN	L01132WB1918PLC003029
(ii) Registration Date	26-08-1918
(iii) Name of the Company	NAGA DHUNSERI GROUP LIMITED
(iv) Category / Sub-Category of the Company	Public Limited - Limited by Shares / Non-Government Company
(v) Address of the Registered Office and Contact details	"Dhunseri House", 4A, Woodburn Park, Kolkata - 700 020 Phone : (033) 2280 1950 (5 Lines) Fax : (033) 2287 8995 E-mail : mail@nagadhunserigroup.com Website : www.nagadhunserigroup.com
(vi) Whether Listed Company	Yes
(vii) Name, Address and Contact details of the Registrar and Transfer Agent, if any	Maheshwari Datamatics Private Limited 23, R. N. Mukherjee Road, Kolkata - 700 001 Phone : (033) 2243 5029 / 5809 Fax : (033) 2248 4787 E-mail : mdpldc@yahoo.com Website : www.mdpl.in

**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 :

Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the company
1.	Investment in Shares and Securities	649	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Dhunseri Investments Limited "Dhunseri House" 4A, Woodburn Park Kolkata - 700 020	L15491WB1997PLC082808	Associate	21.59%	2(6)

**Form No. MGT - 9**
**EXTRACT OF ANNUAL RETURN (Contd.)**
**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category-wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2019)				No. of Shares held at the end of the year (As on 31.03.2020)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual / HUF	398134	—	398134	39.8134	396848	—	396848	39.6848	(0.1286)
b) Central Govt.	—	—	—	—	—	—	—	—	—
c) State Govt. (s)	—	—	—	—	—	—	—	—	—
d) Bodies Corporate	337692	—	337692	33.7692	337692	—	337692	33.7692	—
e) Banks / FI	—	—	—	—	—	—	—	—	—
f) Any Other	—	—	—	—	—	—	—	—	—
<b>Sub-Total (A) (1)</b>	<b>735826</b>	<b>—</b>	<b>735826</b>	<b>73.5826</b>	<b>734540</b>	<b>—</b>	<b>734540</b>	<b>73.4540</b>	<b>(0.1286)</b>
(2) Foreign									
a) NRIs - Individuals	—	—	—	—	1286	—	1286	0.1286	0.1286
b) Other - Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corporate	—	—	—	—	—	—	—	—	—
d) Bank / FI	—	—	—	—	—	—	—	—	—
e) Any Other	—	—	—	—	—	—	—	—	—
<b>Sub-Total (A) (2)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1286</b>	<b>—</b>	<b>1286</b>	<b>0.1286</b>	<b>0.1286</b>
<b>Total Shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	<b>735826</b>	<b>—</b>	<b>735826</b>	<b>73.5826</b>	<b>735826</b>	<b>—</b>	<b>735826</b>	<b>73.5826</b>	<b>—</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	—	—	—	—	—	—	—	—	—
b) Banks / FI	—	356	356	0.0356	2	356	358	0.0358	0.0002
c) Central Govt.	314	—	314	0.0314	—	—	—	—	(0.0314)
d) State Govt (s)	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	—	—	—	—	—	—	—	—	—
g) FIIs	—	—	—	—	—	—	—	—	—
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i) Others (specify)	—	—	—	—	—	—	—	—	—
Alternate Investment Funds	—	—	—	—	—	—	—	—	—
Foreign Portfolio Investors	—	—	—	—	—	—	—	—	—
Provident Funds/Pension Funds	—	—	—	—	—	—	—	—	—
Qualified Foreign Investor	—	—	—	—	—	—	—	—	—
<b>Sub-total (B) (1)</b>	<b>314</b>	<b>356</b>	<b>670</b>	<b>0.0670</b>	<b>2</b>	<b>356</b>	<b>358</b>	<b>0.0358</b>	<b>(0.0312)</b>

**Form No. MGT - 9**
**EXTRACT OF ANNUAL RETURN (Contd.)**

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2019)				No. of Shares held at the end of the year (As on 31.03.2020)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	11777	4586	16363	1.6363	11807	4586	16393	1.6369	0.0030
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	95708	51076	146784	14.6784	102317	34583	136900	13.6900	(0.9884)
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	33324	—	33324	3.3324	33324	—	33324	3.3324	—
c) Others (specify)									
Non Resident Indians	4376	3420	7796	0.7796	5038	3420	8458	0.8458	0.0662
Qualified Foreign Investor	—	—	—	—	—	—	—	—	—
Custodian of Enemy Property	—	—	—	—	—	—	—	—	—
Foreign Nationals	—	—	—	—	—	—	—	—	—
Clearing Members	703	—	703	0.0703	71	—	71	0.0071	(0.0632)
Trusts	—	—	—	—	—	—	—	—	—
Foreign Bodies - D R	—	—	—	—	—	—	—	—	—
Foreign Portfolio Investors	—	—	—	—	—	—	—	—	—
NBFCs registered with RBI	4014	—	4014	0.4014	4014	—	4014	0.4014	—
Employee Trusts	—	—	—	—	—	—	—	—	—
Domestic Corporate Unclaimed Shares Account	1767	—	1767	0.1767	1761	—	1761	0.1761	(0.0006)
Investor Education and Protection Fund Authority	52753	—	52753	5.2753	62895	—	62895	6.2895	1.0142
<b>Sub-total (B) (2)</b>	<b>204422</b>	<b>59082</b>	<b>263504</b>	<b>26.3504</b>	<b>221227</b>	<b>42589</b>	<b>263816</b>	<b>26.3816</b>	<b>0.0312</b>
<b>Total Public Shareholding</b>									
<b>(B) = (B) (1) + (B) (2)</b>	<b>204736</b>	<b>59438</b>	<b>264174</b>	<b>26.4174</b>	<b>221229</b>	<b>42945</b>	<b>264174</b>	<b>26.4174</b>	<b>—</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Grand total (A) + (B) + (C)</b>	<b>940562</b>	<b>59438</b>	<b>1000000</b>	<b>100.0000</b>	<b>957055</b>	<b>42945</b>	<b>1000000</b>	<b>100.0000</b>	<b>—</b>

**Form No. MGT - 9**
**EXTRACT OF ANNUAL RETURN (Contd.)**
**ii) Shareholding of Promoters**

Sl. No.	Shareholders' Name	Shareholding at the beginning of the year (As on 01.04.2019)			Shareholding at the end of the year (As on 31.03.2020)			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1	Mint Investments Limited	332210	33.2210	0.0000	332210	33.2210	0.0000	0.0000
2	Chandra Kumar Dhanuka (Karta of HUF) C/o. Sew Bhagwan & Sons	161130	16.1130	0.0000	161130	16.1130	0.0000	0.0000
3	Aruna Dhanuka	78700	7.8700	0.0000	78700	7.8700	0.0000	0.0000
4	Chandra Kumar Dhanuka	48400	4.8400	0.0000	48400	4.8400	0.0000	0.0000
5	Chandra Kumar Dhanuka C/o. Shree Shaligram Trust	43206	4.3206	0.0000	43206	4.3206	0.0000	0.0000
6	Chandra Kumar Dhanuka C/o. Krishna Kalindi Trust	30300	3.0300	0.0000	30300	3.0300	0.0000	0.0000
7	Chandra Kumar Dhanuka C/o. Ram Janaki Trust	30300	3.0300	0.0000	30300	3.0300	0.0000	0.0000
8	Madhuting Tea Private Limited	5482	0.5482	0.0000	5482	0.5482	0.0000	0.0000
9	Chandra Kumar Dhanuka Karta of Shankarlal Chandra Kumar (HUF)	3200	0.3200	0.0000	3200	0.3200	0.0000	0.0000
10	Tarulika Khaitan	1612	0.1612	0.0000	1612	0.1612	0.0000	0.0000
11	Mrigank Dhanuka	1286	0.1286	0.0000	1286	0.1286	0.0000	0.0000
TOTAL		735826	73.5826	0.0000	735826	73.5826	0.0000	0.0000



**Form No. MGT - 9**
**EXTRACT OF ANNUAL RETURN (Contd.)**
**iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.	Name	Shareholding at the beginning of the year (01.04.2019) / end of the year (31.03.2020)		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease)	Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
		No. of Shares	% of total shares of the company		No. of Shares	% of total shares of the company
1.	Chandra Kumar Dhanuka C/o. Krishna Kalindi Trust 01/04/2019 31/03/2020	30300 30300	3.0300 3.0300	No Change	30300	3.0300
2.	Chandra Kumar Dhanuka C/o. Ram Janaki Trust 01/04/2019 31/03/2020	30300 30300	3.0300 3.0300	No Change	30300	3.0300
3.	Chandra Kumar Dhanuka C/o. Shree Shaligram Trust 01/04/2019 31/03/2020	43206 43206	4.3206 4.3206	No Change	43206	4.3206
4.	Madhuting Tea Private Limited 01/04/2019 31/03/2020	5482 5482	0.5482 0.5482	No Change	5482	0.5482
5.	Mint Investments Limited 01/04/2019 31/03/2020	332210 332210	33.2210 33.2210	No Change	332210	33.2210
6.	Chandra Kumar Dhanuka (Karta of HUF) C/o Sew Bhagwan & Sons 01/04/2019 31/03/2020	161130 161130	16.1130 16.1130	No Change	161130	16.1130
7.	Chandra Kumar Dhanuka Karta of Shankarlal Chandrakumar (HUF) 01/04/2019 31/03/2020	3200 3200	0.3200 0.3200	No Change	3200	0.3200
8.	Chandra Kumar Dhanuka 01/04/2019 31/03/2020	48400 48400	4.8400 4.8400	No Change	48400	4.8400
9.	Mrigank Dhanuka 01/04/2019 31/03/2020	1286 1286	0.1286 0.1286	No Change	1286	0.1286
10.	Aruna Dhanuka 01/04/2019 31/03/2020	78700 78700	7.8700 7.8700	No Change	78700	7.8700
11.	Tarulika Khaitan 01/04/2019 31/03/2020	1612 1612	0.1612 0.1612	No Change	1612	0.1612

**Form No. MGT - 9**
**EXTRACT OF ANNUAL RETURN (Contd.)**
**iv) Shareholding Pattern of top ten Shareholders**
**(Other than Directors, Promoters and Holders of GDRs and ADRs) :**

Sl. No.	Name	Shareholding at the beginning of the year (01.04.2019) / end of the year (31.03.2020)		Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	LILLY EXPORTERS PRIVATE LIMITED 01/04/2019 31/03/2020	4014 4014	0.4014 0.4014	4014	0.4014
2.	MAHENDRA GIRDHARILAL 01/04/2019 31/03/2020	3463 3463	0.3463 0.3463	3463	0.3463
3.	CONTEMPORARY INDUSTRIES LIMITED 01/04/2019 31/03/2020	7422 7422	0.7422 0.7422	7422	0.7422
4.	NARAIN PRASAD DALMIA 01/04/2019 31/03/2020	3707 3707	0.3707 0.3707	3707	0.3707
5.	SUMITRA DEVI KEJRIWAL 01/04/2019 31/03/2020	3676 3676	0.3676 0.3676	3676	0.3676
6.	YASHWANT KUMAR DAGA 01/04/2019 31/03/2020	4032 4032	0.4032 0.4032	4032	0.4032
7.	VAYJAYANTI PUGALIA 01/04/2019 31/03/2020	33324 33324	3.3324 3.3324	33324	3.3324
8.	CHAKKALAKKAL KUNJUVAREED STEEPHEN* 01/04/2019 31/05/2019 - Transfer 28/06/2019 - Transfer 19/07/2019 - Transfer 23/08/2019 - Transfer 06/12/2019 - Transfer 13/12/2019 - Transfer 31/03/2020	2890 166 1 38 323 13 158 3589	0.2890 0.0166 0.0001 0.0038 0.0323 0.0013 0.0158 0.3589	3056 3057 3095 3418 3431 3589 3589	0.3056 0.3057 0.3095 0.3418 0.3431 0.3589 0.3589

**Form No. MGT - 9**
**EXTRACT OF ANNUAL RETURN (Contd.)**

Sl. No.	Name	Shareholding at the beginning of the year (01.04.2019) / end of the year (31.03.2020)		Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
9.	SITA GHOSH #				
	01/04/2019	5374	0.5374		
	06/12/2019 - Transfer	-5374	0.5374	0	0.0000
	31/03/2020	0	0.0000	0	0.0000
10.	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS				
	01/04/2019	52753	5.2753		
	22/11/2019 - Transfer	10136	1.0034	62889	6.2258
	29/11/2019 - Transfer	6	0.0006	62895	6.2264
	31/03/2020	62895	6.2895	62895	6.2895
11.	TARAJAN TEA CO. (P) LTD.				
	01/04/2019	3760	0.3760		
	31/03/2020	3760	0.3760	3760	0.3760

\* Not in the list of Top 10 shareholders as on 01/04/2019 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2020.

# Ceased to be in the list of Top 10 shareholders as on 31/03/2020. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2019.

**Form No. MGT - 9**
**EXTRACT OF ANNUAL RETURN (Contd.)**
**v) Shareholding of Directors and Key Managerial Personnel**

Sl. No.	Name	Shareholding at the beginning of the year (01.04.2019) / end of the year (31.03.2020)		Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	CHANDRA KUMAR DHANUKA				
	01/04/2019	48400	4.8400		
	31/03/2020	48400	4.8400	48400	4.8400
2.	MRIGANK DHANUKA				
	01/04/2019	1286	0.1286		
	31/03/2020	1286	0.1286	1286	0.1286
3.	GOBIND RAM GOENKA				
	01/04/2019	690	0.0690		
	31/03/2020	690	0.0690	690	0.0690
4.	ARUNA DHANUKA				
	01/04/2019	78700	7.8700		
	31/03/2020	78700	7.8700	78700	7.8700
5.	INDRA KISHORE KEJRIWAL				
	01/04/2019	644	0.0644		
	31/03/2020	644	0.0644	644	0.0644
6.	RAJEEV RUNGTA				
	01/04/2019	0	0.0000	0	0.0000
	31/03/2020	0	0.0000	0	0.0000
7.	HARI PRASAD BHUWANIA				
	01/04/2019	0	0.0000	0	0.0000
	31/03/2020	0	0.0000	0	0.0000
8.	AYUSH BERIWALA				
	01/04/2019	0	0.0000	0	0.0000
	31/03/2020	0	0.0000	0	0.0000
9.	CHITRA THAKWANI				
	01/04/2019	0	0.0000	0	0.0000
	31/03/2020	0	0.0000	0	0.0000

**Form No. MGT - 9**
**EXTRACT OF ANNUAL RETURN (Contd.)**
**V. INDEBTEDNESS**
**Indebtedness of the Company including interest outstanding / accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year as on 1st April, 2019				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i + ii + iii)</b>	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year	Nil	Nil	Nil	Nil
*Additions				
*Reduction				
<b>Net Change</b>	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year as on 31st March, 2020				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i + ii + iii)</b>	Nil	Nil	Nil	Nil

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Director and / or Manager**

Sl. No.	Particulars of Remuneration	Name of the MD / WTD / Manager
		Mr. Mrigank Dhanuka Managing Director (upto 22.07.2019)
1.	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961#	12,72,338
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	—
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	—
2.	Stock Option	—
3.	Sweat Equity	—
4.	Commission - as % of profit others (specify)	—
5.	Others, please specify	—
	<b>Total (A)</b>	12,72,338
	<b>Ceiling as per the Act. (Schedule - V)</b>	1,20,00,000

# Includes Companies Contribution to PF

**Form No. MGT - 9**
**EXTRACT OF ANNUAL RETURN (Contd.)**
**B. Remuneration to Other Directors**

(in ₹)

Sl. No.	Particulars of Remuneration	Name of the Directors			Total Amount
1.	Independent Directors	Mr. Indra Kishore Kejriwal	Mr. Rajeev Rungta	Mr. Gobind Ram Goenka	
	a) Fee for attending Board and Committee Meetings	23,000	20,500	24,500	
	b) Commission	—	—	—	
	c) Others, please specify	—	—	—	
	Total (1)	23,000	20,500	24,500	68,000
2.	Other Non-Executive Directors	Mr. C. K. Dhanuka	Mrs. Aruna Dhanuka	Mr. Mrigank Dhanuka	
	a) Fee for attending Board and Committee Meetings	20,000	15,500	6,500	
	b) Commission	—	—	—	
	c) Others, please specify	—	—	—	
	Total (2)	20,000	15,500	6,500	42,000
	Total (B) = (1+2)				1,10,000
	Total Managerial Remuneration				1,10,000
	Overall Ceiling as per the Act.				

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

Sl. No.	Particulars of Remuneration	CEO	Company Secretary	CFO	Total Amount
		Mr. Hari Prasad Bhuwania	Ms. Chitra Thakwani	Mr. Ayush Beriwal	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	6,00,000	3,14,218	31,58,835	40,73,053
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	—	—	—	—
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	1,65,804	1,65,804
3.	Sweat Equity	—	—	—	—
4.	Commission				
	- as % of profit	—	—	—	—
	- others, specify	—	—	—	—
5.	Others, please specify	—	—	—	—
	Total	6,00,000	3,14,218	33,24,639	42,38,837

**Form No. MGT - 9****EXTRACT OF ANNUAL RETURN (Contd.)****VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :**

Type	Section of the Companies Act.	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty			NONE		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NONE		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NONE		
Punishment					
Compounding					

For and on behalf of the Board of Directors

C. K. Dhanuka

Chairman

(DIN : 00005684)

Place : Kolkata

Date : 30th July, 2020

**ANNUAL REPORT ON CSR ACTIVITIES**

1. **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs :**

The Company carries out CSR activities through Dhanuka Dhunseri Foundation (DDF).

The main objects and purposes of Dhanuka Dhunseri Foundation as per the Trust deed are in line with Schedule VII of the Companies Act, 2013 read with its Rules.

DDF was established in 1972 and focuses on following major philanthropic areas :

- Promoting education by building schools and colleges and providing assistance for their maintenance.
- Empowering the girl child through education and other initiatives.
- Improving healthcare (including preventive healthcare) by distributing free medicines and setting up dispensaries, health centres and maintenance thereof and providing assistance to charitable hospitals.
- Promoting sports
- Focusing on community development through donations.

The CSR amount of ₹ 16.65 Lakhs has been disbursed to DDF by the Company during the financial year 2019-20 which is engaged in various philanthropic activities as aforesaid.

2. **The composition of the CSR Committee :** The Company has a CSR committee of Directors comprising of Mr. Rajeev Rungta, Chairman of the Committee, Mr. Gobind Ram Goenka and Mr. Chandra Kumar Dhanuka as members.
3. **Average net profit of the company for last three financial years for the purpose of computation of CSR :** ₹ 8.31 Crore.
4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) :** ₹ 16.61 Lakhs (Rounded to ₹ 16.65 Lakhs).
5. **Details of CSR spent during the Financial Year :**
- a. Total amount to be spent for the Financial Year 2019-20 : ₹ 16.65 Lakhs
  - b. Amount unspent : Nil
  - c. Manner in which the amount spent during the Financial Year : Annexed
6. **In case the company has failed to spend the two per cent of the average net profit of the last three Financial Years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report :** Nil / NA.
7. **A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.**

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

**H. P. Bhuwania**  
Chief Executive Officer

**Rajeev Rungta**  
Chairman - CSR Committee  
(DIN : 00122221)

**C. K. Dhanuka**  
Chairman  
(DIN : 00005684)



**ANNUAL REPORT ON CSR ACTIVITIES (Contd.)**

Sl. No.	CSR Project or Activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and District where projects or programs were taken	Amount Outlay (budget) project or program-wise ₹	Amount spent on the projects or programs Subheads : (1) Direct Expenditure (2) Overheads ₹	Cumulative Expenditure upto the reporting period ₹	Amount Spent : Direct or through implementing agency
1.	Maintenance of SLD Girls Hostel	Empowering Girl Child through education and other initiatives	11, D. H. Road, Silpara, Kolkata - 700063 (Near Behala Chowrasta) West Bengal	₹ 16.65	₹ 5.65 Lakhs	₹ 5.65 Lakhs	Through Dhanuka Dhunseri Foundation (DDF)
2.	Maintenance of DDD Barua Chess Academy	Promoting Sports	26, Chakrabarieria Lane Kolkata - 700 020 West Bengal	Lakhs	₹ 11.00 Lakhs	₹ 11.00 Lakhs	Through Dhanuka Dhunseri Foundation (DDF)
<b>Total Amount</b>					₹ 16.65 Lakhs	₹ 16.65 Lakhs	

**REPORT ON CORPORATE GOVERNANCE****Corporate Governance :**

In accordance with Chapter IV of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended ("SEBI (LODR) Regulations, 2015").

**1. Company's philosophy on code of Corporate Governance**

The Company believes in adhering to good Corporate Governance practices to protect interest of all the Stakeholders and ensure healthy growth of the Company. The Company emphasizes on transparency, accountability and integrity in all its dealings without compromising on any of its obligations. It seeks to focus on regulatory compliances, fair play, justice and aims at enhancement of long-term stakeholder's value.

The Company endeavours to improve on these aspects on an ongoing basis.

**2. Board of Directors (Board)**

The Board is the apex body of the Company constituted by the shareholders for overseeing the Company's overall functions.

**2.1 Composition**

The Board of Directors comprises of six Directors out of which three are Non-Executive Independent Directors, viz, Mr. Indra Kishore Kejriwal, Mr. Gobind Ram Goenka and Mr. Rajeev Rungta; two are Non-Executive Non-Independent Directors, Mrs. Aruna Dhanuka and Mr. Mrigank Dhanuka related to the Promoter and one Promoter Director i.e. Mr. Chandra Kumar Dhanuka who is the Non-Executive Chairman of the Board. The composition of the Board is in conformity with SEBI (LODR) Regulations, 2015. Half of the Board comprises of Non-Executive Independent Directors.

None of the Directors are members in more than 10 Committees or act as Chairperson of more than 5 Committees across all listed companies in which they are directors. All Directors have made disclosures about committee positions they occupy in other listed companies.

**2.2 Board Meetings**

The Meetings of the Board are conveyed by giving advance notice after seeking approval of the Chairman of the Board. In case of exigencies or urgency resolutions are also passed by way of circulation. The gap between two Board Meetings did not exceed one hundred and twenty days.

In terms of Regulation 17(7) and Part-A of Schedule-II of SEBI (LODR) Regulations, 2015, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the affairs of the Company as trustees of all the Stakeholders. The Board has complete access to all the information as prescribed in the Regulation. The date of Board Meetings, Attendance of Directors at Board Meetings & at the last Annual General Meeting and also number of other Directorship and Committee Membership / Chairmanship are given below :

No. of Board Meetings held during the year	5
Dates on which Meetings were held	29th May, 2019; 29th August, 2019; 28th October, 2019; 5th December, 2019 and 14th February, 2020

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

Sl. No.	Name of Director	DIN	Category of Directorship	No. of Board Meetings Attended	Last AGM Attended	No. of other Directorship in Public Companies (Note 1)	No. of Committee positions held in other Public Companies (Note 2)*	
							Chairman	Member
1.	Mr. C. K. Dhanuka	00005684	Non-Executive Chairman, Promoter Director	5	Yes	8	2	9
2.	Mrs. Aruna Dhanuka	00005677	Non-Executive Non-Independent Director, Promoter Relative	5	Yes	4	—	2
3.	Mr. Mrigank Dhanuka	00005666	Non-Executive Non-Independent Director, Promoter Relative	2	No	6	—	—
4.	Mr. I. K. Kejriwal	00012320	Non-Executive Independent Director	5	Yes	6	—	—
5.	Mr. Rajeev Rungta	00122221	Non-Executive Independent Director	4	Yes	4	—	—
6.	Mr. G. R. Goenka	00133700	Non-Executive Independent Director	5	Yes	1	—	2

**Note 1 :** Other directorship does not include directorship of Private Limited Company, Foreign Company, Section 8 Company and Alternate Directorship.

**Note 2 :** Only Audit Committee and Stakeholder Relationship Committee have been considered.

\* No. of Memberships in Audit / Stakeholder Relationship Committee also includes the Chairmanship.

All the Independent Directors of the Company furnish a declaration at the time of their appointment and also annually that they meet the criteria of independence as provided under law. The Board reviews the same and is of the opinion, that the Independent Directors fulfil the conditions specified in the Act and the Listing Regulations and are independent of the Management.

**As required under the SEBI (LODR) Regulations, 2015, as amended w.e.f. 1st April, 2019, names of the Listed Entities in which the Director of the Company is a Director as on 31st March, 2020, is provided hereunder along with Category of Directorship :**

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

<b>Name of the Person</b>	<b>Names of the Listed entities in which the person holds Directorship</b>	<b>Category of Directorship</b>
Mr. C. K. Dhanuka	1. Dhunseri Ventures Ltd. (Formerly known as Dhunseri Petrochem Ltd.) 2. Dhunseri Tea & Industries Ltd. 3. Dhunseri Investments Ltd. 4. Mint Investments Ltd. 5. Naga Dhunseri Group Ltd. 6. CESC Ltd. 7. Emami Ltd.	Executive Chairman  Managing Director Non-Executive Chairman Non-Executive Chairman Non-Executive Chairman Independent Director Independent Director
Mrs. Aruna Dhanuka	1. Dhunseri Investments Ltd. 2. Dhunseri Ventures Ltd. (Formerly known as Dhunseri Petrochem Ltd.) 3. Mint Investments Ltd. 4. Naga Dhunseri Group Ltd.	Managing Director & CEO Managing Director  Vice Chairman Vice Chairman
Mr. Mrigank Dhanuka	1. Dhunseri Ventures Ltd. (Formerly known as Dhunseri Petrochem Ltd.) 2. Dhunseri Investments Ltd. 2. Mint Investments Ltd. 4. Naga Dhunseri Group Ltd. 5. Dhunseri Tea & Industries Ltd.	Vice Chairman  Director Director Director Director
Mr. I. K. Kejriwal	1. Naga Dhunseri Group Ltd.	Independent Director
Mr. Rajeev Rungta	1. Aaekay Investment Centre Ltd. 2. Naga Dhunseri Group Ltd.	Director Independent Director
Mr. G. R. Goenka	1. Hindustan Wires Ltd. 2. Naga Dhunseri Group Ltd.	Director Independent Director

Mr. Mrigank Dhanuka, Director is related to Mr. C. K. Dhanuka, Chairman and Mrs. Aruna Dhanuka, Vice- Chairman of the Company as per Section 2(77) of the Companies Act, 2013. Mr. Mrigank Dhanuka is son of Mr. C. K. Dhanuka and Mrs. Aruna Dhanuka. Further Mrs. Aruna Dhanuka is the wife of Mr. C. K. Dhanuka. None of the Independent Directors are related to each other.

**Core Skills / Expertise / Competencies available with the Board**

The Board comprises of highly qualified members who possess required skills, expertise and competence that allow them to make effective contributions to the Board and its Committees.

The core skills / expertise / competencies required in the Board in the context of the Company's Businesses and sectors functioning effectively as identified by the Board of Directors of the Company are tabulated below:

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

Core skills / competencies / expertise	Mr. C. K. Dhanuka	Mrs. Aruna Dhanuka	Mr. Mrigank Dhanuka	Mr. Rajeev Rungta	Mr. I. K. Kejriwal	Mr. G. R. Goenka
Leadership / Operational experience	•	•	•	•	•	•
Strategic Planning	•	•	•	•	•	•
Industry Knowledge & Experience	•	•	•	•	•	•
Financial, Regulatory / Legal & Risk Management	•	•	•	•	•	•
Corporate Governance	•	•	•	•	•	•

**2.3. Remuneration of Directors, Sitting Fees, Salary, Perquisites and Commission :**

As per terms of appointment, the remuneration paid to the Managing Director comprises salary, perquisites etc. as fixed component and commission @ 1% of net profits of the Company as variable component. The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors and Committees thereof. The total remuneration paid to the Directors during the period is within the threshold as prescribed under Regulation 17 of the SEBI (LODR) Regulations, 2015, as amended.

The remuneration to the Non-Executive Directors including Independent Directors comprises sitting fees for attending Board and Committee Meetings and payment of Commission @ 1% of the net profits subject to a ceiling of ₹ 1,00,000/- per annum in aggregate to all the Non-Executive Directors including Independent Directors taken together. The details of remuneration paid / payable to the Directors during the year are as under :

Sl. No.	Name	Board Meeting Sitting Fees ₹	Committee Meeting Sitting Fees ₹	Commission on Profits # ₹	Total ₹
1.	Mr. C. K. Dhanuka	12,500	7,500	—	20,000
2.	Mr. Mrigank Dhanuka*	5,000	1,500	—	6,500
3.	Mrs. Aruna Dhanuka	12,500	3,000	—	15,500
4.	Mr. Rajeev Rungta	10,000	10,500	—	20,500
5.	Mr. I. K. Kejriwal	12,500	10,500	—	23,000
6.	Mr. G. R. Goenka	12,500	12,000	—	24,500
	Total	65,000	45,000	—	1,10,000

\* Mr. Mrigank Dhanuka resigned from the post of Managing Director on 22nd July, 2019, after which Board Meeting and Committee Meeting sitting fees were paid to him accordingly.

# The Company has incurred a loss during the Financial Year ending 31st March, 2020, therefore, no commission will be paid to the Non-Executive Directors for the Financial Year ending 31st March, 2020.

No Non-Executive Director has been paid in excess of fifty percent of the total amount paid to all the Non-Executive Directors of the Company.

**REPORT ON CORPORATE GOVERNANCE (Contd.)**
**The details of remuneration paid / payable to the Managing Director :**

Name	Fixed Component			Performance linked Payment	Total Remuneration
	Salary	Allowances & Perquisites	Contribution to Provident Fund and other Funds	Performance linked Commission	
	₹	₹	₹	₹	₹
Mr. Mrigank Dhanuka (upto 22.07.2019)	11,72,177	—	1,00,161	—	12,72,338

**Notes :**

- Currently, the Company does not have any stock option scheme.
- Mr. C. K. Dhanuka, Mrs. Aruna Dhanuka and Mr. Mrigank Dhanuka are related to each other.

**2.4 Shares / Convertible Instruments held by the Directors as on 31st March, 2020**

Name of the Director	No. of Equity Shares of the Company	Convertible Instruments
Mr. C. K. Dhanuka	48,400	Nil
Mrs. Aruna Dhanuka	78,700	Nil
Mr. Mrigank Dhanuka	1286	Nil
Mr. I. K. Kejriwal	644	Nil
Mr. Rajeev Rungta	Nil	Nil
Mr. G. R. Goenka	690	Nil

**2.5. Code of Conduct for Directors and Senior Management**

The Board has laid down Code of Conduct for the Board Members and Senior Management Personnel of the Company. The Code of Conduct is posted on the website of the Company [www.nagadhunserigroup.com](http://www.nagadhunserigroup.com).

All the Board Members and the Senior Management Personnel have affirmed their compliance with the Code of Conduct and the Chief Executive Officer of the Company has confirmed the same.

A declaration to this effect has been annexed with the report

**3. Prevention of Insider Trading Code**

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended (The PIT Regulations).

The Code is applicable to Promoters, Member of Promoter's Group, all Directors and such Designated Employees who are expected to have access to Unpublished Price Sensitive Information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations. This Code is available on the Company's website viz. [www.nagadhunserigroup.com](http://www.nagadhunserigroup.com). The Company has also formulated "Policy on Inquiry" in case of leakage of UPSI.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

### 4. Committees

#### A. Audit Committee

Audit Committee is entrusted with the responsibility to supervise the Company's Financial Reporting Process and Internal Controls. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

Mr. Rajeev Rungta is the Chairman of the Audit Committee and has vast experience in Finance, Taxation & Corporate Matters. The Company Secretary acts as Secretary to the Committee. The Statutory Auditors and Internal Auditors are invited to attend the meetings of the Audit Committee. The Chairman was also present in the previous Annual General Meeting.

#### Composition and Attendance

The Committee met four times during the Financial Year 2019-20. The maximum time gap between two meetings was not more than 120 days. Details of Committee Meetings held during the Financial Year 2019-2020 are as follows :

Name of the Member	Designation	Date of the Meeting			
		29th May, 2019	29th August, 2019	5th December, 2019	14th February, 2020
Mr. Rajeev Rungta Non-Executive & Independent Director	Chairman	No	Yes	Yes	Yes
Mr. I. K. Kejriwal Non-Executive & Independent Director	Member	Yes	Yes	Yes	Yes
Mr. G. R. Goenka Non-Executive & Independent Director	Member	Yes	Yes	Yes	Yes
Mr C. K. Dhanuka Non-Executive & Non-Independent Director	Member	Yes	Yes	Yes	Yes

#### The terms of reference of the Audit Committee inter-alia includes :

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to :
  - Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

- d. Significant adjustments made in the financial statements arising out of audit findings;
- e. Compliance with listing and other legal requirements relating to financial statements;
- f. Disclosure of any related party transactions;
- g. Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

**Review of Information by Audit Committee**

The Audit Committee mandatorily reviews the following information :

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant Related-Party Transactions (as defined by the Audit Committee), submitted by Management.
3. Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
4. Internal audit reports relating to internal control weaknesses,



**REPORT ON CORPORATE GOVERNANCE (Contd.)**

5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee, and
6. Statement of deviations :
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7).

**B. Nomination & Remuneration Committee**

The Company has in place a Nomination & Remuneration Committee in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination & Remuneration Committee comprises of three Independent Directors viz Mr. I. K. Kejriwal, Mr. Rajeev Rungta and Mr. G. R. Goenka.

Mr. I. K. Kejriwal is the Chairman of the Committee. The Company Secretary acts as Secretary to the Committee. The Chairman was also present in the previous Annual General Meeting.

The Committee met twice during the Financial Year 2019-20.

**Composition and Attendance**

Name of the Member	Designation	Date of the Meeting	
		29th May, 2019	14th February, 2020
Mr. I. K. Kejriwal Non-Executive & Independent Director	Chairman	Yes	Yes
Mr. Rajeev Rungta Non-Executive & Independent Director	Member	No	Yes
Mr. G. R. Goenka Non-Executive & Independent Director	Member	Yes	Yes

The terms of reference of the Nomination & Remuneration Committee are in accordance with Regulation 19 of SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013, which inter-alia include the following :

1. It shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
2. It shall formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.
3. Devising a policy on Board diversity

While formulating the above policy the Committee shall inter-alia ensure the following :

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration of Directors, Key Managerial Personnel and Senior Management involves a balance between a fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

## **REPORT ON CORPORATE GOVERNANCE (Contd.)**

### **The role of Nomination and Remuneration Committee inter-alia includes the following**

- i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- ii) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- iii) Devising a policy on diversity of Board of Directors;
- iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- v) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- vi) Recommend to the board, all remuneration, in whatever form, payable to senior management.

The Nomination and Remuneration Policy is available on the Company's website at [www.nagadhunserigroup.com](http://www.nagadhunserigroup.com).

### **Evaluation Policy**

The Nomination and Remuneration Committee (NRC) approved an evaluation policy which provides for the evaluation of the Board, the Committees of the Board, Independent Directors as well as Non-Independent Directors and the Chairman of the Board. The Policy provides for the evaluation to be carried out on an annual basis. The evaluation process is to focus on the functioning of the Board and its Committees and their composition. The evaluation criteria broadly based on experience and competency, ability to function as a team, attendance and active participation in the meetings, understanding of the core activity of the Company and other related issues with a view to initiate such action plan to improve their overall performance.

### **Remuneration Policy**

The Remuneration Policy provides market competitive compensation / reward to attract, which drives performance culture and increase in salaries are based on performance rating, business affordability and market competitiveness. The remuneration generally comprises of fixed element including bonus payouts and is subject to review at regular intervals.

#### **(i) Managing Director's Remuneration**

The Remuneration to the Managing Director comprises of Salary, Perquisites etc. as fixed component and Commission as variable component, which depends on the profit of the Company. The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors and Committees thereof.

#### **(ii) Non-Executive Directors' Remuneration**

The Remuneration to the Non-Executive Directors including Independent Directors comprises of sitting fees for attending the Board Meeting @ ₹ 2500/- and Committee Meetings @ ₹ 1500/- and payment of Commission @ 1% of the profit subject to a ceiling of ₹ 1.00 Lakh for all Non-Executive Directors including Independent Directors taken together.

Remuneration Policy also covers payment of tax (GST) by the Company on sitting fees and annual commission to the Non-Executive Directors.

#### **(iii) KMP and Senior Management Staff's Remuneration**

Remuneration to other Key Managerial Personnel and Senior Staff Members comprises fixed element including bonus payout subject to review at regular intervals.

## **REPORT ON CORPORATE GOVERNANCE (Contd.)**

### **Performance Evaluation**

The Nomination and Remuneration Committee has specified the criteria for Performance Evaluation of the Independent as well as Non-Independent Directors, the Board and its Committees and the Chairman. The evaluation process is to focus on the functioning of the Board and its Committees and their composition. The evaluation criteria is broadly based on experience and competency, ability to function as a team, attendance and active participation in the Meetings, understanding of the core activity of the company and other related issues with a view to initiate such action plan to improve their overall performance.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and in accordance with the Guidance note on Board Evaluation issued by SEBI on 5th January, 2017, the Board has carried out the annual evaluation of its own performance, its Committees and Independent as well as Non-Independent Directors individually.

### **Declaration of Independence**

In terms of Regulation 25 (8) of SEBI Listing Regulations, the Company has received declarations on the criteria of Independence as prescribed in Section 149(6) of the Companies Act, 2013, Regulation 16 (1) (b) and Regulation 25(8) of SEBI (LODR) Regulations, 2015, from all the Independent Directors of the Company as on 31st March, 2020. They have also registered themselves in the databank with the Institute of Corporate Affairs of India as an Independent Director as per Rule 6(1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

Based on the declarations received from the Independent Directors, the Board confirms that the Independent Directors fulfil the conditions specified in Section 149 of the Companies Act, 2013 and as mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and that they are Independent of the Management.

### **Familiarization Program for Independent Directors**

The Chief Executive Officer, the Chief Financial Officer and the Company Secretary are jointly authorized for ensuring appropriate induction and training program for the Directors including Independent Directors of the Company as and when required by them for understanding any specific project, activity or process of the Company. The Management provides such information and training either at the Meeting of the Board of Directors or otherwise. The relevant statutory changes / updates are discussed with the Directors from time to time so that it helps them to make better and informed decisions. Independent Directors are regularly informed and updated on the business activities of the Company.

The terms and conditions of appointment of Independent Directors and details of familiarization programmes imparted to Independent Directors of the Company are available on the Company's website: <http://www.nagadhunserigroup.com/downloads/programme-independent-directors.pdf>

### **Separate Meeting of Independent Directors**

The Independent Directors of the Company have held a separate meeting on 20th December, 2019, without presence of Non-Independent Directors and the Management. The Meeting was attended by all the Independent Directors. The following matters were, inter alia, reviewed and discussed in the Meeting:

- Ø Performance review of the Non-Independent Directors and the Board as a whole.
- Ø Performance of the Chairperson of the Company taking into account the views of Executive and Non-Executive Directors.
- Ø Assessing the quality, quantity and timeliness of flow of information between the Company, Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### **C. Stakeholders Relationship Committee**

Pursuant to the provisions of Section 178 (5) of the Companies Act, 2013, read with Regulation 20 of the SEBI (LODR) Regulations, 2015, Stakeholders Relationship Committee has been constituted.

Mr. Rajeev Rungta is the Chairman of the Committee and Ms. Chitra Thakwani, Company Secretary & Compliance Officer acts as Secretary to the Committee. The Chairman was also present in the previous Annual General Meeting.

The Committee met twice during the Financial Year 2019-20. The attendance of the said Meeting was as follows:

**REPORT ON CORPORATE GOVERNANCE (Contd.)****Composition and Attendance**

Name of the Member	Designation	Date of the Meeting	
		29th August, 2019	14th February, 2020
Mr. Rajeev Rungta Non-Executive & Independent Director	Chairman	Yes	Yes
Mr. Mrigank Dhanuka Non-Executive & Non-Independent Director	Member	No	Yes
Mrs. Aruna Dhanuka Non-Executive & Non-Independent Director	Member	Yes	Yes

The terms of reference of the Stakeholders Relationship Committee inter-alia include the following :

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the company.

The role of the Committee is to consider and resolve the grievances of the security holders of the company including complaints related to non-receipt of annual report and non-receipt of declared dividends.

During the year, no complaint was received by the Company and no complaint was pending at the year end.

**D. Share Transfer Committee**

The Share Transfer Committee comprises of four directors viz. Mr. C. K. Dhanuka, Mr. Rajeev Rungta, Mr. Mrigank Dhanuka and Mrs. Aruna Dhanuka. The Company Secretary acts as Secretary to the Committee.

The Committee met three times during the Financial Year 2019-20.

**Composition and Attendance**

Name of the Members	12th August, 2019	28th October, 2019	16th March, 2020
Mr. C. K. Dhanuka	Yes	Yes	Yes
Mr. Rajeev Rungta	Yes	Yes	Yes
Mr. M. Dhanuka	Yes	Yes	Yes
Mrs. A. Dhanuka	Yes	Yes	Yes

The Committee is authorized to deal with and accord approval and / or ratify the following matters :

- i. Share Transfers
- ii. De-materialization / Re-materialization of shares(s).
- iii. Sub-division / Consolidation / Transmission of share(s).
- iv. Deletion of name of member(s) on demise.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

- v. Issue of Duplicate Share Certificate(s)
- vi. Other related matters.

The scrutiny, verification and other formalities relating to share transfer etc. are undertaken by the Registrar & Share Transfer Agent of the Company viz., M/s. Maheshwari Datamatics Private Limited.

### E. Corporate Social Responsibility Committee (CSR)

The Corporate Social Responsibility Committee comprises of the three Directors, Mr. Rajeev Rungta, Mr. G. R. Goenka and Mr. C. K. Dhanuka. The Company Secretary acts as Secretary to the Committee.

The Committee met once during the Financial Year 2019-20

#### Composition and Attendance

Name of the Members	Designation	29th May, 2019
Mr. Rajeev Rungta Non-Executive & Independent Director	Chairman	No
Mr. G. R. Goenka Non-Executive & Independent Director	Member	Yes
Mr. C. K. Dhanuka Non-Executive & Non-Independent Director	Member	Yes

#### Terms of Reference

- i. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- ii. Recommend the amount of expenditure to be incurred on the activities referred to in clause (i); and
- iii. Monitor the Corporate Social Responsibility Policy of the Company and review from time to time.

### F. Internal Complaint Committee:

The Company has in place an Internal Complaint Committee in accordance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, along with its relevant Rules, which aims at protecting women's right to gender equality, life and liberty at workplace to encourage women's participation in work.

The Committee comprised of the following Members.

Mrs. Aruna Dhanuka : Presiding Officer

Ms. Chitra Thakwani : Member

Mr. Ayush Beriwal : Member

Ms. Neelu Kejriwal : Representative of NGO

The Committee met once during the Financial Year 2019-20 on 6th January, 2020.

No Complaint was received by the Company during the year under review.

### 5. Disclosures

- a) All transactions entered into, during the Financial Year, with related parties as defined under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 were in the ordinary course of business and on arm's length basis. There were no materially significant Related Party Transactions made by the Company with its Promoters, Directors or their relatives, or the management etc. that may have potential conflict with the interests of the Company at large.

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

Transactions with related parties are disclosed in Note 28 under 'Notes annexed to and forming part of the financial statements' in the Annual Report.

The policy on related party transactions has been uploaded in the Company's website:

(<http://www.nagadhunserigroup.com/downloads/Related-Party-Transaction-Policy.pdf>)

- b) During the last three years, there were no strictures or penalties imposed by either SEBI or the Stock Exchange or any Statutory Authority for Non-Compliance of any matter related to the Capital Markets.
- c) The Company has adopted a Vigil Mechanism / Whistle Blower Policy and no personnel are being denied access to the Audit Committee. The policy has been uploaded on the Company's website: (<http://www.nagadhunserigroup.com/downloads/Whistle-Blower-Policy.pdf>)
- d) The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations, 2015 and examining the implementation of some of the non-mandatory requirements. The status of the non-mandatory requirements are as follows :
  - i. Unmodified opinion(s) in audit report: The Company endeavors to present un-qualified financial statements. There are no audit qualifications in the financial statements of the Company for the year under review.
  - ii. The Internal Auditors of the Company are Independent and have direct access to the Audit Committee
- e) There are no pecuniary relationships or transactions with Non-Executive Independent Directors other than those disclosed in this report.
- f) The company has formulated a Policy for Determining 'Material' Subsidiaries and such Policy has been disclosed on the Company's website :  
(<http://www.nagadhunserigroup.com/downloads/Policy-for-determining-Material-Subsidiaries.pdf>)
- g) The Company has not raised fund through Preferential Allotment or Qualified Institutional Placement.
- h) No Credit Rating has been obtained by the Company as no fund has been mobilized through debt instruments or any fixed deposits.
- i) Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant Financial Year. Not Applicable
- j) Total fees for all services paid by the Listed Entity and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm / network entity of which the Statutory Auditor is a part is disclosed.

Details relating to fees paid to the Statutory Auditors are given in Note 25 to the Standalone Financial Statements and Note 25 to the Consolidated Financial Statements.

**6. CEO and CFO Certification**

As per Part B of Schedule II of SEBI (LODR) Regulations, 2015, the CEO and the CFO of the Company certifies to the Board regarding the review of the Financial Statements, Compliance with the Accounting Standard, Maintenance of the Internal Control Systems for Financial Reporting and Accounting Policies etc.

**7. Means of Communication**

The Quarterly / Annual Financial Results / Notices and other important announcements are published in Business Standard as well as in Arthik Lipi. These results are also posted on the Company's website [www.nagadhunserigroup.com](http://www.nagadhunserigroup.com) after its submission to the Stock Exchange. The Annual Audited Financial Statements along with Board's Report and Auditors Report thereon and Notice etc. are sent to individual shareholders as well as uploaded on Company's website [www.nagadhunserigroup.com](http://www.nagadhunserigroup.com).

**REPORT ON CORPORATE GOVERNANCE (Contd.)****8. Management Discussion and Analysis Report****Industrial Structure and Developments**

The domestic retail inflation continued to be moderate despite increase in global commodity prices. The Country is having normal monsoon as well which should help in keeping the food prices under control. A good monsoon will also boost the rural economy which in turn will enhance demand of various commodities. In view of lower inflation, RBI has reduced Repo rate. The Companies engaged in the financial sector will benefit from the lower rate of interest. The Company's core business is investment in shares and securities. During the year under review, capital market conditions were not conducive which have been reflected in the profitability of the company. However, there is a high level of uncertainty about the time required for life and businesses to get normal. The extent to which COVID-19 pandemic will impact the Company's financial health is dependent on the growth of Capital Markets which itself dependent on future developments, including among many other things, any new information concerning the severity of the pandemic and any action to contain its spread or mitigate its impact.

**COVID-19**

In February, 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to shut all economic activity. From 25th March, 2020, the Government of India ordered a nationwide lockdown for 21 days which further got extended till 3rd May, 2020 to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities. Considering the global health crisis and the guideline issued by the Government of India, the Company immediately shifted focus to ensuring the health and well-being of all employees. The Company adhered further to the lockdown norms and continued the same till 31st May, 2020.

The office of the Company has resumed functioning as per the guidelines of the State Government from 1st June, 2020 with lesser work force. The Company is complying with all the norms related to social distancing, thermal scanning, wearing of face mask and sanitization to ensure smooth functioning of operations.

**Opportunities and Threats**

The Company being a Non-Banking Financial Company is primarily engaged in the business of making investments in shares and securities. On account of stable Government and various financial reforms undertaken by the Government, the Stock Market is expected to remain bullish which is likely to enhance the value of listed share held by the Company.

In a volatile stock market, the Company is exposed to the risk of fluctuation in share prices. This however is not likely to affect the working of the Company as a major part of the investments are held on long term basis and temporary fluctuations of those shares in the stock market do not have much financial implication to the Company.

However, the Company gives continuous effort to frequently examine the ups and downs of the market particularly taking into consideration that the Company being a small size NBFC and there are plenty of hindrances which may hamper its growth.

**Segment Wise Performance**

The Company being a Non-Banking Financial Company operates mainly under a single segment viz Investments in Shares and Securities.

**Risk and Concern**

The very nature of the Company's business makes it susceptible to various kinds of risks. The Company encounters market risk, credit risk and operational risks in its daily business operations. The Company has framed a comprehensive Risk Management Policy which inter-alia lays down detailed process and policies in the various facets of the risk management function. The risk management review framework provides complete oversight to various risk management practices and process. The framework and assessment remains dynamic and aligns with the continuing requirements and demands of the market.

**REPORT ON CORPORATE GOVERNANCE (Contd.)****Outlook**

The Indian economy is not insulated to world and is also severely impacted by Covid-19. Having said that, timely, appropriate and quick measures undertaken by government has helped India to relatively control the spread of the epidemic compared to other countries. The thought process during lockdown is mainly survival with health, safety and liquidity. The economic impact of lockdown in India is huge as on one hand, we have large number of population living hand to mouth and on the other, government has limited resources to offer. A gradual opening of the economy with lesser impacted places and continuous monitor on the hotspots is likely to be crucial for the Country. The FY21 would be divided into first half – lockdown and recovery and second half - returning to normalcy. The outbreak of Covid-19 would have negative impact on leisure and discretionary spend, in a state where basic health related challenges persist. However, the nature of capital market in which the Company operates is not predictable with certainty. The slowdown of the economic growth or volatility in global as well as domestic financial market could adversely affect the Company's business.

**Internal Control System & their adequacy**

An adequate system of Internal Controls that commensurate with its size, requirements and the nature of operations is being adopted. It ensures operational efficiency, accuracy in Financial Reporting and Compliance of applicable Laws and Regulations. The Company has in place Policies and Procedures required to properly and efficiently conduct its business, safeguard its assets, detect frauds and errors, maintain accuracy and completeness of accounting records and prepare financial reports in a timely and reliable manner. The system is also reviewed from time to time. During the year such controls were tested by the Internal and Statutory Auditors with reference to financial statements and no reportable material weakness on the design or operation were observed.

**Discussion on Financial Performance with respect to Operational Performance**

This section is covered in the Board's Report under the section of Financial Results and Operations.

**Material Developments in Human Resources / Industrial Relations front including number of people employed**

There is no Material Development in Human Resources front. The Company maintains harmonious relationship with its employees. The Company is having 9 persons employed currently.

**Cautionary Statement**

Statements in this Management Discussion and Analysis Report in regard to projections, estimates and expectations have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook. Market information contained in this report has been based on information gathered from various published and unpublished reports and their accuracy, reliability and completeness cannot be assured.

**Details of Key Financial Ratios and significant changes**

Sl. No.	Particulars	Financial Year 2019-20	Financial Year 2018-19	Variance (%)	Reason
a.	Current Ratio	35.62	112.12	(68.23)	Due to Decrease in Current Investments
b.	Operating Profit Margin (in %)	(58.96)%	15.24%	(486.95)	Due to Reduction in Profit
c.	Net Profit Margin (in %)	(15.20)%	3.70%	(510.95)	Due to Reduction in Profit

**Change in return on Net Worth**

The return on Net Worth for the Financial Year 2019-20 is (0.36)% and for Financial Year 2018-19 is 0.08% resulting in decrease in the return on Net Worth by (528.26)% due to decrease in the profit of the Company in absolute terms in Financial Year 2019-20 as compared to Financial Year 2018-19.



**REPORT ON CORPORATE GOVERNANCE (Contd.)**
**9. General Body Meetings**

**The last three Annual General Meetings of the Company were held as under :**

AGM	Year	Venue	Date & Time	Special Resolution
101st	2018-2019	"Dhunseri House" 4A, Woodburn Park, Kolkata - 700 020	29th, August 2019 11:30 A.M.	1. Payment of Commission to Non-Executive Directors 2. Re-appointment of Mr. I. K. Kejriwal (DIN : 00012320) as a Non-Executive Independent Director 3. Re-appointment of Mr. G. R. Goenka (DIN : 00133700) as a Non-Executive Independent Director 4. Re-appointment of Mr. Rajeev Rungta (DIN : 00122221) as a Non-Executive Independent Director
100th	2017-2018	"Dhunseri House" 4A, Woodburn Park, Kolkata - 700 020	9th August, 2018 03:30 P.M.	None
99th	2016-2017	Kala Kunj, Sangit Kala Mandir Trust, 48, Shakespeare Sarani Kolkata - 700 017	8th August, 2017 03:30 P.M.	None

**9.1 Postal Ballot and Postal Ballot Process**

No special resolution was passed through Postal Ballot during the year under review. Further there are no special resolutions proposed to be conducted through Postal Ballot at the ensuing Annual General Meeting.

**Notes :**

*Other than the above, there were no other General Meetings during the last three years.*

**9.2 Information about Directors seeking appointment / re-appointment, etc.**

The details of the Directors of the Company seeking appointment / re-appointment are given in the Annexure to the Notice, under the head 'Information pursuant to Regulations 36(3) & 26(4) of SEBI (LODR) Regulations, 2015.

**10. Shareholders' information**
**a) Annual General Meeting for the Financial Year 2019-20**

Day & Time	Tuesday, 29th September, 2020 at 11:30 A.M.
Book Closure Date for Dividend	Wednesday, 23rd September, 2020 till Tuesday, 29th September, 2020 (both days inclusive)

**b) E-voting**

The e-voting period commences on Saturday, 26th September, 2020 (9:00 A.M. IST) and ends on Monday, 28th September, 2020 (5:00 P.M. IST). During this period, Members of the Company holding shares as on the cut-off date i.e. Tuesday, 22nd September, 2020, either in physical form or in dematerialized form, may cast their vote electronically.

The e-voting module shall be disabled by NSDL for voting thereafter. Once the e-voting on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The facility for e-voting shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting earlier shall be eligible to vote at the AGM.

**REPORT ON CORPORATE GOVERNANCE (Contd.)****c) Dividend payment**

The dividend, if declared at the ensuing AGM shall be credited on or after Monday, 5th October, 2020. The physical Dividend warrants shall be despatched upon normalization of Postal services.

**d) Registered office :** "Dhunseri House", 4A, Woodburn Park,

Kolkata - 700 020

CIN : L01132WB1918PLC003029

Ph. No. : 033-2280-1950 (five lines)

Fax No. : 91 33 2287-8995/8350

Email : mail@nagadhunserigroup.com

Website : www.nagadhunserigroup.com

**e) Listing on Stock Exchange :**

The Company's shares are listed with the National Stock Exchange (NSE). The Company has paid the Annual Listing Fees to the National Stock Exchange for the Financial Year 2020-21.

**f) i) Exchange Scrip Code : NSE- Symbol: NDGL****ii) Demat ISIN number for NSDL and CDSL : INE 756C01015****g) Stock market price data for the Financial Year 2019-20 :**

Period :	NSE		Nifty	
	High	Low	High	Low
2019-2020				
April	1054.00	703.10	11856.15	11549.10
May	923.65	731.10	12041.15	11108.30
June	810.00	576.20	12103.05	11625.10
July	795.10	521.15	11981.75	10999.40
August	600.00	49.00	11181.45	10637.15
September	700.00	523.80	11694.85	10670.25
October	627.00	505.50	11945.00	11090.15
November	617.90	521.50	12158.80	11802.65
December	650.00	531.70	12293.90	11832.30
January	649.00	538.10	12430.50	11929.60
February	605.95	515.55	12246.70	11175.05
March	549.95	300.00	11433.00	7511.10

**h) Registrar and Share Transfer Agents :** Maheshwari Datamatics Private Limited  
23, R. N. Mukherjee Road, 5th Floor,  
Kolkata-700 001  
Phone : 2243-5029, 2243-5809, 2248-2248  
Fax : 91 33 2248-4787  
Email : [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

**REPORT ON CORPORATE GOVERNANCE (Contd.)**
**i) Share Transfer System**

The Company's Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Private Limited process the share transfer / transmission etc. After scrutiny and completion of all required formalities, share certificates are returned in the normal course within 15 days of its receipt, if the documents are found valid and complete in all respects. Further, the request for dematerialisation of shares are also processed and confirmation is given by M/s. Maheshwari Datamatics Private Limited, being the Company's Demat Registrars, to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days if documents found complete in all respects.

**j) Shareholding pattern and distribution of Shares as on 31st March, 2020.**

Category	Number of Shares	% of holding
<b>Promoter &amp; Promoter Group</b>		
Individual/ HUF	398134	39.81
Body Corporates	337692	33.76
<b>Public Shareholding</b>		
Financial Institutions/ Banks	358	0.04
Central Government / State Government(s) / President of India	—	—
<b>Non- Institutions</b>		
Individual	170224	17.02
NBFC Registered with RBI	4014	0.40
IEPF	62895	6.29
Bodies Corporate	16393	1.64
Clearing Members	71	0.01
Non Residential Individual	8458	0.85
Domestic Corporate Unclaimed Shares Account	1761	0.18
	1000000	100.00

**Distribution of Shares as on 31st March, 2020**

Range	Shareholders		Shares	
	Number	% of Shareholders	Number	% of Shares
1 to 500	1353	94.75	79227	7.92
501 to 1000	38	2.66	27242	2.72
1001 to 2000	13	0.91	17265	1.73
2001 to 3000	3	0.21	7008	0.70
3001 to 4000	8	0.56	27843	2.78
4001 to 5000	2	0.14	8046	0.80
5001 to 10000	2	0.14	12904	1.29
10001 and above	9	0.63	820465	82.06
<b>Total</b>	<b>1428</b>	<b>100.00</b>	<b>1000000</b>	<b>100.00</b>

**REPORT ON CORPORATE GOVERNANCE (Contd.)**
**k) Dematerialisation of Shares and Liquidity**

As on 31st March, 2020, 95.70 % of the Company's Share Capital representing 957055 Shares were in dematerialised form and the balance 4.30% of the Company's Share Capital representing 42945 Shares were in physical form. It needs to be said that the entire Promoters shareholding of 73.58% is in dematerialised form.

**l) Unclaimed Demat Suspense Account**

The Company has opened Unclaimed Suspense Account in the name of Naga Dhunseri Group Limited-Unclaimed Suspense Account with HDFC Bank Limited to dematerialise shares issued in physical form which remains unclaimed.

Particulars	No. of Shareholders	No. of Shares
Aggregate number of Shareholders and the outstanding Shares in the Unclaimed Suspense Account as on 1st April, 2019	12	1767
Number of Shareholders and aggregate number of Shares transferred to the Unclaimed Suspense Account during the year	Nil	Nil
Number of Shareholder and aggregate number of Shares transferred to IEPF during the year since the dividend has not been claimed for 7 consecutive years	2	6
Number of Shareholders who approached the Company for transfer of Shares and Shares transferred from Suspense Account during the year	Nil	Nil
Aggregate number of Shareholders and the outstanding shares in the Unclaimed Suspense Account as on 31st March, 2020	10	1761

The voting rights on the Shares in the Unclaimed Suspense Account as on 31st March, 2020, shall remain frozen till the rightful owners of such Shares claim them.

**m) Unclaimed Dividend**

Unclaimed Dividend for the Financial Year 2011-12 amounting ₹ 1,51,910 was transferred to Investor Education & Protection Fund on 17th October, 2019, in compliance with Section 124 of the Companies Act, 2013.

The particulars of unpaid dividend for the previous seven years were uploaded on the Company's website and filed with the Ministry of Corporate Affairs.

**n) Transfer of unclaimed dividend/ shares to Investor Education & Protection Fund (IEPF)**

The Shareholders who have not claimed dividend for seven consecutive years i.e. for the Financial Year 2011-12, their respective shares have also been transferred to IEPF.

The Unclaimed Dividend for the Financial Year 2012-13 and the corresponding Equity Shares in respect of which dividend entitlement remained unclaimed / unpaid for seven consecutive years from the Financial Year 2012-13 is due for transfer to the IEPF of the Central Government on 19th September, 2020 and the Company has issued individual reminder letters through registered post to all the Shareholders and a public notice in this respect has been given in English and vernacular newspaper for claiming the same by 21st August, 2020. The details of such Shareholders have been uploaded in the Company's website.

**REPORT ON CORPORATE GOVERNANCE (Contd.)**
**o) Insider Trading Regulation**

The Company has adopted a code of internal procedure for prevention of any unauthorised trading in the shares of the Company by Insiders, as required under SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company Secretary is the Compliance Officer for this purpose.

**p) Address for Investor Correspondence**

Shareholders can correspond at the Registered Office of the Company and / or at the Company's Registrar and Share Transfer Agent. Shareholders holding shares in electronic mode should address all correspondence to their respective depository participants.

**q) Financial Calendar 2020-21 (Tentative)**
**Board Meetings**

Adoption of Quarterly / Annual Report	Adoption on or before
Unaudited Results for 1st quarter ending 30th June, 2020	14th September, 2020*
Unaudited Results for 2nd quarter ending 30th September, 2020	14th November, 2020
Unaudited Results for 3rd quarter ending 31st December, 2020	14th February, 2021
Audited Results for the Year ending 31st March, 2021	30th May, 2021
Annual General Meeting for the year ending 31st March, 2021	August / September, 2021

Pursuant to SEBI Circular SEBI/HO/CFD/CHD1/CIR/P/2020/140 dated 29th July, 2020, the timeline for submission of Financial Results has been extended till 15th September, 2020, due to the impact of the COVID-19 pandemic.

**r) Grievance Redressal Division / Compliance Officer**

**Chitra Thakwani**

**Company Secretary and Compliance Officer**

**Naga Dhunseri Group Limited**

"Dhunseri House", 4A, Woodburn Park, Kolkata - 700 020

Phone : (033) 2280-1950 (5 lines)

Fax : (033) 2287-8995/8350

E-mail : mail@nagadhunserigroup.com

**s) Corporate Governance Compliance Certificate**

As required by Schedule V of SEBI (LODR) Regulations, 2015, a Compliance Certificate from CS Atul Kumar Labh, of M/s. A. K. Labh & Co., Company Secretaries confirming compliance with the conditions of Corporate Governance, is attached to this Report forming part of the Annual Report.

**t) Certificate of Non-Disqualification of Directors**

As required by Schedule V of SEBI (LODR) Regulations, 2015, a Certificate of Non-Disqualification of Directors from CS Atul Kumar Labh, of M/s. A. K. Labh & Co., Company Secretaries confirming that none of the Directors are debarred or disqualified from being appointed or continuing as Directors of Companies by the Board / Ministry of Corporate Affairs or any such Statutory Authority has been obtained.

For and on behalf of the Board of Directors

C. K. Dhanuka

Chairman

DIN : 00005684

Place : Kolkata

Dated : 30th July, 2020

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

I confirm that the Company has in respect of the Financial Year ended 31st March, 2020, received from the Members of the Board and the Senior Management Personnel, a declaration of compliance with the Company's Code of Conduct.

For and on behalf of the Board of Directors

Place : Kolkata

H. P. Bhuwania

Dated : 30th July, 2020

Chief Executive Officer

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**CERTIFICATE ON CORPORATE GOVERNANCE**

**TO  
THE MEMBERS OF  
NAGA DHUNSERI GROUP LIMITED**

We have examined the compliance of conditions of Corporate Governance by Naga Dhunseri Group Limited ("the Company") in terms of Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations") for the year ended 31.03.2020.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

For A. K. LABH & CO.

*Company Secretaries*

CS A. K. LABH

Practicing Company Secretary

FCS - 4848 / CP No. 3238

UDIN : F004848B000533453

Place : Kolkata

Dated : 30th July, 2020

**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 of Managerial Personnel) Rules, 2014 ]

To

The Members,

Naga Dhunseri Group Ltd.

“Dhunseri House”,

4A, Woodburn Park,

Kolkata - 700 020

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Naga Dhunseri Group Ltd. having CIN : L01132WB1918PLC003029 (hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020, according to the provisions of the following (as amended and to the extent they are applicable to the Company) :

- (i) The Companies Act, 2013 (‘the Act’) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) :
  - 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

- (1) Secretarial Standards issued by The Institute of Company Secretaries of India
- (2) The Listing Agreements entered into by the Company with the Stock Exchange and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

**SECRETARIAL AUDIT REPORT (Contd.)**

(3) Reserve Bank of India Act, 1934 (pertaining to NBFC matters)

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

During the audit period under review provisions of the following Act/Regulations were not applicable to the Company:

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- b. The Securities and Exchange Board of India {Share Based Employee Benefits} Regulations, 2014;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- e. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. 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.

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

Majority decision is carried through unanimously and recorded as part of the minutes. There were no dissenting views by any members of the Board of Directors during the audit period.

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

For SUSHIL TIWARI & ASSOCIATES

Company Secretaries

(SUSHIL TIWARI)

Proprietor

ACS 6199 CP 1903

UDIN : A006199B000519162

31A, S. P. Mukherjee Road

Kolkata - 700 025

Date : The 30th day of July, 2020

**NOTE :** This report is to be read with our letter of even date which is annexed as "Annexure - A" and forms an integral part of this report.



**ANNEXURE A**

To  
The Members,  
Naga Dhunseri Group Ltd.  
“Dhunseri House”,  
4A, Woodburn Park,  
Kolkata - 700 020

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The Compliance of provisions of all laws, rules, regulations, standards applicable to Naga Dhunseri Group Ltd., maintenance of secretarial and other records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial and other records. The verification was done on test check basis to ensure that correct facts as reflected in Secretarial records provided to us. We believe that the processes and practices, we followed provide a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and major 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 procedures on test check basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company

31A, S. P. Mukherjee Road  
Kolkata - 700 025  
Date : The 30th day of July, 2020

For SUSHIL TIWARI & ASSOCIATES  
Company Secretaries  
(SUSHIL TIWARI)  
Proprietor  
ACS 6199 CP 1903

**INDEPENDENT AUDITORS' REPORT**

To the Members of

**NAGA DHUNSERI GROUP LIMITED****Report on Standalone Financial Statements****Opinion**

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

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

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, 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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	Auditor's Response
<b>Adoption of new accounting framework Ind AS</b> Refer Note 1 and 2 for significant accounting policies and Note 41 for reconciliation. Effective 1st April, 2019 the Company adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with transition date of 1st April, 2018 and prepared the first set of standalone financial statements under Ind AS framework in the current year. For periods up to and including the year ended 31st March, 2019, the Company prepared its standalone financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).	Our key audit procedures included, but not limited to, the following : <ul style="list-style-type: none"><li>• Understanding of management's processes and controls around adoption of Ind AS. We sought explanations from the management for areas involving complex judgements or interpretations to assess its appropriateness.</li><li>• Reviewed the diagnostics performed by the management to assess the impact on Ind AS transition to the individual financial statement line items.</li><li>• Reviewed the implementation of exemptions availed and options chosen by the Company in accordance with the requirements of Ind AS 101, first time adoption of Indian Accounting Standards (Ind AS 101).</li></ul>

**INDEPENDENT AUDITORS' REPORT (Contd.)**

Key Audit Matter	Auditor's Response
<p>This change in the financial reporting framework required an end-to-end evaluation of the potential impact on each component of the financial statement which involved significant efforts required by the management. This process also required the management to apply significant judgements to identify and elect appropriate accounting policies suitable for various transactions and balances relating to the operations of the Company including electing of available options for transition of balances as at transition date from the previous GAAP to the new GAAP.</p> <p>Further, the first time preparation of the Ind AS standalone financial statements involved preparation and presentation of additional notes and disclosures as required by the Ind AS framework as compared to the previous GAAP in addition to Note 41 to the standalone financial statements setting forth the reconciliation of balances from previous GAAP to the new GAAP as at the transition date, and the impact of restatement on the results of the comparative period due to such transition.</p> <p>The areas where there was a significant impact on account of first time adoption of Ind AS involved <b>Ind As 109, Financial Instruments</b> amongst others :</p> <p>Refer Note - 5 for details of Investments. The carrying value of investments as at 31st March, 2020 was ₹ 7,640.73 lakhs comprising investment in equity instruments and units of mutual fund. The aforesaid investment also includes investments in associates, which are carried at cost.</p> <p>The carrying value of investments represents 72.52% of the total assets of the Company.</p> <p>Considering the significance of the above transition with respect to the standalone financial statements, the complexities and efforts involved, this matter has been identified as a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> <li>• Evaluated the accounting policies adopted by the Company on transition to Ind AS and assessed its appropriateness basis our understanding of the entity and its operations and the requirements of relevant accounting standards under the Ind AS framework.</li> <li>• Evaluated whether the presentation and disclosures in the standalone financial statements are in accordance with the requirements of the applicable standards and regulatory requirements.</li> <li>• Evaluated the appropriateness and adequacy of disclosures with respect to the reconciliations prepared and presented by the management in the standalone financial statements in accordance with Ind AS 101.</li> </ul>

**Other information**

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

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

**INDEPENDENT AUDITORS' REPORT (Contd.)**

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

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

**Auditors' Responsibility for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

**INDEPENDENT AUDITORS' REPORT (Contd.)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended 31st March, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by section 143 (3) of the Act, we report that :
  - i. 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;
  - ii. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
  - iii. The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - iv. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

**INDEPENDENT AUDITORS' REPORT (Contd.)**

- v. On the basis of the written representations received from the directors of the Company as on 31st March, 2020 taken on record by the Board of Directors of the Company none of the Directors are disqualified as on 31st March, 2020 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
- vi. 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"; and
- vii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
  - a. The Company does not have any pending litigations as on balance sheet date which would impact its financial position.
  - b. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, and
  - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Company's Education and Protection Fund by the Investor Company and associate companies incorporated in India;
- viii. With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act. :

In our opinion and according to the information and explanations given to us the remuneration paid by the company to its the directors during the current year is in accordance with the provision of section 197 of the Act. The remuneration paid to any director is not in excess of limit laid down under section 197 of the Act, The Ministry of Corporate affairs has not prescribed other details under section 197(16) which as required to be commented upon by us.

Place : Kolkata  
Date : The 30th day of July, 2020

SUNIL OSWAL, FCA, *Partner*  
Membership No. 071678  
For and on behalf of  
DHANDHANIA & ASSOCIATES  
*Chartered Accountants*  
Firm Registration No. 316052E  
UDIN : 20071678AAAAEK6881

**ANNEXURE - A TO INDEPENDENT AUDITORS' REPORT**

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that :

- i) (a) The Company is maintaining proper records showing full particulars, including quantitative details & situation of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the management during the year and discrepancy noticed on such verification has been duly provided in the books of accounts.
- (c) The title deeds of immovable properties are held in the name of the company.
- ii) According to the records of the Company examined by us and the information and explanations given to us, the Company is an non banking financial company primarily dealing in shares and securities, which is being verified with demat statement does not hold inventory of goods. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- iii) The Company has not granted any loans, secured or unsecured, to Companies, firms or other parties covered in the register maintained under Section 189 of the Act. Consequently, clauses (iii) (a, b & c) of paragraph 3 of the Order are not applicable.
- iv) The Company has not entered into loans, investments, guarantees, and security transactions falling within provisions of section 185 and 186 of the Companies Act, 2013.
- v) The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for any of the services rendered by the Company. Accordingly paragraph 3(vi) of the Order is not applicable to it.
- vii) (a) In our opinion, and according to the information and explanations given to us the company is depositing undisputed statutory dues, including provident fund, employee state Insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and any other statutory dues with appropriate authority.
- (b) According to the information and explanations given to us, there are no dues of provident fund, employees state insurance, income tax, sales tax, service tax, goods and services tax, cess and any other statutory dues outstanding on account of any dispute.
- viii) According to the records of the Company examined by us and the information and explanations given to us, there are no dues payable to any financial institutions or banks or debenture holders as at the balance sheet date.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

**ANNEXURE - A TO INDEPENDENT AUDITORS' REPORT (Contd.)**

- x) According to the records of the Company examined by us and information and explanation given to us, any fraud by the company or any fraud on the Company by its officers or employees has not been noticed or reported during the year.
- xi) Managerial remuneration has been paid in accordance with Section 197 read with Schedule V to Companies Act, 2013.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us, the company has not made preferential allotment of shares during the year under review; therefore, requirements of section 42 of the Companies Act, 2013 are not applicable.
- xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company has obtained registration as required under section 45-IA of the Reserve Bank of India Act, 1934.

Place : Kolkata  
Date : The 30th day of July, 2020

SUNIL OSWAL, FCA, *Partner*  
Membership No. 071678  
For and on behalf of  
DHANDHANIA & ASSOCIATES  
*Chartered Accountants*  
Firm Registration No. 316052E  
UDIN : 20071678AAAAEK6881



**ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NAGA DHUNSERI GROUP LIMITED**

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

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

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

**ANNEXURE - B TO INDEPENDENT AUDITORS' REPORT (Contd.)**

**Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of 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 with reference to these standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

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

SUNIL OSWAL, FCA, *Partner*

Membership No. 071678

For and on behalf of

DHANDHANIA & ASSOCIATES

*Chartered Accountants*

Firm Registration No. 316052E

UDIN : 20071678AAAAEK6881

Place : Kolkata

Date : The 30th day of July, 2020

**STANDALONE BALANCE SHEET  
as at 31st March, 2020**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>Assets</b>				
<b>Financial Assets</b>				
Cash and Cash Equivalents	3	892.61	35.77	399.00
Bank Balances other than Cash and Cash Equivalents	4	10.83	15.99	12.97
Investments	5	7,640.73	11,346.39	12,761.29
Other Financial Assets	6	133.64	5.48	44.40
<b>Non-Financial Assets</b>				
Current Tax Assets (net)	7	—	3.36	4.61
Deferred Tax Assets (net)	8	146.75	—	—
Investment Property	9	694.37	448.36	—
Property, Plant and Equipment	10	105.20	112.42	141.66
Right of use Assets	10	411.84	—	—
Other Non-Financial Assets	11	500.13	777.03	766.48
<b>Total Assets</b>		<b>10,536.10</b>	<b>12,744.80</b>	<b>14,130.41</b>
<b>Liabilities and Equity</b>				
<b>Liabilities</b>				
<b>Financial Liabilities</b>				
Other Financial Liabilities	12	443.61	18.68	23.29
<b>Non-Financial Liabilities</b>				
Current Tax Liabilities (Net)	13	48.87	—	—
Deferred Tax Liability (Net)	8	—	121.83	129.26
Provisions	14	2.48	2.60	1.36
Other Non-Financial Liabilities	15	1.84	0.54	2.91
<b>Total Liabilities</b>		<b>496.80</b>	<b>143.65</b>	<b>156.82</b>
<b>Equity</b>				
Equity Share Capital	16	100.00	100.00	100.00
Other Equity	17	9,939.30	12,501.15	13,873.59
<b>Total Equity</b>		<b>10,039.30</b>	<b>12,601.15</b>	<b>13,973.59</b>
<b>Total Liabilities and Equity</b>		<b>10,536.10</b>	<b>12,744.80</b>	<b>14,130.41</b>

Summary of Significant Accounting Policies

2

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

As per our Report of even date attached

 For and on behalf of the Board of Directors of  
Naga Dhunseri Group Ltd.

CIN : L01132WB1918PLC003029

SUNIL OSWAL, FCA, Partner

Membership No. : 071678

For and on behalf of

DHANDHANIA &amp; ASSOCIATES

(Chartered Accountants)

Firm Registration No. : 316052E

Place : Kolkata

Dated : The 30th day of July, 2020

C. K. DHANUKA Chairman

DIN : 00005684

RAJEEV RUNGTA Director

DIN : 00122221

 CHITRA THAKWANI Company Secretary &  
Compliance Officer

ACS 54009

AYUSH BERIWALA Chief Financial Officer

H. P. BHUWANIA Chief Executive Officer

**STANDALONE STATEMENT OF PROFIT AND LOSS**  
**for the year ended 31st March, 2020**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Income</b>			
<b>Revenue from Operations</b>			
Dividend Income	18	204.46	199.06
Rental Income	19	31.26	68.70
<b>Total Revenue from Operations</b>		<b>235.72</b>	<b>267.76</b>
Other Income	21	1.33	17.41
<b>Total Income</b>		<b>237.05</b>	<b>285.17</b>
<b>Expenses</b>			
Finance Costs	22	41.22	0.45
Net Loss on Fair Value Changes	20	131.86	25.59
Employee Benefits Expenses	23	76.46	71.55
Depreciation	24	47.67	32.66
Other Expenses	25	79.60	111.47
<b>Total Expenses</b>		<b>376.81</b>	<b>241.72</b>
<b>Profit / (Loss) before Tax</b>		<b>(139.76)</b>	<b>43.45</b>
<b>Tax Expense</b>	26		
Current Tax		56.16	12.00
Deferred Tax Credit		(159.02)	21.39
Earlier Year Tax Adjustments		(0.87)	(0.50)
<b>Tax Expense</b>		<b>(103.73)</b>	<b>32.89</b>
<b>Profit / (Loss) for the year</b>		<b>(36.03)</b>	<b>10.56</b>
<b>Other Comprehensive Income / (Loss)</b>			
<b>Items that will not be reclassified subsequently to Profit or Loss</b>			
Equity instruments designated through Other Comprehensive			
Income-net change in fair value		(2,605.24)	(1,381.62)
Remeasurement of defined benefit (asset) / liability		—	(0.06)
Income tax relating to items that will not be reclassified to profit or loss		109.56	28.82
<b>Net Other Comprehensive Income / (Loss) not to be reclassified subsequently to Profit or Loss</b>		<b>(2,495.68)</b>	<b>(1,352.86)</b>
<b>Total Comprehensive Income / (Loss) for the year</b>		<b>(2,531.71)</b>	<b>(1,342.30)</b>
<b>Earnings per Share</b>			
<b>Nominal value of Share ₹ 10 (31st March, 2019 : ₹ 10)</b>			
Basic earning / (loss) per share (₹)	27	(3.60)	1.06
Diluted earning / (loss) per share (₹)	27	(3.60)	1.06

Summary of Significant Accounting Policies 2

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

As per our Report of even date attached

For and on behalf of the Board of Directors of  
Naga Dhunseri Group Ltd.  
CIN : L01132WB1918PLC003029

SUNIL OSWAL, FCA, Partner  
Membership No. : 071678  
For and on behalf of  
DHANDHANIA & ASSOCIATES  
(Chartered Accountants)  
Firm Registration No. : 316052E  
Place : Kolkata  
Dated : The 30th day of July, 2020

C. K. DHANUKA Chairman  
DIN : 00005684  
RAJEEV RUNGTA Director  
DIN : 00122221  
CHITRA THAKWANI Company Secretary &  
ACS 54009 Compliance Officer  
AYUSH BERIWALA Chief Financial Officer  
H. P. BHUWANIA Chief Executive Officer

**STANDALONE STATEMENT OF CASH FLOWS**  
**for the year ended 31st March, 2020**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>A. Cash flows from Operating Activities</b>		
<b>Profit/ (Loss) before Tax</b>	(139.76)	43.45
<b>Adjustments for :</b>		
Depreciation, Amortisation and Impairment	47.67	32.66
Fair value changes	131.86	25.59
Profit on sale of Property, Plant and Equipment	(0.75)	(13.81)
<b>Operating Profit before Working Capital Changes</b>	39.02	87.89
<b>Movement in Working Capital</b>		
Increase in other Financial Assets	(128.16)	38.92
(Increase) / Decrease in other Non-Financial ASSETS	276.90	(10.55)
Increase in Other Financial Liabilities	424.93	(4.61)
(Decrease) / Increase in other Non-Financial Liabilities	1.30	(2.37)
Increase in Long Term Provisions	(0.13)	1.18
<b>Cash used in operations</b>	613.86	110.46
Direct Taxes Paid (Net of Refunds)	(3.06)	(10.25)
<b>Net Cash Generated from Operating Activities</b>	610.80	100.21
<b>B. Cash Flow from Investing Activities</b>		
Acquisition of Investment Property	(280.42)	(467.77)
Acquisition of Property, Plant and Equipment	(418.28)	—
Proceeds from Sale of Assets	1.15	29.81
Purchase of Investment	(8,881.51)	(6,638.28)
Sale of Investment	9,859.50	6,646.10
Share Difference Loss	(9.42)	(0.14)
<b>Net Cash used in Investing Activities</b>	271.02	(430.28)
<b>C. Cash Flow from Financing Activities</b>		
Dividend Paid	(25.00)	(25.00)
Dividend Tax	(5.14)	(5.14)
<b>Net Cash used in Financing Activities</b>	(30.14)	(30.14)
<b>Net increase / (Decrease) in Cash and Cash Equivalents</b>	851.68	(360.21)
<b>Cash and Cash Equivalents at the beginning of the year</b>	51.76	411.97
<b>Cash and Cash Equivalents at the end of the year</b>	903.44	51.76
<b>Components of Cash and Cash Equivalents</b>		
Cash on Hand	5.13	5.09
Balance with Bank	887.48	30.68
- On current accounts	10.83	15.99
<b>Total Cash and Cash Equivalents</b>	903.44	51.76

**Note :** The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows"

As per our report of even date attached

SUNIL OSWAL, FCA, Partner  
 Membership No. : 071678  
 For and on behalf of  
 DHANDHANIA & ASSOCIATES  
 (Chartered Accountants)  
 Firm Registration No. : 316052E  
 Place : Kolkata  
 Dated : The 30th day of July, 2020

For and on behalf of the Board of Directors of  
 Naga Dhunseri Group Ltd.  
 CIN : L01132WB1918PLC003029

C. K. DHANUKA Chairman  
 DIN : 00005684  
 RAJEEV RUNGTA Director  
 DIN : 00122221  
 CHITRA THAKWANI Company Secretary &  
 ACS 54009 Compliance Officer  
 AYUSH BERIWALA Chief Financial Officer  
 H. P. BHUWANIA Chief Executive Officer

**STANDALONE STATEMENT OF CHANGES IN EQUITY  
for the year ended 31st March, 2020**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Number	Amount
<b>A. Equity Share Capital</b>		
<b>Balance as at 1st April, 2018</b>	10,00,000.00	100.00
Add : Changes in equity share capital during the year	—	—
<b>Balance as at 31st March, 2019</b>	10,00,000.00	100.00
Add : Changes in equity share capital during the year	—	—
<b>Balance as at 31st March, 2020</b>	10,00,000.00	100.00

**B. Other Equity**

	Capital Reserve	Reserve and Surplus			Items of other comprehensive income		Total attributable to owners of the Company
		General Reserve	Retained Earnings	Statutory Reserves	Equity instruments through other comprehensive income	Remeasurement of defined benefit asset/ (liability)	
<b>Balance as at 1st April, 2018</b>	14.61	6,000.00	2,139.80	1,761.01	3,958.17	—	13,873.59
Profit for the year	—	—	10.56	—	—	—	10.56
Dividend	—	—	(25.00)	—	—	—	(25.00)
Dividend Distribution Tax Paid during the Year	—	—	(5.14)	—	—	—	(5.14)
Other Comprehensive Income (Net of Tax)	—	—	—	—	(1,381.62)	(0.06)	(1,381.68)
Transfer to General Reserve	—	100.00	(100.00)	—	—	—	—
Transfer to Statutory Reserve	—	—	(41.19)	41.19	—	—	—
Tax Impact	—	—	—	—	28.82	—	28.82
<b>Balance as at 31st March, 2019</b>	14.61	6,100.00	1,979.03	1,802.20	2,605.37	(0.06)	12,501.15
<b>Total Comprehensive Income for the year ended 31st March, 2019</b>							
Profit for the Year	—	—	(36.03)	—	—	—	(36.03)
Dividend	—	—	(25.00)	—	—	—	(25.00)
Dividend Distribution Tax Paid during the Year	—	—	(5.14)	—	—	—	(5.14)
Other Comprehensive Income (Net of Tax)	—	—	—	—	(2,605.24)	—	(2,605.24)
Transfer to statutory reserve	—	—	—	—	—	—	—
Tax Impact	—	—	—	—	109.56	—	109.56
<b>Balance as at 31st March, 2020</b>	14.61	6,100.00	1,912.86	1,802.20	109.69	(0.06)	9,939.30

**Summary of Significant Accounting Policies**

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

As per our Report of even date attached

SUNIL OSWAL, FCA, Partner  
Membership No. : 071678  
For and on behalf of  
DHANDHANIA & ASSOCIATES  
(Chartered Accountants)  
Firm Registration No. : 316052E  
Place : Kolkata  
Dated : The 30th day of July, 2020

For and on behalf of the Board of Directors of  
Naga Dhunseri Group Ltd.  
CIN : L01132WB1918PLC003029

C. K. DHANUKA *Chairman*  
DIN : 00005684  
RAJEEV RUNGTA *Director*  
DIN : 00122221  
CHITRA THAKWANI *Company Secretary &*  
ACS 54009 *Compliance Officer*  
AYUSH BERIWALA *Chief Financial Officer*  
H. P. BHUWANIA *Chief Executive Officer*

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS  
for the year ended 31st March, 2020****1. COMPANY OVERVIEW**

Naga Dhunseri Group Limited having its Registered Office at “Dhunseri House”, 4A, Woodburn Park, Kolkata - 700 020 is a publicly held non-banking finance company that carries on the business of Investing and Trading in Shares and Securities and Renting of Commercial Vehicle. It is registered with the Reserve Bank of India and having registration No. 05.01813. Its equity shares are listed on National Stock Exchange.

**2. SIGNIFICANT ACCOUNTING POLICIES :****a) Basis of Preparation of Financial Statements**

The financial statements for the year ended March 31, 2020 have been prepared by the Company in accordance with Indian Accounting Standards (“Ind AS”) notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard. For periods up to and including the year ended March 31, 2019, the Company presented its financial statements under the historical cost convention and accrual basis of accounting complying with the provisions of the Companies Act 2013, and are in accordance with generally accepted accounting principles in India (‘Indian GAAP’ or ‘previous GAAP’). The financial statements for the year ended March 31, 2020 are the first financial statements of the Company prepared under Ind AS. An explanation of how the transition to Ind AS has affected the reported financial position, financial performance and cash flows of the Company is provided in note 41. The Company consistently applies the following accounting policies to all periods presented in these financial statements, unless otherwise stated.

**b) Functional and Presentation Currency**

These financial statements are presented in Indian Rupees (INR), which is the Company’s functional and presentation currency. All amounts have been denominated in lakhs and rounded off to the nearest two decimal, except when otherwise indicated.

**c) Historical Cost Convention**

The financial statements have been prepared on a historical cost basis, except for the following material items :

- 1) Financial assets at Fair value through other comprehensive income (FVTOCI) that is measured at fair value.
- 2) Financial instruments at Fair value through profit and loss (FVTPL) that is measured at fair value.
- 3) Net defined benefit (asset) / liability - fair value of plan assets less present value of defined benefit obligation.

**d) Significant Accounting Judgements, Estimates and Assumptions**

The preparation of the Company’s separate financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. This note provides an overview of the areas that involve a higher degree of judgements or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these judgement, estimates and assumptions is mentioned below.

Judgements, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)****Estimates and Assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**1) Defined Benefit Plans**

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**2) Fair value Measurement of Unquoted Financial Instruments**

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

**e) FINANCIAL ASSET****Initial Recognition and Measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent Measurement**

For purposes of subsequent measurement, financial assets are classified into three categories :

- 1) Financial assets at amortised cost
- 2) Financial assets at fair value through other comprehensive income (FVTOCI)
- 3) Financial assets at fair value through profit or loss (FVTPL)

**Financial Assets at Amortised Cost**

**A financial asset is measured at amortised cost if both of the following conditions are met :**

- i The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial asset is 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 other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.



**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)****Financial Assets at fair value through Other Comprehensive Income**

A financial asset is measured at fair value through other comprehensive income if both of the following criteria are met :

- 1) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, and
- 2) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial Assets at fair value through Profit or Loss**

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

In addition, the Company may elect to classify a financial asset, which otherwise meets amortised cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency. After initial measurement, such financial assets are subsequently measured at fair value in the statement of profit and loss.

**De-recognition of Financial Assets**

A financial asset is de-recognised when :

- 1) The contractual rights to receive cash flows from the financial asset have expired, or
- 2) The Company has transferred its contractual 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.

**f) Financial Liabilities****i) Initial Recognition and Measurement**

Financial Liabilities are initially measured at their fair value except in the case of financial liabilities reorded at FVTPL, transaction Costs are added to this amount.

**ii) Subsequent Measurement**

Financial liabilities are subsequently measured at amortised cost using effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying value approximates fair value due to short maturity of these instruments. Loans and borrowings are measured at net of directly attributable costs.

**g) Investment in Associates**

Investment in associates are stated at cost less impairment loss, if any. Investments are tested for impairment wherever event or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of investments exceeds its recoverable amount.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

**h) 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.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts

**i) Property, Plant & Equipments**

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

Depreciation on Property Plant and Equipments has been provided on Written Down Value Method as per the useful life and rate prescribed in Schedule II to the Companies Act, 2013 except for the Leasehold Land and Building which is amortised over effective period of agreement.

Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.

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

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

**j) Investment Property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment Property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment, if any. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Depreciation has been provided on Written Down Value Method.

The fair values of investment property is disclosed in the notes. Fair values is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

**k) Leases :**

**The Company as Lessee**

At the inception of the contract, the Company assesses whether a contract contains a lease. 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. For the purpose of identifying if a contract contains a lease, 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

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

- (iii) the Company has the right to control the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except in case of low value leases and short term leases (a term of less than twelve months) wherein the lease payments are recognized as an operating expense on a straight-line basis over the term of the lease.

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.

The right-of-use assets are initially recognized at cost. Cost includes the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the useful life of the underlying asset or the lease term whichever is shorter. Right of use assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

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

**l) Impairment of Assets**

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

**m) Provisions and Contingent Liabilities**

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

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

**n) Dividends**

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when 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.

**o) Taxes on Income**

- i) Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognised outside profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

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

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

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

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

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

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

- iii) Tax credit is recognised in respect of Minimum Alternate Tax (MAT) as per the provisions of section 115JAA of the Income Tax Act, 1961 based on the convincing evidence that the company will pay normal Income tax within statutory time frame and is reviewed at each Balance Sheet date.

**p) Revenue Recognition**

- i) Dividend income on equity shares is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend and the amount of dividend can be measured reliably.
- ii) Financial assets are subsequently measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI), as applicable. The Company recognises gains/losses on fair value change of financial assets measured as FVTPL and realised gains/losses on derecognition of financial asset measured at FVTPL and FVOCI.
- iii) Rental Income is recognised on accrual basis.

**q) Employee Benefits**

**(i) Short-Term Employee Benefits**

Short-Term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

**(ii) Defined Benefit Plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

The calculation of defined benefit obligation is performed annually by a qualified actuary using the Projected Unit Credit (PUC) method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ("the asset ceiling"). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**(iii) Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

**(iv) Other Long Term Employee Benefit Obligations**

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the Projected Unit Credit method. Remeasurement gains or losses are recognised in profit or loss in the period in which they arise.

**r) Cash Flow Statement**

Cash flows are reported using the indirect method, prescribed in IND AS -7 whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, financing and investing activities of the company are segregated based on the available information.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>3. Cash and Cash Equivalents</b>			
Cash on hand	5.13	5.09	5.15
Balance with bank			
- in current accounts	887.48	30.68	393.85
	<u>892.61</u>	<u>35.77</u>	<u>399.00</u>
<b>4. Bank balances other than Cash and Cash Equivalents</b>			
- in dividend accounts	10.83	11.53	12.55
Deposits with banks in current accounts (*)	—	4.46	0.42
	<u>10.83</u>	<u>15.99</u>	<u>12.97</u>

\* Consists of balances in bank accounts maintained by portfolio managers

	At Cost Cost	Through Other Comprehensive Income	Through profit & Loss	Total
<b>5. Investments</b>				
<b>As at 31st March, 2020</b>				
Mutual Funds (quoted)	—	—	480.38	480.38
Equity Instruments (quoted)	—	3,498.02	1,450.64	4,948.66
Equity Instruments (unquoted)	—	1,277.62	485.31	1,762.93
Associates (quoted)	448.76	—	—	448.76
<b>Total</b>	<u>448.76</u>	<u>4,775.64</u>	<u>2,416.33</u>	<u>7,640.73</u>
<b>As at 31 March, 2019</b>				
Mutual funds (quoted)	—	—	—	—
Equity Instruments (quoted)	—	4,810.18	5,034.70	9,844.88
Equity Instruments (unquoted)	—	377.92	511.25	889.17
Associates (quoted)	448.76	—	—	448.76
Portfolio Management Services ('PMS')	—	—	163.58	163.58
<b>Total</b>	<u>448.76</u>	<u>5,188.10</u>	<u>5,709.53</u>	<u>11,346.39</u>
<b>As at 1st April, 2018</b>				
Mutual Funds (quoted)	—	—	1,290.45	1,290.45
Equity Instruments (quoted)	—	5,895.16	4,319.82	10,214.98
Equity Instruments (unquoted)	—	381.12	230.00	611.12
Associates (quoted)	448.76	—	—	448.76
Portfolio Management Services ('PMS')	—	—	195.98	195.98
<b>Total</b>	<u>448.76</u>	<u>6,276.27</u>	<u>6,036.25</u>	<u>12,761.29</u>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### for the year ended 31st March, 2020 (Contd.)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31st March, 2020			As at 31st March, 2019		As at 1st April, 2018	
	Face Value	Number	Amount	Number	Amount	Number	Amount
5. <b>Investments</b> (Contd.)							
A. <b>Investments in Mutual Funds (quoted)</b>							
<b>Mutual funds at fair value through profit or loss</b>							
ICICI Prudential Liquid Fund- Growth	—	—	—	—	—	185,753.51	478.98
SBI Premier Liquid Fund - Regular Plan - Growth	—	—	—	—	—	29,881.89	811.47
SBI Liquid Fund Regular Growth	15,528.13	—	480.38	—	—	—	—
<b>Total (A)</b>			480.38	—	—	—	1,290.45
B. <b>Investments in Equity Shares (quoted)</b>							
<b>Equity shares at fair value through profit or loss</b>							
B1. Aarti Industries Ltd.	5.00	10.00	0.08	—	—	—	—
Apl Apollo Tubes Ltd.	10.00	—	—	1,900.00	27.40	—	—
Bajaj Finserv Ltd.	5.00	2,700.00	123.96	9,680.00	681.19	12,680.00	656.64
Balrampur Chini Mills Ltd.	1.00	—	—	204,500.00	280.37	—	—
Bandhan Bank Ltd.	10.00	2,414.00	4.92	—	—	—	—
Bhagiradha Chemicals & Industries Ltd.	10.00	15,391.00	38.65	15,391.00	76.02	—	—
Biocon Ltd.	5.00	475.00	1.29	—	—	—	—
CSB Bank Ltd.	10.00	37,750.00	44.56	—	—	—	—
Caplin Point Laboratories Ltd.	2.00	—	—	23,277.00	93.50	23,277.00	133.38
Deepak Nitrite Ltd.	2.00	—	—	27,100.00	74.29	—	—
Divi'S Laboratories Ltd.	2.00	1,038.00	20.65	—	—	—	—
Easun Reyrolle Ltd.	2.00	194,989.00	3.31	178,338.00	14.09	51,064.00	6.84
Escorts Ltd.	10.00	—	—	26,550.00	211.35	—	—
Excel Crop. Care Ltd.	5.00	—	—	4,920.00	177.90	4,565.00	138.57
Future Retail Ltd.	2.00	—	—	95,900.00	435.24	—	—
Gujarat State Fertilizers & Chemicals Ltd.	5.00	1.00	0.00	1.00	0.00	1.00	0.00
Hdfc Asset Management Co. Ltd.	5.00	27,137.00	119.77	5,282.00	81.02	—	—
Kotak Mahindra Bank Ltd.	5.00	837.00	10.85	—	—	21,960.00	230.27
Laurus Labs Ltd.	10.00	—	—	—	—	9,800.00	49.30
Medicamen Biotech Ltd.	10.00	—	—	16,000.00	77.59	—	—
Motherson Sumi Systems Ltd.	1.00	—	—	147,322.00	220.54	98,215.00	306.19
National Building Ltd.	1.00	—	—	—	—	44,437.00	84.61
Orient Electric Ltd.	1.00	20,745.00	40.74	141,449.00	215.64	—	—
Radico Khaitan Ltd.	2.00	363.00	0.97	—	—	—	—
SBI Life Insurance Co. Ltd.	10.00	4,312.00	27.64	—	—	—	—
Sumitomo Chemical India Ltd.	10.00	6,375.00	11.77	—	—	—	—
Shree Pushkar Chemicals And Fertilisers Ltd.	10.00	—	—	—	—	106,550.00	216.14
Spencers Retail Ltd.	5.00	—	—	85,700.00	137.12	—	—
State Bank Of India	1.00	—	—	17,300.00	55.49	140.00	0.35
Suven Life Sciences Ltd.	1.00	—	—	40,700.00	106.19	—	—
Uniply Industries Ltd.	2.00	—	—	227,150.00	89.38	45,430.00	171.18
Titan Company Ltd.	1.00	1,056.00	9.86	—	—	—	—
Trent Ltd.	1.00	338.00	1.64	—	—	—	—
Whirlpool Of India Ltd.	10.00	—	—	3,100.00	46.97	—	—
<b>Total (B1)</b>			460.66		3,101.29		1,993.47

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Face Value	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
		Number	Amount	Number	Amount	Number	Amount
5. <b>Investments</b> (Contd.)							
<b>B2 For Trading</b>							
3M India Ltd.	10.00	1.00	0.19	—	—	—	—
Abb India Ltd.	2.00	13.00	0.12	—	—	—	—
Abbott India Ltd.	10.00	2.00	0.31	—	—	—	—
Abb Power Products & Systems India Ltd.	2.00	2.00	0.02	—	—	—	—
Apcotex Industries Ltd.	5.00	—	—	52,900.00	278.25	52,900.00	259.92
Astec Lifescience Ltd.	10.00	5.00	0.02	5.00	0.03	—	—
Bosch Ltd.	10.00	1.00	0.09	—	—	—	—
Britannia Industries Ltd. 8 Ncd	—	10.00	—	—	—	—	—
Britannia Industries Ltd.	1.00	10.00	0.27	10.00	0.31	—	—
Chambal Fertilizers & Chemicals Ltd.	10.00	—	—	186,872.00	312.17	—	—
Deepak Fertilizers And Petrochemicals Corpn. Ltd.	10.00	—	—	—	—	128,857.00	371.75
Godrej Agrovet Ltd.	10.00	5.00	0.02	5.00	0.03	—	—
Hindustan Oil Exploration Company Ltd.	10.00	10.00	0.23	—	—	410,800.00	453.73
Jain Irrigation Systems Ltd.	2.00	—	—	—	—	200,000.00	212.90
Mahindra & Mahindra Limited	5.00	5.00	0.01	5.00	0.03	—	—
Mahindra Logistics Ltd.	10.00	5.00	0.01	5.00	0.03	—	—
Natco Pharma Limited	2.00	51,700.00	261.37	14,000.00	80.28	31,900.00	240.41
Nestle India Ltd.	10.00	475.00	77.43	5.00	0.55	—	—
Page Industries Ltd.	10.00	5.00	0.85	5.00	1.25	—	—
The Ramco Cements Limited	1.00	34,800.00	178.47	—	—	—	—
Nippon Life India Asset Management Ltd.	10.00	105,500.00	262.91	—	—	—	—
RBL Bank Ltd.	10.00	—	—	43,500.00	295.95	—	—
Sterlite Technologies Ltd.	2.00	—	—	118,950.00	259.84	94,850.00	296.32
Siemens Ltd.	2.00	11.00	0.12	—	—	—	—
Varun Beverages Ltd.	10.00	39,200.00	207.54	81,312.00	704.69	78,062.00	491.32
<b>Total (B2)</b>			989.98		1,933.41		2,326.35
<b>Total (B)=(B1+B2)</b>			1,450.64		5,034.70		4,319.82



**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
for the year ended 31st March, 2020 (Contd.)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Face Value	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
		Number	Amount	Number	Amount	Number	Amount
<b>C. Investments in equity shares (quoted)</b>							
<b>Equity shares at fair value through other comprehensive income</b>							
Aarti Industries Ltd.	5.00	30.00	0.23	—	—	—	—
Bajaj Finserv Ltd.	5.00	8,100.00	371.89	3,675.00	258.61	3,675.00	190.31
Bandhan Bank Ltd.	10.00	7,242.00	14.76	—	—	—	—
Bhagiradha Chemicals & Industries Ltd.	10.00	46,176.00	115.95	46,176.00	228.06	—	—
Biocon Ltd.	5.00	1,425.00	3.86	—	—	—	—
CSB Bank Ltd.	10.00	113,250.00	133.69	—	—	—	—
Divi'S Laboratories Ltd.	2.00	3,112.00	61.90	—	—	—	—
Easun Reyrolle Ltd.	2.00	584,968.00	9.94	535,008.00	42.27	153,193.00	20.53
Excel Crop. Care Ltd.	5.00	—	—	750.00	27.12	—	—
Gujarat State Fertilizers & Chemicals Ltd.	5.00	4.00	0.00	4.00	0.00	4.00	0.00
Hdfc Asset Management Co. Ltd.	5.00	81,413.00	359.32	—	—	—	—
Kotak Mahindra Bank Ltd.	5.00	2,513.00	32.56	—	—	—	—
Orient Electric Ltd.	1.00	62,236.00	122.23	12,446.00	18.98	—	—
Radico Khaitan Ltd.	2.00	1,087.00	2.92	—	—	—	—
SBI Life Insurance Co. Ltd.	10.00	12,938.00	82.93	—	—	—	—
Sumitomo Chemical India Ltd.	10.00	19,125.00	35.32	—	—	—	—
Titan Company Ltd.	1.00	3,169.00	29.59	—	—	—	—
Trent Ltd.	1.00	1,012.00	4.90	—	—	—	—
Dhunseri Tea & Industries Ltd.	10.00	615,751.00	689.03	615,751.00	1,364.20	615,751.00	1,700.40
Dhunseri Ventures Ltd.	10.00	3,078,759.00	1,427.00	3,078,759.00	2,870.94	3,078,759.00	3,983.92
<b>Total (C)</b>			3,498.02		4,810.18		5,895.16
<b>D. Investments in equity shares (unquoted)</b>							
<b>Equity shares at fair value through other comprehensive income</b>							
Deepshika Modern Fashionware Ltd.	10.00	—	—	—	—	32,000.00	3.20
Dhunseri Overseas Pvt Ltd.	10.00	11,996,000.00	1,199.60	2,999,000.00	299.90	2,999,000.00	299.90
Madhuting Tea Pvt Ltd.	10.00	130,000.00	78.02	130,000.00	78.02	130,000.00	78.02
<b>Equity shares at fair value through profit or loss</b>							
Mira Estates Pvt Ltd.	10.00	1,100,000.00	110.00	1,100,000.00	110.00	1,100,000.00	110.00
Forge Point Ltd.	5.00	400,000.00	120.00	400,000.00	120.00	400,000.00	120.00
The Catholic Syrian Bank Ltd.	10.00	—	—	175,000.00	281.25	—	—
National Stock Exchnage Of India Ltd.	10.00	25,000.00	255.31	—	—	—	—
<b>Total (D)</b>			1,762.93		889.17		611.12
<b>E. Investments in equity shares of associate companies (quoted)</b>							
<b>Equity shares at Amortised Cost</b>							
Dhunseri Investment Ltd.	10.00	1,316,476.00	448.76	1,316,476.00	448.76	1,316,476.00	448.76
<b>Total (E)</b>			448.76		448.76		448.76
<b>F. Investments in equity shares through Portfolio Managers</b>							
Ashmore India Opportunities Fund-Class B	—	—	—	1,980,805.99	163.58	1,980,805.99	195.98
<b>Total (F)</b>	—	—	—	—	163.58	—	195.98
<b>Total investments (net) (A+B+C+D+E+F)</b>			7,640.73		11,346.39		12,761.29

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>6. Other Financial Assets</b>			
Security Deposits	3.58	4.22	3.73
Advance to Employees	1.01	0.94	2.08
Advance Others	0.28	0.28	0.28
Other Receivables	0.02	0.04	38.31
Share Application Money Pending Allotment	128.75	—	—
	<u>133.64</u>	<u>5.48</u>	<u>44.40</u>
<b>7. Current Tax Assets (Net)</b>			
Advance Income Tax [Net of provision (31st March 2020 : ₹ 68.16 lakhs, 31st March, 2019 : ₹ 319.00 Lakhs; 1st April, 2018 : ₹ 739.00 Lakhs)]	—	3.36	4.61
	<u>—</u>	<u>3.36</u>	<u>4.61</u>
<b>8. Deferred Taxes</b>			
<b>Deferred Tax Assets / (Deferred Tax Liabilities)</b>			
Fair Valuation of Investments carried as Fair Value through P&L	11.18	(148.63)	(129.78)
Fair Valuation of Investments carried as Fair Value through OCI	134.72	25.16	(3.66)
Difference between written down value of Property, Plant & Equipment as per books of accounts and Income Tax Act, 1961	0.20	0.96	3.79
Provision for Employee Benefits	0.65	0.68	0.39
MAT Credit	—	—	—
<b>Net Deferred Tax Assets / (Deferred Tax Liability)</b>	<u>146.75</u>	<u>(121.83)</u>	<u>(129.26)</u>
	For the year ended 31st March, 2020	For the year ended 31st March, 2019	
<b>Movement in Deferred Tax Assets</b>			
<b>Balance at the beginning of the year</b>		(121.83)	(129.26)
<b>(Charged) /credited</b>			
Deferred Tax Assets on Provision for Earned Leave		(0.03)	0.29
Difference between written down value of Property, Plant and equipment as per books of accounts and Income Tax Act, 1961		(0.76)	(2.83)
Fair Valuation of Investment through OCI		109.56	28.82
Fair Valuation of Investment through P & L		159.81	(18.85)
<b>Balance at the end of the year</b>		<u>146.75</u>	<u>(121.83)</u>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	<u>Building</u>
<b>9. Investment property</b>	
<b>(A) Reconciliation of carrying amount</b>	
Deemed cost as at 1st April, 2018	—
Additions	467.77
<b>Cost as at 31st March, 2019</b>	467.77
Additions	280.42
<b>Cost as at 31st March, 2020</b>	748.19
<b>Amortisation</b>	
Balance as at 1st April, 2018	—
Charge for the year	19.41
<b>Balance as at 31st March, 2019</b>	19.41
Charge for the year	34.41
<b>Balance as at 31st March, 2020</b>	53.82
<b>Carrying value (net)</b>	
Balance as at 1st April, 2018	—
Balance as at 31st March, 2019	448.36
Balance as at 31st March, 2020	694.37
<b>(B) Measurement of Fair Values</b>	
<b>(i) Fair Value Hierarchy</b>	
The fair value measurement for all the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.	
<b>(ii) Valuation Technique</b>	
The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent in the area.	
	Year ended
	31st March, 2020
	Year ended
	31st March, 2019
<b>(C) Amounts recognised in profit or loss for investment properties</b>	
Rental Income	—
Direct operating expenses from property that generated rental income	—
Profit from investment properties before depreciation	—
Depreciation	34.41
Profit /(Loss) from investment properties	(34.41)
<b>(D) Fair Value</b>	
As at 31st March, 2020	694.37
As at 31st March, 2019	448.36
As at 1st April, 2018	—

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**10. Property, Plant and Equipment**

	Right of use Assets	Leasehold Land	Leasehold Buildings	Vehicles	Furniture & Fixtures	Computers	Office Equipment	Total
<b>Deemed cost as at</b>								
<b>1st April, 2018</b>	—	18.10	101.72	20.60	0.21	1.03	—	141.66
Additions	—	—	—	—	—	—	—	—
Disposals	—	—	—	19.32	—	—	—	19.32
<b>Cost as at 31st March, 2019</b>	—	18.10	101.72	1.28	0.21	1.03	—	122.34
Additions	417.48	—	—	—	—	0.08	0.72	418.28
Disposals	—	—	—	1.28	—	—	—	1.28
<b>Cost as at 31st March, 2020</b>	417.48	18.10	101.72	—	0.21	1.11	0.72	539.34
<b>Accumulated depreciation</b>								
<b>Balance as at 1st April, 2018</b>	—	—	—	—	—	—	—	—
Charge for the year	—	0.24	7.93	4.14	0.11	0.83	—	13.25
Disposals during the year	—	—	—	3.33	—	—	—	3.33
<b>Balance as at 31st March, 2019</b>	—	0.24	7.93	0.81	0.11	0.83	—	9.92
Charge for the year	5.64	0.22	7.13	0.07	0.02	0.15	0.03	13.26
Disposals during the year	—	—	—	0.88	—	—	—	0.88
<b>Balance as at 31st March, 2020</b>	5.64	0.46	15.06	—	0.13	0.98	0.03	22.30
<b>Carrying amounts (net)</b>								
<b>Balance as at 1st April, 2018</b>	—	18.10	101.72	20.60	0.21	1.03	—	141.66
<b>Balance as at 31st March, 2019</b>	—	17.86	93.79	0.47	0.10	0.19	—	112.42
<b>Balance as at 31st March, 2020</b>	411.84	17.64	86.66	—	0.08	0.13	0.69	517.04

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>11. Other Non-Financial Assets</b>			
Prepaid Expenses	13.06	13.73	16.15
Goods and Services Tax Receivable	5.68	1.50	1.24
Capital Advances	481.39	761.80	749.09
	<u>500.13</u>	<u>777.03</u>	<u>766.48</u>
<b>12. Other Financial Liabilities</b>			
Unpaid Dividend	10.83	11.53	12.55
Other Payables	8.91	7.15	10.74
Lease Liability	423.87	—	—
	<u>443.61</u>	<u>18.68</u>	<u>23.29</u>
<b>13. Current Tax Liabilities (Net)</b>			
Provision for Tax	68.16	—	—
Less : Advance Tax	19.29	—	—
	<u>48.87</u>	<u>—</u>	<u>—</u>
<b>14. Provisions</b>			
Provision for Compensated Absences	2.48	2.60	1.36
	<u>2.48</u>	<u>2.60</u>	<u>1.36</u>
<b>15. Other Non- Financial Liabilities</b>			
Statutory Dues ^	1.84	0.54	2.91
	<u>1.84</u>	<u>0.54</u>	<u>2.91</u>

^ Statutory dues include Tax Deducted at Source, Goods and Service tax and provident fund payable.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	Number	Amount	Number	Amount	Number	Amount
<b>16. Equity Share Capital</b>						
<b>Authorised Share Capital</b>						
Equity Shares of ₹ 10 each	25,00,000	250.00	25,00,000	250.00	25,00,000	250.00
<b>Issued, subscribed and fully paid up</b>						
Equity Shares of ₹ 10 each	10,00,000	100.00	10,00,000	100.00	10,00,000	100.00
<b>a. Reconciliation of shares outstanding at the beginning and at the end of the year</b>						
<b>Equity Shares</b>						
Balance at the beginning of the year	10,00,000	100.00	10,00,000	100.00	10,00,000	100.00
Balance at the end of the year	10,00,000	100.00	10,00,000	100.00	10,00,000	100.00

**b. Terms / Rights Attached to Equity Shares :**

The Company has one class of equity share having a face value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in ensuing General Meeting, except in case of interim dividend.

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

	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	Number	% Holding	Number	% Holding	Number	% Holding
<b>c. Details of Shareholders holding more than 5% Shares in the Company</b>						
<b>Equity Shares</b>						
M/s. Mint Investments Limited	3,32,210	33.22%	3,32,210	33.22%	3,32,210	33.22%
Sri Chandra Kr. Dhanuka (Karta of HUF) as a Partner of a Firm	1,61,130	16.11%	1,61,130	16.11%	1,61,130	16.11%
Smt. Aruna Dhanuka	78,700	7.87%	78,700	7.87%	78,700	7.87%

**d. Aggregate number of bonus share issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date :**

- (i) No bonus shares have been issued during the period of 5 years immediately preceding the reporting date.
- (ii) No shares have been allotted as fully paid paid-up pursuant to a contract without payment being received in cash.
- (iii) No shares have been bought back during the period of 5 years immediately preceding the reporting date.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>17. Other Equity</b>			
Capital Reserve	14.61	14.61	14.61
Statutory Reserves	1,802.20	1,802.20	1,761.01
General Reserve	6,100.00	6,100.00	6,000.00
Retained Earnings	1,912.86	1,979.03	2,139.80
Other Comprehensive Income	109.63	2,605.31	3,958.17
	<u>9,939.30</u>	<u>12,501.15</u>	<u>13,873.59</u>
<b>Capital Reserve</b>			
Balance as at the beginning of the year	14.61	14.61	14.61
Changes during the year	—	—	—
At the end of the year	<u>14.61</u>	<u>14.61</u>	<u>14.61</u>
<b>Statutory Reserves</b>			
Balance as at the beginning of the year	1,802.20	1,761.01	1,761.01
Changes during the year	—	41.19	—
At the end of the year	<u>1,802.20</u>	<u>1,802.20</u>	<u>1,761.01</u>
<b>General Reserve</b>			
Balance as at the beginning of the year	6,100.00	6,000.00	6,000.00
Changes during the year	—	100.00	—
At the end of the year	<u>6,100.00</u>	<u>6,100.00</u>	<u>6,000.00</u>
<b>Retained Earnings</b>			
Balance as at the beginning of the year	1,979.03	2,139.80	2,139.80
Add : Profit for the year	(36.03)	10.56	—
Less : Transfer to Statutory Reserve	—	(41.19)	—
Less : Transfer to General Reserve	—	(100.00)	—
Less : Dividend Paid during The Year	(25.00)	(25.00)	—
Less : Dividend Distribution Tax paid During The Year	(5.14)	(5.14)	—
At the end of the year	<u>1,912.86</u>	<u>1,979.03</u>	<u>2,139.80</u>
<b>Other Comprehensive Income</b>			
<b>Equity Instruments through Other Comprehensive Income</b>			
Balance as at the beginning of the year	2,605.37	3,958.17	—
Net change in fair value	(2,605.24)	(1,381.62)	3,961.83
Income Tax impact	109.56	28.82	(3.66)
At the end of the year	<u>109.69</u>	<u>2,605.37</u>	<u>3,958.17</u>
<b>Remeasurement of Defined Benefit Liability</b>			
Balance as at the beginning of the year	(0.06)	—	—
Remeasurement of defined benefit asset/ (liability)	—	(0.06)	—
At the end of the year	<u>0.06</u>	<u>0.06</u>	<u>—</u>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**a. Description of nature and purpose of each reserve :**
**General Reserve**

General reserve is created from time to time by way transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

**Retained Earnings**

Retained earnings are the profits that the Company has earned till date, less any transfer to general reserves, dividends and other distributions made to the shareholders.

**Statutory Reserve**

As per Section 45-IC(1) of the Reserve Bank of India Act, 1934, every non-banking financial company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

**FVTOCI Equity Investment Reserve**

The Company has elected to recognise changes in the fair value of investment in equity shares in other comprehensive income. These changes are accumulated within the FVTOCI investment reserve within equity. The Company will transfer amounts from the said reserve to retained earnings when the relevant equity shares are de-recognised.

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>18. Dividend Income</b>		
Dividend from Investments	204.46	199.06
	<u>204.46</u>	<u>199.06</u>
<b>19. Rental Income</b>		
Rental Income from Lease	31.26	68.70
	<u>31.26</u>	<u>68.70</u>
<b>20. Net gain on fair value changes</b>		
<b>Net gain /(loss) on financial instruments at FVTPL</b>		
<b>On trading portfolio</b>	(128.66)	25.66
<b>On financial instruments designated at FVTPL</b>		
Investment in Equity Shares	(3.20)	(51.25)
	<u>(131.86)</u>	<u>(25.59)</u>
<b>Fair Value Changes</b>		
Realised	15.81	19.78
Unrealised	(147.67)	(45.37)
	<u>(131.86)</u>	<u>(25.59)</u>
<b>21. Other Income</b>		
Profit on sale of Property, Plant and Equipment	0.75	13.81
Miscellaneous income	0.58	3.60
	<u>1.33</u>	<u>17.41</u>
<b>22. Finance Costs</b>		
<b>On financial liabilities measured at amortised cost</b>		
Interest on		
- Finance lease obligation	41.11	—
- Other Interest expense	0.11	0.45
	<u>41.22</u>	<u>0.45</u>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>23. Employee Benefits Expenses</b>		
Salaries and Wages	67.68	62.01
Contribution to Provident and Other Funds	4.61	5.52
Staff Welfare Expenses	4.17	4.02
	<u>76.46</u>	<u>71.55</u>
<b>24. Depreciation</b>		
Depreciation on Property, Plant and Equipment (Refer Note 10)	13.26	13.25
Depreciation on Investment Property (Refer Note 9)	34.41	19.41
	<u>47.67</u>	<u>32.66</u>
<b>25. Other Expenses</b>		
Rent, Taxes and Energy Costs	18.57	51.21
Legal and Professional Fees	15.28	11.60
Listing and Custodian Fees	4.13	3.63
Filing Fees	0.10	0.10
Auditor's Fees and Expenses #	1.00	0.70
Travelling and Conveyance Expenses	7.01	7.34
Director's Fees, Allowances, and Expenses	1.10	3.92
Repair and Maintenance Others	4.53	2.20
Communication Expenses	0.23	1.00
Corporate Social Responsibility Expenditure (Refer Note 36)	16.65	16.35
Insurance Expenses	0.10	4.91
Printing and Stationery	0.66	0.83
Miscellaneous Expenses	10.24	7.68
	<u>79.60</u>	<u>111.47</u>
<b>#Payment to Auditors</b>		
<b>As auditor</b>		
- Statutory Audit	0.70	0.55
- Reimbursement of Expenses	0.30	0.15
	<u>1.00</u>	<u>0.70</u>
<b>26. Income Tax</b>		
<b>A. Major Components of Income Tax (Expenses) / Income are :</b>		
<b>Recognised in Profit and Loss</b>		
Tax Expense	56.16	12.00
Tax Expense for earlier years	(0.87)	(0.50)
Deferred Tax Credit	(159.02)	21.39
<b>Total</b>	<u>(103.73)</u>	<u>32.89</u>
<b>Recognised in Other Comprehensive Income</b>		
Tax impact on		
Items that will not be reclassified to profit or loss	109.56	28.82
<b>Total</b>	<u>5.83</u>	<u>61.71</u>



**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
for the year ended 31st March, 2020 (Contd.)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>26. Income Tax</b>		
<b>B. Reconciliation of Effective Tax Rate :</b>		
Accounting Profit before Income tax	(139.76)	43.45
Tax at Statutory Income Tax rate of 27.82% (Previous Year 27.82%)	(38.88)	12.09
Non Deductible Expense	41.19	36.15
Inadmissible Income / Loss	31.96	36.51
Income Exempt for Tax Purpose	(56.88)	(55.38)
ICDS Effect	55.93	6.76
Income Taxable at Different Rate	28.36	(11.82)
MAT Credit Not Recognised	—	11.94
Others	(5.52)	(24.25)
Earlier Year Tax Adjustment	(0.87)	(0.50)
Deferred Tax Assets on Pthers Items	(159.02)	21.39
Total Tax Expenses at Effective Tax Rate (a+b)	(103.73)	32.89
Income tax Expense reported in the Statement of Profit and Loss	(103.73)	32.89
<b>27. Earnings per Share (EPS)</b>		
Net Profit / (Loss) attributable to Equity Shareholders	(36.03)	10.56
Weighted average number of equity shares outstanding during the year used as denominator in basic and diluted earnings per share	1,000,000	1,000,000
Basic Earnings / (Loss) per share (₹)	(3.60)	1.06
Diluted Earnings / (Loss) per share (₹)	(3.60)	1.06
Face value of share (₹)	10.00	10.00

**28. Disclosure of Transactions with Related Parties as Required by Ind AS 24**

		2019-2020		2018-2019	
Name of related parties and related party relationship	Nature of Transaction	Transaction Value	Outstanding amounts carried in Balance Sheet	Transaction Value	Outstanding amounts carried in Balance Sheet
<b>I. Associate Company</b>					
M/s. Dhunseri Investments Ltd.	—	—	—	—	—
<b>II. Key Management Personnel (KMP)</b>					
A number of key management personnel or their related parties hold positions in other entities that result in having control or significant influence over those entities. List of key management personnel and their relatives					
Mr. Chandra Kumar Dhanuka -	Director's Sitting Fees	0.20	—	0.18	—
Non Executive Director	Director's Commission			0.20	0.20
Mrs. Aruna Dhanuka	Director's Sitting Fees	0.16	—	0.11	—
Non Executive Director	Director's Commission			0.20	0.20
Mr. Mrigank Dhanuka	Director's Sitting Fees	0.07	—	—	—
Non Executive Director	Director's Commission			—	—

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS  
for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**28. Disclosure of Transactions with Related Parties as Required by Ind AS 24 (Contd.)**

		2019-2020		2018-2019	
Name of related parties and related party relationship	Nature of Transaction	Transaction Value	Outstanding amounts carried in Balance Sheet	Transaction Value	Outstanding amounts carried in Balance Sheet
II. <b>Key Management Personnel (KMP)</b>					
Mr. Mrigank Dhanuka					
Managing Director	Remuneration Paid	12.72	—	27.37	—
Gobind Ram Goenka	Director's Sitting Fees	0.25	—	0.22	—
Non Executive Director	Director's Commission			0.20	0.20
Rajeev Rungta	Director's Sitting Fees	0.21	—	0.21	—
Non Executive Director	Director's Commission			0.20	0.20
Indra Kishore Kejriwal	Director's Sitting Fees	0.23	—	0.21	—
Non Executive Director	Director's Commission			0.20	0.20
Mr. H.P. Bhuwania (Chief Executive Officer)	Remuneration Paid	6.00	0.50	6.00	—
Mr. Ayush Beriwala - (Chief Financial Officer)	Remuneration Paid	33.25	1.72	12.09	1.65
Ms. Chitra Thakwani - (Company Secretary)	Remuneration Paid	3.14	0.65	1.75	0.28
III. <b>Enterprise owned or Significantly Influenced by Key Management Personnal or their Relatives :</b>					
<b>List of Enterprise owned or Significantly influenced by KMP and their Relatives</b>					
Dhunseri Tea & Industries Ltd.	Rent Received	31.26	—	31.26	—
	Reimbursement of Maintainenece Charges Received	1.40	—	1.55	—
Trimplex Investments Ltd. (Group Company)	Hire Charges Paid	0.44	—	0.44	—
	Licence Fees Paid	2.30	—	2.30	—
	Reimbursement of Electricity Paid	0.79	—	0.86	0.16
Deepshika Modern Fashionware Pvt. Ltd. (Group Company)	Sale of Equity Shares	—	—	30.20	—
Dhunseri Overseas Pvt. Ltd.	Purchase of Equity Share (Nos. 89,97,000)	899.70	—	—	—

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**29. Employee Benefits Expense**
**a. Defined contribution plans :**

The Company makes contributions, determined as a specified percentage of the employee salaries in respect of qualifying employees towards provident fund, which is a defined contribution plan. The amount recognised as an expense towards contribution to provident fund for the year aggregated to ₹ 4.61 lakhs (31st March, 2019 : ₹ 5.52 lakhs)

**b. Compensated absences :**

The principal assumptions used in determining the compensated absences benefit obligation are as given below :

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Discounting rate (p.a.)	6.70%	7.60%	7.40%
Future salary increase ( p.a.)	5.00%	5.00%	5.00%

The discount rate is based on the prevailing market yield of Indian government securities as at the balance sheet date for the estimated terms of the obligation.

An amount of ₹ 0.68 Lakhs (previous year ₹ 1.63 Lakhs) pertaining to compensated absences is recognised as an expense and included in "Employee benefits expense" in Note 23.

**c. Defined benefit Plan : Gratuity**

Gratuity scheme - This is an defined benefit plan and it entitles an employee, who has rendered atleast 5 years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement / exit.

**i. Reconciliation of the net defined benefit Liability**

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability and its components

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Balance at the beginning of the year	8.91	7.44
Acquisition adjustment	—	1.45
Benefits paid	(4.54)	—
Current service cost	1.25	—
Interest cost	0.49	0.56
Actuarial (gains) losses recognised in other comprehensive income	0.62	(0.54)
Balance at the end of the year	6.73	8.91
<b>ii. Movement in Plan Assets</b>		
Opening Fair value of plan assets	13.58	12.54
Interest on plan assets	0.84	0.95
Actual return on plan assets less interest on plan assets	—	0.09
Benefit paid	(4.53)	—
Closing Fair value of plan assets	9.89	13.58
<b>iii. Expense Recognised in Profit or Loss</b>		
Current service cost	—	—
Interest cost	—	—
	—	—
<b>iv. Remeasurements recognised in other comprehensive income</b>		
Actuarial (gain) loss on defined benefit obligation	0.62	(0.54)

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### for the year ended 31st March, 2020 (Contd.)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>v. Actuarial Assumptions</b>			
Principal Actuarial Assumptions at the Reporting Date (expressed as weighted averages) :			
<b>Financial Assumptions</b>			
Discount Rate	6.70%	7.40%	7.60%
Future Salary Growth	5.00%	5.00%	5.00%
<b>Demographic assumptions</b>			
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Retirement Age	58 years	58 years	58 years
Withdrawal Rate (%)	1.00%	1.00%	1.00%

As at 31st March, 2020, the weighted average duration of the defined benefit obligation was 10 year (31st March, 2019 : 7 years)

#### vi. Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
Discount Rate (1%)	0.78	0.65	8.43	9.48
Future Salary Growth (1%)	0.78	0.67	9.49	8.41

Although the analysis does not take into account of the full distribution of cash flows expected under the plan, it does not provide an approximation of the sensitivity of the assumptions shown.

#### vii. Maturity Profile

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date :

	As at 31st March, 2020	As at 31st March, 2019
1 Year	1.17	5.06
2 to 5 Years	0.60	0.01
5 Years onwards	5.81	12.22

#### Risk Analysis

The Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans and management estimation of the impact of these risks are as follows :

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

- d. The fair Value of Gratuity Planned Asset is in excess of Provision required as per Gratuity Valuation report and the company has not recognised, the asset in the books.

**30. Financial instruments – Fair Values and Risk Management**
**i. Valuation Principles**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below :

**ii. Accounting classification and fair values**

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Particulars	31st March, 2020					
	Carrying Amount			Fair Amount		
	FVTPL	Designated at FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
<b>Financial assets</b>						
<b>Financial assets measured at fair value</b>						
Investment in mutual funds	480.38	—	—	480.38	—	—
Investment in equity shares	1,450.64	3,498.02	—	4,948.66	—	—
Equity Instruments (unquoted)	485.31	1,277.62	—	—	—	1,762.93
<b>Financial assets not measured at fair value #</b>						
Investments (At Cost)	—	—	448.76	—	—	—
Cash and cash equivalents	—	—	892.61	—	—	—
Bank balances other than cash and cash equivalents	—	—	10.83	—	—	—
Other financial assets	—	—	133.64	—	—	—
	2,416.33	4,775.64	1,485.84	5,429.04	—	1,762.93
<b>Financial liabilities *</b>						
<b>Financial liabilities not measured at fair value</b>						
Other Financial Liabilities	—	—	19.74	—	—	—
Lease Liability	—	—	423.87	—	—	—
Payable to employees	—	—	—	—	—	—
	—	—	443.61	—	—	—

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	31st March, 2019					
	Carrying Amount			Fair Amount		
	FVTPL	Designated at FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
<b>Financial Assets Measured at Fair Value</b>						
Investment in Mutual Funds	—	—	—	—	—	—
Investment in Equity Shares	5,034.70	4,810.18	—	9,844.88	—	—
Equity Instruments (Unquoted)	511.25	377.92	—	—	—	889.17
Investment in equity shares (Portfolio Management Services ('PMS'))	163.58	—	—	163.58	—	—
<b>Financial Assets not Measured at Fair Value #</b>						
Investments (At Cost)	—	—	448.76	—	—	—
Cash and Cash Equivalents	—	—	35.77	—	—	—
Bank Balances Other than cash and Cash Equivalents	—	—	15.99	—	—	—
Other Financial Assets	—	—	5.48	—	—	—
	5,709.53	5,188.10	506.00	10,008.46	—	889.17
<b>Financial Liabilities *</b>						
<b>Financial Liabilities not Measured at Fair Value</b>						
Other Financial Liabilities	—	—	18.68	—	—	—
Lease Liability	—	—	—	—	—	—
Payable to Employees	—	—	—	—	—	—
	—	—	18.68	—	—	—

Particulars	1st April, 2018					
	Carrying Amount			Fair Amount		
	FVTPL	Designated at FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
<b>Financial Assets Measured at Fair Value</b>						
Investment in Mutual Funds	1,290.45	—	—	1,290.45	—	—
Investment in Equity Shares	4,319.82	5,895.16	—	10,214.98	—	—
Equity Instruments (unquoted)	230.00	381.12	—	—	—	611.12
Investment in Equity Shares (Portfolio Management Services ('PMS'))	195.98	—	—	195.98	—	—
<b>Financial Assets not Measured at Fair Value #</b>						
Investments (At Cost)	—	—	448.76	—	—	—
Cash and Cash Equivalents	—	—	399.00	—	—	—
Bank Balances Other than Cash and Cash Equivalents	—	—	12.97	—	—	—
Other Financial Assets	—	—	44.40	—	—	—
	6,036.25	6276.28	905.13	11,701.41	—	611.12
<b>Financial Liabilities *</b>						
<b>Financial Liabilities not Measured at Fair Value</b>						
Other Financial Liabilities	—	—	23.29	—	—	—
Lease Liability	—	—	—	—	—	—
Payable to Employees	—	—	—	—	—	—
	—	—	23.29	—	—	—

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

#The Company has not disclosed fair value financial instruments carried at amortised cost such as investments, cash and cash equivalents, other bank balances and other financial assets because their carrying amounts are a reasonable approximation of fair value.

\*The Company has not disclosed fair value financial instruments carried at amortised cost such as trade payables, borrowings and other financial liabilities because their carrying amounts are a reasonable approximation of fair value.

**ii) Measurement of Fair Values**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 inputs.

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

Particulars	Fair value hierarchy	Valuation technique	Significant unobservable inputs	Inter-relationship between unobservable inputs and fair value measurement
<b>Financial assets measured at FVTPL</b> Investment in mutual funds	Level 1	'Market valuation technique: Investments traded in active markets are determined by reference to quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house, quoted price of equity shares in the stock exchange etc.	Not Applicable	Not Applicable
Investment in equity shares	Level 1	'Market valuation technique : Investments traded in active markets are determined by reference to the last traded rate of NSE/BSE.	Not Applicable	Not Applicable
Investment in equity shares unquoted	Level 3	'Investments in unquoted equity are valued by discounting the aggregate future cash flows (both principal and interest cash flows) with risk-adjusted discounting rate.	Price not available in active market	Discounting the aggregate future cash flow
Investment in equity shares (Portfolio Management Services ('PMS')) :	Level 1	'Market valuation technique: Investments traded in active markets are determined by reference to the last traded rate of NSE/BSE.	Not Applicable	Not Applicable
<b>Financial assets measured at FVTOCI</b> Financial assets measured at FVTOCI	Level 1	'Market valuation technique: Investments traded in active markets are determined by reference to the last traded rate of NSE/BSE.	Not Applicable	Not Applicable

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### for the year ended 31st March, 2020 (Contd.)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

#### 31. Financial Risk Management

##### Introduction and Risk Profile

The Company is a Non Banking Financial Company registered with Reserve Bank of India.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

##### i. Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises partially from the investments.

Credit risk is being managed using a set of credit norms and policies. The Company has defined roles and responsibilities for originators and approvers. All credit exposure limits are approved by Board of Directors. The Company follows a process of time-to-time revisiting the credit policy and processes, on the basis of experience and feedback.

The carrying amount of financial assets represent the maximum credit risk exposure. The maximum exposure to credit risk at the reporting was :

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Cash and Cash Equivalents (including bank balances)	892.61	40.23	399.42
Investments	7,640.73	11,346.39	12,761.29
Loans	—	—	—
Other Financial Assets	133.64	5.48	44.40
Total	8,666.98	11,392.10	13,205.11

Credit risk relating to cash and cash equivalent and bank deposits is managed by only accepting banks and and financial institution counterparties after evaluating parameters like capital adequacy, non- performing assets, profitability and liquidity ratios and net worth and by diversifying bank deposits in different banks across the country.

##### ii. Liquidity Risk

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

The Company's primary sources of liquidity include cash and bank balances, deposits, investment in mutual funds and cash flow from operating activities. As at 31 March, 2020, the Company had a working capital of ₹ 2439.09 lakhs (31st March, 2019 : ₹ 2135.65 lakhs and 1st April, 2018 : ₹ 4245.07 lakhs) including cash and cash equivalent of ₹ 892.61 lakhs (31st March, 2019 : ₹ 35.77 lakhs and 1st April, 2018 : ₹ 399.00 lakhs).

Consequently, the Company believes its revenue, along with proceeds from financing activities will continue to provide the necessary funds to cover its short term liquidity needs.

##### Exposure to Liquidity Risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.



**NOTES TO THE STANDALONE FINANCIAL STATEMENTS  
for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

As at 31st March, 2020	Contractual Cash Flows					
	Carrying amount	Total	0 - 1 year	1 - 2 years	2 - 5 years	More than 5 years
Term loan	—	—	—	—	—	—
Payable to Employees	—	—	—	—	—	—
Trades Payables	—	—	—	—	—	—
Lease Liability	423.87	5,012.95	35.60	72.93	75.66	4,828.76
Other Payables	8.91	8.91	8.91	—	—	—

As at 31st March, 2019	Contractual Cash Flows					
	Carrying amount	Total	0 - 1 year	1 - 2 years	2 - 5 years	More than 5 years
Term Loan	—	—	—	—	—	—
Payable to Employees	—	—	—	—	—	—
Trades Payables	—	—	—	—	—	—
Other Payables	7.15	7.15	7.15	—	—	—

As at 1st April, 2018	Contractual Cash Flows					
	Carrying amount	Total	0 - 1 year	1 - 2 years	2 - 5 years	More than 5 years
Term Loan	—	—	—	—	—	—
Payable to Employees	—	—	—	—	—	—
Trades Payables	—	—	—	—	—	—
Other Payables	10.74	10.74	10.74	—	—	—

**iii) Market Risk**

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**a. Foreign Currency Risk**

Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is not exposed to foreign currency risk as the Company does not have receivables or payables in foreign currency.

**b. Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk from the external borrowings that are used to finance their operations.

**c. Market Price Risk**

The Company is mainly exposed to the price risk due to its investment in mutual funds and quoted equity shares. The price risk arises due to uncertainties about the future market values of these investments. The Company has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in mutual funds and equity shares.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### for the year ended 31st March, 2020 (Contd.)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Carrying Value as at		
	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Investments valued using quoted Price in active market	5,429.04	10,008.46	11,701.41
	<u>5,429.04</u>	<u>10,008.46</u>	<u>11,701.41</u>
Sensitivity Analysis on Total			
		Increase by 1%	Decrease by 1%
Impact on total Comprehensive income for the year ended 31.03.2020		54.29	(54.29)
Impact on total Comprehensive income for the year ended 31.03.2019		100.08	(100.08)

#### iv) Legal and Operational Risk

##### a) Legal Risk

Legal risk is the risk relating to losses due to legal or regulatory action that invalidates or otherwise precludes performance by the end user or its counterparty under the terms of the contract or related netting agreements. There is currently no legal risk on the company.

##### b) Operational Risk

**Operational risk framework is designed to cover all functions and verticals towards identifying the key risks in the underlying processes. The framework, at its core, has the following elements :**

1. Well defined Governance Structure.
2. Regular workshops and training for enhancing awareness and risk culture.
3. Documented Operational Policy.

#### 32. Capital Management

For the purpose of Company's capital management, capital includes issued equity share capital, other equity reserve. The primary objective of capital management is to maintain an efficient capital structure to reduce the cost of capital and to maximize shareholder's values

Following table summarizes the capital structure of the company

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Share Capital	100.00	100.00	100.00
Other Equity	9,939.30	12,501.15	13,873.59
Total Equity	10,039.30	12,601.15	13,973.59

#### 33. Dividends

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Dividend on Equity Shares paid during the year</b>		
Final dividend for the FY 2018-19		
[₹ 2.50 (Previous year - ₹ 2.50) per equity share]	25.00	25.00
Dividend distribution tax on final dividend	5.14	5.14

The Board of Directors recommended a Dividend @ 12.5% i.e. ₹ 1.25/- per Equity share for the financial year 2019-20 in the board meeting dated 30.07.2020.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**34. Commitments and Contingencies**

The Company has no contingent liability as at March 31, 2020, March 31, 2019 and April 1, 2018

The Company has no commitments as at March 31, 2020, March 31, 2019 and April 1, 2018

The Board of Directors of the Company takes decision in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and is thus considered to be chief operating decision maker.

**35. Operating Segment**

The Board of Director of the Company takes decision in respect of allocational resources and asses the performance bassis the reprot / information provided by the functional heads and thus considered to be chief operating desicion maker.

The Company is engaged in the business of holding investments in various entities within the group and investing funds into other relevant securities with the objective to earn reasonable return. Considering the nature of company's business and operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

**36. Corporate social responsibility expenditure**

Disclosure in respect of CSR expenditure under section 135 of the Companies Act, 2013 and rules thereon

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Gross amount required to be spent by the Company during the year	16.61	16.31
Amount spent by the Company during the year (Contribution to Dhanuka Dhunseri Foundation)	16.65	16.35

**37. Expenditure in Foreign Currency**

The Company has not incurred any expenditure in foreign currency for the year ended March 31, 2020 and March 31, 2019.

**38. Leases**

As lessor :

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.

The adoption of the new standard resulted in the recognition of right-of-use (ROU) asset of ₹ 417.48 lacs and a lease liabilities of ₹ 427.83 Lacs.

As Lessor :

The company has sub leased the premise to Dhunseri Tea and Industries Ltd. under the terms constituting an operating lease. The company has recognised the lease rentals of ₹ 31.26 Lacs as income in its books.

**39. COVID-19, a global pandemic has resulted in a significant decrease in the economic activities across the world including India, on account of lockdown announced on 23rd March, 2020. This has affected activities of organisations across the economic ecosystem impacting earnings prospects and valuations of Companies, which has created huge volatility in stock markets, in which the company operates. As a result, the company's business is impacted by decline in carrying value of investments and thus profitability.**

The management is continuously focussing on company's capital and liquidity position, which remain strong. There have been no changes to the company's internal financial control during this pandemic.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

The management has carried out current assessment of the potential impact of Covid-19 on the company and is of the view that the company is well capitalised with low leverage, widely diversified investment activities and has adequate liquidity to sustain its operations and look for appropriate investment opportunities. The impact assessment is continuous process and will continue to monitor for any material changes to the future economic conditions.

**40. Maturity analysis of assets and liabilities**

The table summarises the analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

	31st March, 2020			31st March, 2019			1st April, 2018		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Financial Assets</b>									
Cash and Cash Equivalents	892.61	—	892.61	35.77	—	35.77	399.00	—	399.00
Bank Balances Other than Cash									
Equivalents	10.83	—	10.83	15.99	—	15.99	12.97	—	12.97
Investments	1,470.36	6,170.37	7,640.73	2,096.99	9,249.40	11,346.39	3,812.78	8,948.51	12,761.29
Other Financial Assets	130.06	3.58	133.64	1.26	4.22	5.48	40.67	3.73	44.40
<b>Non-Financial Assets</b>									
Current Tax Assets (Net)	—	—	—	3.36	—	3.36	4.61	—	4.61
Deferred Tax Assets (Net)	—	146.75	146.75	—	—	—	—	—	—
Investment Property	—	694.37	694.37	—	448.36	448.36	—	—	—
Property, Plant and Equipment	—	105.20	105.20	—	112.42	112.42	—	141.66	141.66
Right of Use Assets	—	411.84	411.84	—	—	—	—	—	—
Other Non-Financial Assets	5.68	494.45	500.13	1.50	775.53	777.03	1.24	765.24	766.48
<b>Total Assets</b>	<b>2,509.54</b>	<b>8,026.56</b>	<b>10,536.10</b>	<b>2,154.87</b>	<b>10,589.93</b>	<b>12,744.80</b>	<b>4,271.27</b>	<b>9,859.14</b>	<b>14,130.41</b>
<b>Liabilities and Equity</b>									
<b>Liabilities</b>									
<b>Financial Liabilities</b>									
<b>Payables</b>									
Other Financial Liabilities	19.74	423.87	443.61	18.68	—	18.68	23.29	—	23.29
<b>Non-Financial Liabilities</b>									
Current Tax Liabilities (Net)	48.87	—	48.87	—	—	—	—	—	—
Provisions	—	2.48	2.48	—	2.60	2.60	—	1.36	1.36
Deferred Tax Liabilities (Net)	—	—	—	—	121.83	121.83	—	129.26	129.26
Other Non- Financial Liabilities	1.84	—	1.84	0.54	—	0.54	2.91	—	2.91
<b>Total liabilities</b>	<b>70.45</b>	<b>426.35</b>	<b>496.80</b>	<b>19.22</b>	<b>124.43</b>	<b>143.65</b>	<b>26.20</b>	<b>130.62</b>	<b>156.82</b>
<b>Equity</b>									
Equity Share Capital	—	100.00	100.00	—	100.00	100.00	—	100.00	100.00
Other Equity	—	9,939.30	9,939.30	—	12,501.15	12,501.15	—	13,873.59	13,873.59
<b>Total Equity</b>	<b>—</b>	<b>10,039.30</b>	<b>10,039.30</b>	<b>—</b>	<b>12,601.15</b>	<b>12,601.15</b>	<b>—</b>	<b>13,973.59</b>	<b>13,973.59</b>
<b>Liabilities and Equity</b>	<b>70.45</b>	<b>10,465.65</b>	<b>10,536.10</b>	<b>19.22</b>	<b>12,725.58</b>	<b>12,744.80</b>	<b>26.20</b>	<b>14,104.21</b>	<b>14,130.41</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**41. First time Adoption of Ind AS**

These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31st March, 2020, the comparative information presented in these financial statements for the year ended 31st March, 2019 and in the preparation of an opening Ind AS Balance sheet at 1st April, 2018 (the Company's date of transition).

In preparing its opening Ind AS Balance sheet and in presenting the comparative information for the year ended 31st March, 2019, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under section 133 of the Companies read with paragraph 7 of the Companies (Account) Rules, 2014, considered as 'Previous 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. Exemptions Availed :**

Ind AS 101 First-Time Adoption of Indian Accounting Standards allows first-time adopters certain exemptions from the retrospective application of certain Ind AS. The Company has applied the following exemptions:

**I. Property, Plant and Equipment, Intangible Assets and Investment Property**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and investment property as recognised 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. Accordingly, the Company has elected to measure all of its property, plant and equipment and investment property at their previous GAAP carrying value.

**II. Investment in Subsidiaries and Associates**

Under previous GAAP, investment in subsidiaries were being carried in the Balance sheet at cost. Ind AS 101 permits the Company to measure its investment in subsidiaries at its previous GAAP carrying amount as at the date of transition as deemed costs.

Accordingly, the Company has adopted to measure its investment in subsidiaries and associates at the previous GAAP carrying amount as at the date of transition as deemed costs.

**III. Designation of Previously Recognised Financial Instruments**

Under Ind AS 109, at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in equity instrument (other than investments in subsidiaries, associates) in other comprehensive income. Ind AS 101 allows such designation of previously recognised financial assets, as 'fair value through other comprehensive income' on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

Accordingly, the Company has designated its investments in certain equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

**B. The following mandatory exceptions have been availed :**
**I. Estimates**

An entity's estimates in accordance with Ind ASs 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 1st April, 2018 are consistent with the estimates as at the same date made in conformity with previous GAAP. Key estimates considered in preparation of the financial statement that were not required under the previous GAAP are listed below :

- Fair value of financial instrument carried at FVTPL and FVOCI.
- Determination of discounted value for financial instruments carried at amortised cost

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**II. Classification and Measurement of Financial Assets**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

**III. De-recognition of Financial Assets and Liabilities**

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financials Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if 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 derecognition principles of Ind AS 109 retrospectively as reliable information was available at the time of initially accounting for these transactions.

**C. Reconciliation of total equity as at 31st March, 2019 and 1st April, 2018**

	Notes to first time adoption	Share capital	Capital reserve	General reserve	Retained earnings	Other comprehensive	Statutory reserve	Total
<b>Balance as at 1st April, 2018</b>								
<b>as per previous GAAP</b>		100.00	14.61	6,000.00	1,009.61	—	1,761.01	8,885.23
Gain / (loss) arising from fair valuation of Investments	D.1	—	—	—	1,261.71	3,961.83	—	5,223.54
Measurement of Security Deposits at amortised costs	D.2	—	—	—	(1.74)	—	—	(1.74)
Deferred Tax on above adjustments	D.4	—	—	—	(129.78)	(3.66)	—	(133.44)
<b>Balance as at 1st April, 2018</b>								
<b>as per Ind AS</b>		100.00	14.61	6,000.00	2,139.80	3,958.17	1,761.01	13,973.59
<b>Balance as at 31 March 2019</b>								
<b>as per previous GAAP</b>		100.00	14.61	6,100.00	1,044.23	—	1,802.20	9,061.04
Gain / (Loss) arising from fair valuation of Investments	D.1	—	—	—	1,085.71	2,580.21	—	3,665.92
Measurement of Security Deposits at amortised costs		—	—	—	(1.87)	—	—	(1.87)
Remeasurements of Gain / (Loss) on defined benefit obligations	D.3	—	—	—	0.06	(0.06)	—	—
Other Adjustments		—	—	—	(0.65)	—	—	(0.65)
Deferred Tax on above adjustments	D.4	—	—	—	(148.45)	25.16	—	(123.29)
<b>Balance as at 31st March, 2019</b>								
<b>as per Ind AS</b>		100.00	14.61	6,100.00	1,979.03	2,605.31	1,802.20	12,601.15

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**D. Reconciliation of total comprehensive income for the year ended 31st March, 2019**

	Notes to first time adoption	For the year ended 31st March, 2019
<b>Net Profit as per previous Gaap</b>		205.95
Effect of measuring the financial instruments at fair value	D.1	(176.00)
Measurement of security deposits at amortised costs	D.2	(0.13)
Remeasurements of gain/(loss) on defined benefit obligations	D.3	0.06
Other Adjustments		(0.65)
Deferred tax on above adjustments		(18.67)
<b>Net Profit as per Ind AS</b>		10.56
Other Comprehensive Income (Net of Tax)	D.4	(1,352.86)
<b>Total Comprehensive Income as per Ind AS</b>		(1,342.30)

**D.1 Fair valuation of Investments**

Under the previous GAAP, investments in mutual funds, unquoted equity and quoted equity share were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value.

Under Ind AS, the company has recognised investments through profit and loss and designated certain equity investment through FVOCI measured at Fair Value.

The difference between the fair value of investments through profit and loss as per Ind AS and carrying value of investments as per Previous GAAP has resulted in increase of investments and corresponding increase in retained earnings as on transition date by ₹ 1261.71 Lakhs. During the corresponding year ended 31st March, 2019, such fair valuation accounting has resulted in an decrease of investments and corresponding decrease in profit and loss for the year by ₹ 176.00 lakhs.

The difference between the fair value of investments through FVOCI as per Ind AS and carrying value of investments as per Previous GAAP has resulted in increase of investments and corresponding increase in retained earnings as on transition date by ₹ 3961.83 lakhs. During the corresponding year ended 31st March, 2019, such fair valuation accounting has resulted in an decrease of investments and corresponding decrease in other comprehensive income for the year by ₹ 1352.86 lakhs.

**D.2 Remeasurements of Security Deposit**

Under Ind AS, re-measurements i.e. security deposit not given on market rate are recognised at amortised cost. The application of IND AS has resulted in recognition of interest income of ₹ 0.65 lakhs and amortisation of prepaid expenses of ₹ 2.40 lakhs as at transition date and corresponding ₹ 0.06 lakhs and ₹ 0.21 lakhs as at 31st March, 2019.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**D.3 Remeasurements of Post-Employment Benefit Obligations**

Both under Indian GAAP and Ind AS, the Company recognised cost related to its post-employment defined benefits plan on actuarial basis. Under Indian GAAP, the entire cost including the actuarial gains and losses are charged to statement of profit and loss. Under Ind AS, remeasurements (comprising of actuarial gains and losses) are recognised immediately in Balance sheet with corresponding debit credit to retained earning through OCI. For the year ended 31st March, 2019, remeasurement of gratuity liability resulted in net benefit of ₹ 0.06 lakhs which has now been removed from employee benefits expenses in the Statement of profit and Loss and recognised separately in OCI. This has resulted in increase in employee benefits expense by ₹ 0.40 lakhs and gain in OCI by ₹ 0.06 lakhs for the year ended 31st March, 2019.

**D.4 Deferred Tax Adjustment**

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 Income Taxes requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS has resulted in recognition of deferred tax on temporary differences which were not required to be recognised under Previous GAAP. The above changes have resulted in creation of deferred tax assets (net) amounting to ₹ 133.44 lakhs as at the transition date to Ind AS and ₹ 10.15 lakhs as at 31st March, 2019.



**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

42. Schedule to the Balance Sheet of a Non-Deposit taking Non-Banking Financial Company as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2007.

**Liabilities Side**

1. Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid :

	<u>Amount Outstanding</u>	<u>Amount Overdue</u>
a) Debentures : Secured	NIL	NIL
Unsecured	NIL	NIL
(Other than falling within the meaning of public deposits)		
b) Deferred Credits	NIL	NIL
c) Term Loans	NIL	NIL
d) Inter-Corporate Loans, Borrowings and Advances	NIL	NIL
e) Commercial Paper	NIL	NIL
f) Other Loans	NIL	NIL

**Assets Side**

2. Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :

a) Secured	NIL
b) Unsecured	481.39

3. Break-up of Leased Assets and Stock on hire and other assets counting towards

Assets Finance Companies activities

- (i) Lease assets including lease Rentals under Sundry Debtors :

(a) Financial Lease	NIL
(b) Operating Lease	NIL

- (ii) Stock on Hire including Hire Charges under Sundry Debtors :

(a) Assets on Hire	NIL
(b) Repossessed Assets	NIL

- (iii) Other loans counting towards AFC activities

(a) Loans where Assets have been Repossessed	NIL
(b) Loans other than (a) above	NIL

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020** (Contd.)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

4. Break-up of Investments

Current Investments

1. Quoted

i) Shares :	a) Equity	1,450.64
	b) Preference	NIL
ii) Debentures and Bonds		NIL
iii) Units of Mutual Funds		480.38
iv) Government Securities		NIL
v) Others (please specify)		NIL

2. Unquoted

i) Shares :	a) Equity	485.31
	b) Preference	NIL
ii) Debentures and Bonds		NIL
iii) Units of Mutual Funds		NIL
iv) Government Securities		NIL
v) Others (please specify)		NIL

Long Term Investments

1. Quoted

i) Shares :	a) Equity	3,946.78
	b) Preference	NIL
ii) Debentures and Bonds		NIL
iii) Units of Mutual Funds		NIL
iv) Government Securities		NIL
v) Others		NIL

2. Unquoted

i) Shares :	a) Equity	1,277.62
	b) Preference	NIL
ii) Debentures and Bonds		NIL
iii) Units of Mutual Funds		NIL
iv) Government Securities		NIL
v) Others - Warrants		NIL

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

	Secured	Unsecured	Total
1. Related Parties			
a) Subsidiaries	NIL	NIL	NIL
b) Companies in the same group	NIL	NIL	NIL
c) Other Related Parties	NIL	NIL	NIL
2. Other than Related Parties	NIL	NIL	NIL
Total	NIL	NIL	NIL

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	<u>Market Value/ Breakup or Fair Value or NAV</u>	<u>Book Value (Net of Provisions)</u>
6. Investor Group-wise classification of all Investments (Current and Long Term) in Shares and Securities (both quoted and unquoted Category)		
1. Related Parties		
a) Subsidiaries	NIL	NIL
b) Companies in the same group	5,004.36	3,842.41
c) Other Related Parties	NIL	NIL
2. Other than Related Parties		
a) Quoted : Shares and Securities	2,832.63	2,832.63
b) Un-quoted : Shares and Securities	485.31	485.31
c) Units of Mutal Fund	480.38	480.38
Total	8,802.68	7,640.73
7. Other Information		
Sl. No. Particulars		Amount
i) Gross Non Performing Assets		
a) Related Parties		NIL
b) Other than related parties		NIL
ii) Net Non Performing Assets		
a) Related Parties		NIL
b) Other than Related Parties		NIL
iii) Assets acquired in satisfaction of debt.		NIL

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**Signatories to Notes 1 to 42**

SUNIL OSWAL, *FCA, Partner*  
Membership No. : 071678  
For and on behalf of  
DHANDHANIA & ASSOCIATES  
(*Chartered Accountants*)  
Firm Registration No. : 316052E  
Place : Kolkata  
Dated : The 30th day of July, 2020

For and on behalf of the Board of Directors of  
Naga Dhunseri Group Ltd.  
CIN : L01132WB1918PLC003029

C. K. DHANUKA	<i>Chairman</i>
DIN : 00005684	
RAJEEV RUNGTA	<i>Director</i>
DIN : 00122221	
CHITRA THAKWANI	<i>Company Secretary &amp;</i>
ACS 54009	<i>Compliance Officer</i>
AYUSH BERIWALA	<i>Chief Financial Officer</i>
H. P. BHUWANIA	<i>Chief Executive Officer</i>

**INDEPENDENT AUDITORS' REPORT**

To The Members of

**NAGA DHUNSERI GROUP LIMITED****Report on the Consolidated Financial Statements****Opinion**

We have audited the accompanying consolidated Ind AS financial statements of **NAGA DHUNSERI GROUP LIMITED** (hereinafter referred to as "the Investor Company"), and its associate, comprising of the consolidated Balance sheet as at 31st March, 2020, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Investor as at 31st March, 2020, their consolidated loss including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, 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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	Auditor's Response
<b>Adoption of new accounting framework Ind AS</b> Refer Note 1 and 2 for significant accounting policies and Note 42 for reconciliation. Effective 1st April, 2019 the Company adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with transition date of 1st April, 2018 and prepared the first set of consolidated financial statements under Ind AS framework in the current year. For periods up to and including the year ended 31st March, 2019, the Investor prepared its consolidated financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).	<p>Our key audit procedures included, but not limited to, the following :</p> <ul style="list-style-type: none"><li>• Understanding of management's processes and controls around adoption of Ind AS. We sought explanations from the management for areas involving complex judgements or interpretations to assess its appropriateness</li><li>• Reviewed the diagnostics performed by the management to assess the impact on Ind AS transition to the individual financial statement line items</li><li>• Reviewed the implementation of exemptions availed and options chosen by the Investor in accordance with the requirements of Ind AS 101, first time adoption of Indian Accounting Standards (Ind AS 101).</li></ul>

**INDEPENDENT AUDITORS' REPORT (Contd.)**

Key Audit Matter	Auditor's Response
<p>This change in the financial reporting framework required an end-to-end evaluation of the potential impact on each component of the financial statement which involved significant efforts required by the management. This process also required the management to apply significant judgements to identify and elect appropriate accounting policies suitable for various transactions and balances relating to the operations of the Investor including electing of available options for transition of balances as at transition date from the previous GAAP to the new GAAP.</p> <p>Further, the first time preparation of the Ind AS consolidated financial statements involved preparation and presentation of additional notes and disclosures as required by the Ind AS framework as compared to the previous GAAP in addition to Note 44 to the consolidated financial statements setting forth the reconciliation of balances from previous GAAP to the new GAAP as at the transition date, and the impact of restatement on the results of the comparative period due to such transition.</p> <p>The areas where there was a significant impact on account of first time adoption of Ind AS involved <b>Ind As 109, Financial Instruments</b> amongst others :</p> <p>Refer Note 5 for details of Investments. The carrying value of investments as at 31st March, 2020 was ₹ 34,129.14 lakhs comprising investment in equity instruments and units of mutual fund.</p> <p>The carrying value of investments represents 92.18% of the total assets of the Investor.</p> <p>Considering the significance of the above transition with respect to the consolidated financial statements, the complexities and efforts involved, this matter has been identified as a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> <li>• Evaluated the accounting policies adopted by the Investor on transition to Ind AS and assessed its appropriateness basis our understanding of the entity and its operations and the requirements of relevant accounting standards under the Ind AS framework.</li> <li>• Evaluated whether the presentation and disclosures in the consolidated financial statements are in accordance with the requirements of the applicable standards and regulatory requirements.</li> <li>• Evaluated the appropriateness and adequacy of disclosures with respect to the reconciliations prepared and presented by the management in the consolidated financial statements in accordance with Ind AS 101.</li> </ul>

**Other information**

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

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

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

**INDEPENDENT AUDITORS' REPORT (Contd.)****Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Investor in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Investor are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Investor and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

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

Those respective Board of Directors of the companies included in the Investor are also responsible for overseeing the financial reporting process of the Investor.

**Auditors' Responsibility for the Audit of the Consolidated Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism 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 controls 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 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

**INDEPENDENT AUDITORS' REPORT (Contd.)**

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 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 Company 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 or business activities within the Investor of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended 31 March 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matters**

- (a) We did not audit the consolidated financial statements of one associate, whose financial statements reflect total assets of ₹ 1,92,743.72 lacs as at 31st March, 2020, total revenues of ₹ 11,234.44 lacs and net cash inflow amounting to ₹ 1,237.58 lacs for the year ended on that date, as considered in the consolidated financial statement.
- (b) The consolidated financial statement includes the Investor's share of net loss after tax of ₹ 488.22 lacs and total comprehensive loss of ₹ 1,359.10 lacs, as considered in the consolidated financial statement, in respect of one associate, whose financial statements have been audited by their respective independent auditor. The independent auditors' reports on the financial statements of these entities have been furnished to us by the management and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of the such other auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

**Report on Other Legal and Regulatory Requirements**

1. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that :
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

**INDEPENDENT AUDITORS' REPORT (Contd.)**

- (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 and the report of the other auditor.
  - (c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary and associate companies, incorporated in India, none of the Directors of the other companies incorporated in India is disqualified as on 31st March, 2020 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Investor and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - i) the Investor and its associate does not have any pending litigations as on the balance sheet date which would impact its financial position.
    - ii) the Investor and its associate did not have any material foreseeable losses on long term contracts including derivatives;
    - iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary and associate company incorporated in India; and
2. With respect to the matters to be included in the Auditor's Report under section 197(16).

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such associate company incorporated in India which was not audited by us, the remuneration paid during the year by the holding company its subsidiary company and associate companies to its directors is in accordance with the provisions of section 197(16) of companies act. The Ministry of corporate affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

SUNIL OSWAL, FCA, *Partner*  
Membership No. 071678  
For and on behalf of  
DHANDHANIA & ASSOCIATES  
*Chartered Accountants*  
Firm Registration No. 316052E  
UDIN : 20071678AAAAEK6881

Place : Kolkata  
Date : The 30th day of July, 2020



## **ANNEXURE - A TO INDEPENDENT AUDITORS' REPORT**

### **Report on the Internal Financial Controls 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 31st March, 2020, we have audited the internal financial controls over financial reporting of **NAGA DHUNSERI GROUP LIMITED** ("the Holding Company"), its subsidiary and associate companies which are company incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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

**ANNEXURE - A TO INDEPENDENT AUDITORS' REPORT (Contd.)**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Holding Company and its subsidiary company and associate company, which are Companies 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 control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India"

Place : Kolkata  
Date : The 30th day of July, 2020

SUNIL OSWAL, FCA, *Partner*  
Membership No. 071678  
For and on behalf of  
DHANDHANIA & ASSOCIATES  
*Chartered Accountants*  
Firm Registration No. 316052E  
UDIN : 20071678AAAAEK6881

**CONSOLIDATED BALANCE SHEET**  
**as at 31st March, 2020**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Note No.	As at 31st March, 20210	As at 31st March, 2019	As at 1st April, 2018
<b>Assets</b>				
<b>Financial Assets</b>				
Cash and Cash Equivalents	3	892.61	35.77	399.00
Bank Balances other than Cash and Cash Equivalents	4	10.83	15.99	12.97
Investments	5	34,129.14	39,701.86	39,928.33
Other Financial Assets	6	133.64	5.48	44.40
<b>Non-financial Assets</b>				
Current Tax Assets (net)	7	—	3.36	4.61
Deferred Tax Assets (net)	8	146.75	—	—
Investment Property	9	694.37	448.36	—
Property, Plant and Equipment	10	105.20	112.42	141.66
Right of use Assets	10	411.84	—	—
Other Non-financial Assets	11	500.13	777.03	766.48
<b>Total Assets</b>		<b>37,024.51</b>	<b>41,100.27</b>	<b>41,297.45</b>
<b>Liabilities and Equity</b>				
<b>Liabilities</b>				
<b>Financial Liabilities</b>				
Other Financial Liabilities	12	443.61	18.68	23.29
<b>Non-financial Liabilities</b>				
Current Tax Liabilities (Net)	13	48.87	—	—
Deferred Tax Liability (Net)	8	—	121.83	129.26
Provisions	14	2.48	2.60	1.36
Other Non-Financial Liabilities	15	1.84	0.54	2.91
<b>Total Liabilities</b>		<b>496.80</b>	<b>143.65</b>	<b>156.82</b>
<b>Equity</b>				
Equity Share Capital	16	100.00	100.00	100.00
Other Equity	17	36,427.71	40,856.62	41,040.63
<b>Total Equity</b>		<b>36,527.71</b>	<b>40,956.62</b>	<b>41,140.63</b>
<b>Total Liabilities and Equity</b>		<b>37,024.51</b>	<b>41,100.27</b>	<b>41,297.45</b>

Summary of Significant Accounting Policies

2

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

As per our Report of even date attached

 For and on behalf of the Board of Directors of  
 Naga Dhunseri Group Ltd.

CIN : L01132WB1918PLC003029

SUNIL OSWAL, FCA, Partner

Membership No. : 071678

For and on behalf of

DHANDHANIA &amp; ASSOCIATES

(Chartered Accountants)

Firm Registration No. : 316052E

Place : Kolkata

Dated : The 30th day of July, 2020

C. K. DHANUKA Chairman

DIN : 00005684

RAJEEV RUNGTA Director

DIN : 00122221

 CHITRA THAKWANI Company Secretary &  
 ACS 54009 Compliance Officer

AYUSH BERIWALA Chief Financial Officer

H. P. BHUWANIA Chief Executive Officer

# NAGA DHUNSERI GROUP LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2020

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Income</b>			
<b>Revenue from Operations</b>			
Dividend Income	18	184.72	179.31
Rental Income	19	31.26	68.70
<b>Total Revenue from Operations</b>		215.98	248.01
Other Income	21	1.33	17.41
<b>Total Income</b>		217.31	265.42
<b>Expenses</b>			
Finance Costs	22	41.22	0.45
Net loss on Fair Value Changes	20	131.86	25.59
Employee Benefits Expenses	23	76.46	71.55
Depreciation	24	47.67	32.66
Other Expenses	25	79.60	111.47
<b>Total Expenses</b>		376.81	241.72
<b>Profit before Share of Net Profits from Equity Accounted Investees and Tax</b>		(159.50)	23.70
Share of Profit of Equity Accounted Investees		(488.22)	911.05
<b>Profit before Tax</b>		(647.72)	934.75
<b>Tax Expense</b>	26		
Current Tax		56.16	12.00
Deferred Tax Credit		(159.02)	21.39
Earlier Year Tax Adjustments		(0.87)	(0.50)
<b>Tax Expense</b>		(103.73)	32.89
<b>Profit After Tax</b>		(543.99)	901.86
<b>Other Comprehensive Income / (Loss)</b>			
<b>Items that will not be Reclassified Subsequently to Profit or Loss</b>			
Equity instruments designated through other comprehensive income - net change in fair value		(2,605.24)	(1,381.62)
Remeasurement of defined benefit (asset) / liability		—	(0.06)
Income tax relating to items that will not be reclassified to profit or loss		109.56	28.82
<b>Net Other Comprehensive Income / (Loss) not to be reclassified Subsequently to Profit or Loss</b>		(2495.68)	(1352.86)
Other Comprehensive Income of Associate		(1,359.10)	297.13
<b>Total Other Comprehensive Income / (Loss) for the year</b>		(3,854.78)	(1,055.73)
<b>Total Comprehensive Income /(Loss) for the year</b>		(4,398.77)	(153.87)
<b>Earnings per Share</b>			
<b>Nominal value of share ₹ 10 (31st March, 2019 : ₹ 10)</b>			
Basic earning / (Loss) per Share (₹)	27	(54.40)	90.19
Diluted earning / (Loss) per Share (₹)	27	(54.40)	90.19
Summary of Significant Accounting Policies	2		
The accompanying notes are an integral part of the Standalone Financial Statements			
As per our Report of even date attached			

SUNIL OSWAL, FCA, Partner  
Membership No. : 071678  
For and on behalf of  
DHANDHANIA & ASSOCIATES  
(Chartered Accountants)  
Firm Registration No. : 316052E  
Place : Kolkata  
Dated : The 30th day of July, 2020

For and on behalf of the Board of Directors of  
Naga Dhunseri Group Ltd.  
CIN : L01132WB1918PLC003029  
C. K. DHANUKA Chairman  
DIN : 00005684  
RAJEEV RUNGTA Director  
DIN : 00122221  
CHITRA THAKWANI Company Secretary &  
ACS 54009 Compliance Officer  
AYUSH BERIWALA Chief Financial Officer  
H. P. BHUWANIA Chief Executive Officer

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**for the year ended 31st March, 2020**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Cash flows from Operating Activities</b>			
<b>Profit/ (loss) before tax</b>		(647.72)	934.75
<b>Adjustments for :</b>			
Depreciation, Amortisation and Impairment		47.67	32.66
Fair value changes		131.86	25.59
Share of profit of Equity Accounted Investees		488.22	(911.05)
Profit on sale of Property, Plant and Equipment		(0.75)	(13.81)
<b>Operating profit before working capital changes</b>		19.28	68.14
<b>Movement in working capital</b>			
Increase in Other Financial Assets		(128.16)	38.92
(Increase)/Decrease in Other Non-Financial Assets		276.90	(10.55)
Increase in Other Financial Liabilities		424.93	(4.61)
(Decrease)/Increase in Other Non-Financial Liabilities		1.30	(2.37)
Increase in Long Term Provisions		(0.13)	1.18
<b>Cash generated from operations</b>		594.12	90.71
Direct taxes paid (net of refunds)		(3.06)	(10.25)
<b>Net cash generated from operating activities</b>		591.06	80.46
<b>Cash flow from investing activities</b>			
Acquisition of Investment Property		(280.42)	(467.77)
Acquisition of Property, Plant and Equipment		(418.28)	—
Proceeds from Sale of Assets		1.15	29.81
Purchase of Investment		(8,881.51)	(6,638.28)
Sale of Investment		9,859.50	6,646.10
Share Difference Loss		(9.42)	(0.14)
Dividend from Associate		19.74	19.75
<b>Net cash used in investing activities</b>		290.76	(410.53)
<b>Cash flow from financing activities</b>			
Dividend Paid		(25.00)	(25.00)
Dividend Tax		(5.14)	(5.14)
<b>Net Cash used in Financing Activities</b>		(30.14)	(30.14)
<b>Net increase / (Decrease) in Cash and Cash Equivalents</b>		851.68	(360.21)
<b>Cash and Cash Equivalents at the beginning of the year</b>		51.76	411.97
<b>Cash and Cash Equivalents at the end of the year</b>		903.44	51.76
<b>Components of Cash and Cash Equivalents</b>			
Cash on Hand		5.13	5.09
Balance with Bank		887.48	30.68
- On current Accounts		10.83	15.99
<b>Total Cash and Cash Equivalents</b>		903.44	51.76

**Note :** The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows"

As per our report of even date attached

For and on behalf of the Board of Directors of  
Naga Dhunseri Group Ltd.

CIN : L01132WB1918PLC003029

C. K. DHANUKA *Chairman*

DIN : 00005684

RAJEEV RUNGTA *Director*

DIN : 00122221

CHITRA THAKWANI *Company Secretary &  
Compliance Officer*

ACS 54009

AYUSH BERIWALA *Chief Financial Officer*

H. P. BHUWANIA *Chief Executive Officer*

SUNIL OSWAL, *FCA, Partner*

Membership No. : 071678

For and on behalf of

DHANDHANIA & ASSOCIATES

(Chartered Accountants)

Firm Registration No. : 316052E

Place : Kolkata

Dated : The 30th day of July, 2020

# NAGA DHUNSERI GROUP LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2020

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Number	Amount
<b>A. Equity Share Capital</b>		
<b>Balance as at 1st April, 2018</b>	10,00,000.00	100.00
Add : Changes in equity share capital during the year	—	—
<b>Balance as at 31st March, 2019</b>	10,00,000.00	100.00
Add : Changes in equity share capital during the year	—	—
<b>Balance as at 31st March, 2020</b>	10,00,000.00	100.00

### B. Other Equity

	Capital Reserve	Reserve and Surplus			Items of other comprehensive income		Total attributable to owners of the Company
		General Reserve	Retained Earnings	Statutory Reserves	Equity instruments through other comprehensive income	Remeasurement of defined benefit asset/(liability)	
<b>Balance as at 1st April, 2018</b>	27,181.65	6,000.00	2,139.80	1,761.01	3,958.17	—	41,040.63
Profit for the year	—	—	901.86	—	—	—	901.86
Dividend	—	—	(25.00)	—	—	—	(25.00)
Dividend Distribution Tax Paid during the Year	—	—	(5.14)	—	—	—	(5.14)
Other Comprehensive Income of Associate	—	—	—	—	297.13	—	297.13
Other Comprehensive Income (net of tax)	—	—	—	—	(1,381.62)	(0.66)	(1,381.68)
Transfer to General Reserve	—	100.00	(100.00)	—	—	—	—
Transfer to Statutory Reserve	—	—	(41.19)	41.19	—	—	—
Tax Impact	—	—	—	—	28.82	—	28.82
<b>Balance as at 31st March, 2019</b>	27,181.65	6,100.00	2,870.33	1,802.20	2,902.50	(0.06)	40,856.62
<b>Total comprehensive income for the year ended 31st March, 2019</b>							
Profit for the year	—	—	(543.99)	—	—	—	(543.99)
Dividend	—	—	(25.00)	—	—	—	(25.00)
Dividend Distribution Tax Paid during the Year	—	—	(5.14)	—	—	—	(5.14)
Other Comprehensive Income of Associate	—	—	—	—	(1,359.10)	—	(1,359.10)
Other Comprehensive Income (net of tax)	—	—	—	—	(2,605.24)	—	(2,605.24)
Tax Impact	—	—	—	—	109.56	—	109.56
<b>Balance as at 31st March, 2020</b>	27,181.65	6,100.00	2,296.20	1,802.20	(952.28)	(0.06)	36,427.71

### Summary of Significant Accounting Policies

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

As per our Report of even date attached

For and on behalf of the Board of Directors of  
Naga Dhunseri Group Ltd.

CIN : L01132WB1918PLC003029

C. K. DHANUKA *Chairman*

DIN : 00005684

RAJEEV RUNGTA *Director*

DIN : 00122221

CHITRA THAKWANI *Company Secretary &  
Compliance Officer*

ACS 54009

AYUSH BERIWALA *Chief Financial Officer*

H. P. BHUWANIA *Chief Executive Officer*

SUNIL OSWAL, FCA, Partner

Membership No. : 071678

For and on behalf of

DHANDHANIA & ASSOCIATES

(Chartered Accountants)

Firm Registration No. : 316052E

Place : Kolkata

Dated : The 30th day of July, 2020

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2020**

### **Investment in Associate and Significant Accounting Policies Forming Part of the Consolidated Financial Statements For the Year Ended 31st March, 2020**

#### **1. INVESTMENT IN ASSOCIATE**

The Consolidated Financial Statements of the Company pertain to Naga Dhunseri Group Limited (The Investor) and its Associate.

The Investment in Associate is shown below :

Name of the Companies	Category	Country of Incorporation	Proportion of Ownership
Dhunseri Investments Limited	Associate	India	21.59%

#### **2. SIGNIFICANT ACCOUNTING POLICIES :**

##### **a) Basis of Preparation of Financial Statements**

The financial statements for the year ended March 31, 2020 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard. For periods up to and including the year ended March 31, 2019, the Company presented its financial statements under the historical cost convention and accrual basis of accounting complying with the provisions of the Companies Act 2013, and are in accordance with generally accepted accounting principles in India ('Indian GAAP' or 'previous GAAP'). The financial statements for the year ended March 31, 2020 are the first financial statements of the Company prepared under Ind AS. An explanation of how the transition to Ind AS has affected the reported financial position, financial performance and cash flows of the Company is provided in note 41. The Company consistently applies the following accounting policies to all periods presented in these financial statements, unless otherwise stated.

##### **b) Functional and Presentation Currency**

These financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency. All amounts have been denominated in lakhs and rounded off to the nearest two decimal, except when otherwise indicated.

##### **c) Historical Cost Convention**

The financial statements have been prepared on a historical cost basis, except for the following material items :

- 1) Financial assets at Fair value through other comprehensive income (FVTOCI) that is measured at fair value.
- 2) Financial instruments at Fair value through profit and loss (FVTPL) that is measured at fair value.
- 3) Net defined benefit (asset)/ liability - fair value of plan assets less present value of defined benefit obligation.

##### **d) Significant Accounting Judgements, Estimates and Assumptions**

The preparation of the Company's separate financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. This note provides an overview of the areas that involve a higher degree of judgements or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these judgements, estimates and assumptions is mentioned below.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

Judgements, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

### Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### 1) Defined Benefit Plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### 2) Fair Value Measurement of Unquoted Financial Instruments

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

### e) Financial Assets

#### Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

#### Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified into three categories :

- 1) Financial assets at amortised cost
- 2) Financial assets at fair value through other comprehensive income (FVTOCI)
- 3) Financial assets at fair value through profit or loss (FVTPL)

#### Financial Assets at Amortised Cost

**A financial asset is measured at amortised cost if both of the following conditions are met :**

- i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial asset is 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 other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.



## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

### **for the year ended 31st March, 2020 (Contd.)**

#### **Financial Assets at fair Value through Other Comprehensive Income**

A financial asset is measured at fair value through other comprehensive income if both of the following criteria are met :

- 1) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, and
- 2) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Financial Assets at Fair Value through Profit or Loss**

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

In addition, the Company may elect to classify a financial asset, which otherwise meets amortised cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency. After initial measurement, such financial assets are subsequently measured at fair value in the statement of profit and loss.

#### **De-recognition of Financial Assets**

A financial asset is de-recognised when :

- 1) The contractual rights to receive cash flows from the financial asset have expired, or
- 2) The Company has transferred its contractual 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.

#### **f) Financial Liabilities**

##### **i) Initial recognition and Measurement**

Financial Liabilities are initially measured at their fair value except in the case of financial liabilities reorded at FVTPL, transaction Costs are added to this amount.

##### **ii) Subsequent Measurement**

Financial liabilities are subsequently measured at amortised cost using effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying value approximates fair value due to short maturity of these instruments. Loans and borrowings are measured at net of directly attributable costs.

#### **g) Investment in Associates**

Investment in associates are stated at cost less impairment loss, if any. Investments are tested for impairment wherever event or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of investments exceeds its recoverable amount.

#### **h) 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.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts.

**i) Property, Plant & Equipments**

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

Depreciation on Property Plant and Equipments has been provided on Written Down Value Method as per the useful life and rate prescribed in Schedule II to the Companies Act, 2013 except for the Leasehold Land and Building which is amortised over effective period of agreement.

Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.

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

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

**j) Investment Property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment Property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment, if any. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Depreciation has been provided on Written Down Value Method.

The fair values of investment property is disclosed in the notes. Fair values is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

**k) Leases:**

**The Company as Lessee**

At the inception of the contract, the Company assesses whether a contract contains a lease. 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. For the purpose of identifying if a contract contains a lease, 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 control the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except in case of low value leases and short term leases (a term of less than twelve months) wherein the lease payments are recognized as an operating expense on a straight-line basis over the term of the lease.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

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.

The right-of-use assets are initially recognized at cost. Cost includes the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the useful life of the underlying asset or the lease term whichever is shorter. Right of use assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

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

**l) Impairment of Assets**

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

**m) Provisions and Contingent Liabilities**

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

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

**n) Dividends**

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when 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.

**o) Taxes on Income**

i) Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognised outside profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

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

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

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

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

- iii) Tax credit is recognised in respect of Minimum Alternate Tax (MAT) as per the provisions of section 115JAA of the Income Tax Act, 1961 based on the convincing evidence that the company will pay normal Income tax within statutory time frame and is reviewed at each Balance Sheet date.

**p) Revenue Recognition**

- i) Dividend income on equity shares is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.
- i) Financial assets are subsequently measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI), as applicable. The Company recognises gains/losses on fair value change of financial assets measured as FVTPL and realised gains/losses on derecognition of financial asset measured at FVTPL and FVOCI.
- iii) Rental Income is recognised on accrual basis.

**q) Employee Benefits**

**(i) Short-Term Employee Benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

**(ii) Defined Benefit Plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the Projected Unit Credit (PUC) method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ("the asset ceiling"). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### for the year ended 31st March, 2020 (Contd.)

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

#### (iii) **Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

#### (iv) **Other Long Term Employee Benefit Obligations**

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the Projected Unit Credit method. Remeasurement gains or losses are recognised in profit or loss in the period in which they arise.

#### r) **Cash Flow Statement**

Cash flows are reported using the indirect method, prescribed in IND AS -7 whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, financing and investing activities of the company are segregated based on the available information.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### for the year ended 31st March, 2020 (Contd.)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>3. Cash and Cash Equivalents</b>			
Cash on hand	5.13	5.09	5.15
Balance with bank			
- in current accounts	887.48	30.68	393.85
	<u>892.61</u>	<u>35.77</u>	<u>399.00</u>
<b>4. Bank balances other than Cash and Cash Equivalents</b>			
- in dividend accounts	10.83	11.53	12.55
Deposits with banks in current accounts (*)	—	4.46	0.42
	<u>10.83</u>	<u>15.99</u>	<u>12.97</u>

\* Consists of balances in bank accounts maintained by Portfolio Managers

	At Cost Cost	Through other comprehensive income	Through profit & loss	Total
<b>5. Investments</b>				
<b>As at 31st March, 2020</b>				
Mutual funds (quoted)	—	—	480.38	480.38
Equity Instruments (quoted)	—	3,498.02	1,450.64	4,948.66
Equity Instruments (unquoted)	—	1,277.62	485.31	1,762.93
Associates (quoted)	26,937.17	—	—	26,937.17
Portfolio Management Services ('PMS') :	—	—	—	—
<b>Total</b>	<u>26,937.17</u>	<u>4,775.64</u>	<u>2,416.33</u>	<u>34,129.14</u>
<b>As at 31 March, 2019</b>				
Mutual Fund (quoted)	—	—	—	—
Equity Instruments (quoted)	—	4,810.18	5,034.70	9,844.88
Equity Instruments (unquoted)	—	377.92	511.25	889.17
Associates (quoted)	28,804.23	—	—	28,804.23
Portfolio Management Services ('PMS') :	—	—	163.58	163.58
<b>Total</b>	<u>28,804.23</u>	<u>5,188.10</u>	<u>5,709.53</u>	<u>39,701.86</u>
<b>As at 1st April, 2018</b>				
Mutual Funds (quoted)	—	—	1,290.45	1,290.45
Equity Instruments (quoted)	—	5,895.16	4,319.82	10,214.98
Equity Instruments (unquoted)	—	381.12	230.00	611.12
Associates (quoted)	27,615.80	—	—	27,615.80
Portfolio Management Services ('PMS') :	—	—	195.98	195.98
<b>Total</b>	<u>27,615.80</u>	<u>6,276.28</u>	<u>6,036.25</u>	<u>39,928.33</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### for the year ended 31st March, 2020 (Contd.)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Face Value	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
		Number	Amount	Number	Amount	Number	Amount
5. <b>Investments (Contd.)</b>							
A. <b>Investments in Mutual Funds (quoted)</b>							
<b>Mutual funds at fair value through profit or loss</b>							
ICICI Prudential Liquid Fund - Growth		—	—	—	—	185,753.51	478.98
SBI Premier Liquid Fund - Regular Plan - Growth		—	—	—	—	29,881.89	811.47
SBI Liquid Fund Regular Growth		15,528.13	480.38	—	—	—	—
<b>Total (A)</b>			480.38	—	—	—	1,290.45
B. <b>Investments in Equity Shares (quoted)</b>							
<b>Equity shares at fair value through profit or loss</b>							
B1. Aarti Industries Ltd.	5.00	10.00	0.08	—	—	—	—
Apl Apollo Tubes Ltd.	10.00	—	—	1,900.00	27.40	—	—
Bajaj Finserv Ltd.	5.00	2,700.00	123.96	9,680.00	681.19	12,680.00	656.64
Balrampur Chini Mills Ltd.	1.00	—	—	204,500.00	280.37	—	—
Bandhan Bank Ltd.	10.00	2,414.00	4.92	—	—	—	—
Bhagiradha Chemicals & Industries Ltd.	10.00	15,391.00	38.65	15,391.00	76.02	—	—
Biocon Ltd.	5.00	475.00	1.29	—	—	—	—
CSB Bank Ltd.	10.00	37,750.00	44.56	—	—	—	—
Caplin Point Laboratories Ltd.	2.00	—	—	23,277.00	93.50	23,277.00	133.38
Deepak Nitrite Ltd.	2.00	—	—	27,100.00	74.29	—	—
Divi'S Laboratories Ltd.	2.00	1,038.00	20.65	—	—	—	—
Easun Reyrolle Ltd.	2.00	194,989.00	3.31	178,338.00	14.09	51,064.00	6.84
Escorts Ltd.	10.00	—	—	26,550.00	211.35	—	—
Excel Crop. Care Ltd.	5.00	—	—	4,920.00	177.90	4,565.00	138.57
Future Retail Ltd.	2.00	—	—	95,900.00	435.24	—	—
Gujarat State Fertilizers & Chemicals Ltd.	5.00	1.00	0.00	1.00	0.00	1.00	0.00
Hdfc Asset Management Co. Ltd.	5.00	27,137.00	119.77	5,282.00	81.02	—	—
Kotak Mahindra Bank Ltd.	5.00	837.00	10.85	—	—	21,960.00	230.27
Laurus Labs Ltd.	10.00	—	—	—	—	9,800.00	49.30
Medicamen Biotech Ltd.	10.00	—	—	16,000.00	77.59	—	—
Motherson Sumi Systems Ltd.	1.00	—	—	147,322.00	220.54	98,215.00	306.19
National Building Ltd.	1.00	—	—	—	—	44,437.00	84.61
Orient Electric Ltd.	1.00	20,745.00	40.74	141,449.00	215.64	—	—
Radico Khaitan Ltd.	2.00	363.00	0.97	—	—	—	—
SBI Life Insurance Co. Ltd.	10.00	4,312.00	27.64	—	—	—	—
Sumitomo Chemical India Ltd.	10.00	6,375.00	11.77	—	—	—	—
Shree Pushkar Chemicals And Fertilisers Ltd.	10.00	—	—	—	—	106,550.00	216.14
Spencers Retail Ltd.	5.00	—	—	85,700.00	137.12	—	—
State Bank Of India	1.00	—	—	17,300.00	55.49	140.00	0.35
Suven Life Sciences Ltd.	1.00	—	—	40,700.00	106.19	—	—
Uniply Industries Ltd.	2.00	—	—	227,150.00	89.38	45,430.00	171.18
Titan Company Ltd.	1.00	1,056.00	9.86	—	—	—	—
Trent Ltd.	1.00	338.00	1.64	—	—	—	—
Whirlpool Of India Ltd.	10.00	—	—	3,100.00	46.97	—	—
<b>Total (B1)</b>			460.66		3,101.29		1,993.47

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Face Value	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
		Number	Amount	Number	Amount	Number	Amount
5. <b>Investments</b> (Contd.)							
B2 <b>For Trading</b>							
3M India Ltd.	10.00	1.00	0.19	—	—	—	—
Abb India Ltd.	2.00	13.00	0.12	—	—	—	—
Abbott India Ltd.	10.00	2.00	0.31	—	—	—	—
Abb Power Products & Systems India Ltd.	2.00	2.00	0.02	—	—	—	—
Apcotex Industries Ltd.	5.00	—	—	52,900.00	278.25	52,900.00	259.92
Astec Lifescience Ltd.	10.00	5.00	0.02	5.00	0.03	—	—
Bosch Ltd.	10.00	1.00	0.09	—	—	—	—
Britannia Industries Ltd. 8 Ncd	—	10.00	—	—	—	—	—
Britannia Industries Ltd.	1.00	10.00	0.27	10.00	0.31	—	—
Chambal Fertilizers & Chemicals Ltd.	10.00	—	—	186,872.00	312.17	—	—
Deepak Fertilizers And Petrochemicals Corpn. Ltd.	10.00	—	—	—	—	128,857.00	371.75
Godrej Agrovet Ltd.	10.00	5.00	0.02	5.00	0.03	—	—
Hindustan Oil Exploration Company Ltd.	10.00	10.00	0.23	—	—	410,800.00	453.73
Jain Irrigation Systems Ltd.	2.00	—	—	—	—	200,000.00	212.90
Mahindra & Mahindra Limited	5.00	5.00	0.01	5.00	0.03	—	—
Mahindra Logistics Ltd.	10.00	5.00	0.01	5.00	0.03	—	—
Natco Pharma Limited	2.00	51,700.00	261.37	14,000.00	80.28	31,900.00	240.41
Nestle India Ltd.	10.00	475.00	77.43	5.00	0.55	—	—
Page Industries Ltd.	10.00	5.00	0.85	5.00	1.25	—	—
The Ramco Cements Limited	1.00	34,800.00	178.47	—	—	—	—
Nippon Life India Asset Management Ltd.	10.00	105,500.00	262.91	—	—	—	—
RBL Bank Ltd.	10.00	—	—	43,500.00	295.95	—	—
Sterlite Technologies Ltd.	2.00	—	—	118,950.00	259.84	94,850.00	296.32
Siemens Ltd.	2.00	11.00	0.12	—	—	—	—
Varun Beverages Ltd.	10.00	39,200.00	207.54	81,312.00	704.69	78,062.00	491.32
<b>Total (B2)</b>			989.98		1,933.41		2,326.35
<b>Total (B)=(B1+B2)</b>			1,450.64		5,034.70		4,319.82



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Face Value	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
		Number	Amount	Number	Amount	Number	Amount
<b>C. Investments in equity shares (quoted)</b>							
<b>Equity shares at fair value through other comprehensive income</b>							
Aarti Industries Ltd.	5.00	30.00	0.23	—	—	—	—
Bajaj Finserv Ltd.	5.00	8,100.00	371.89	3,675.00	258.61	3,675.00	190.31
Bandhan Bank Ltd.	10.00	7,242.00	14.76	—	—	—	—
Bhagiradha Chemicals & Industries Ltd.	10.00	46,176.00	115.95	46,176.00	228.06	—	—
Biocon Ltd.	5.00	1,425.00	3.86	—	—	—	—
Csb Bank Ltd.	10.00	113,250.00	133.69	—	—	—	—
Divi'S Laboratories Ltd.	2.00	3,112.00	61.90	—	—	—	—
Easun Reyrolle Ltd.	2.00	584,968.00	9.94	535,008.00	42.27	153,193.00	20.53
Excel Crop. Care Ltd.	5.00	—	—	750.00	27.12	—	—
Gujarat State Fertilizers & Chemicals Ltd.	5.00	4.00	0.00	4.00	0.00	4.00	0.00
Hdfc Asset Management Co. Ltd.	5.00	81,413.00	359.32	—	—	—	—
Kotak Mahindra Bank Ltd.	5.00	2,513.00	32.56	—	—	—	—
Orient Electric Ltd.	1.00	62,236.00	122.23	12,446.00	18.98	—	—
Radico Khaitan Ltd.	2.00	1,087.00	2.92	—	—	—	—
SBI Life Insurance Co. Ltd.	10.00	12,938.00	82.93	—	—	—	—
Sumitomo Chemical India Ltd.	10.00	19,125.00	35.32	—	—	—	—
Titan Company Ltd.	1.00	3,169.00	29.59	—	—	—	—
Trent Ltd.	1.00	1,012.00	4.90	—	—	—	—
Dhunseri Tea & Industries Ltd.	10.00	615,751.00	689.03	615,751.00	1,364.20	615,751.00	1,700.40
Dhunseri Ventures Ltd.	10.00	3,078,759.00	1,427.00	3,078,759.00	2,870.94	3,078,759.00	3,983.92
<b>Total (C)</b>			3,498.02		4,810.18		5,895.16
<b>D. Investments in equity shares (unquoted)</b>							
<b>Equity shares at fair value through other comprehensive income</b>							
Deepshika Modern Fashionware Ltd.	10.00	—	—	—	—	32,000.00	3.20
Dhunseri Overseas Pvt Ltd.	10.00	11,996,000.00	1,199.60	2,999,000.00	299.90	2,999,000.00	299.90
Madhuting Tea Pvt Ltd.	10.00	130,000.00	78.02	130,000.00	78.02	130,000.00	78.02
<b>Equity shares at fair value through profit or loss</b>							
Mira Estates Pvt Ltd.	10.00	1,100,000.00	110.00	1,100,000.00	110.00	1,100,000.00	110.00
Forge Point Ltd.	5.00	400,000.00	120.00	400,000.00	120.00	400,000.00	120.00
The Catholic Syrian Bank Ltd.	10.00	—	—	175,000.00	281.25	—	—
National Stock Exchnage Of India Ltd.	10.00	25,000.00	255.31	—	—	—	—
<b>Total (D)</b>			1,762.93		889.17		611.12
<b>E. Investments in equity shares of associate companies (quoted)</b>							
<b>Equity shares at Amortised Cost</b>							
Dhunseri Investment Ltd.	10.00	1,316,476.00	26,937.17	1,316,476.00	28,804.24	1,316,476.00	27,615.80
<b>Total (E)</b>			26,937.17		28,804.24		27,615.80
<b>F. Investments in equity shares through Portfolio Managers</b>							
Ashmore India Opportunities Fund-Class B	—	—	—	1,980,805.99	163.58	1,980,805.99	195.98
<b>Total (F)</b>	—	—	—	—	163.58	—	195.98
<b>Total investments (net) (A+B+C+D+E+F)</b>			34,129.14		39,701.87		39,928.34

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>6. Other Financial Assets</b>			
Security Deposits	3.58	4.22	3.73
Advance to Employees	1.01	0.94	2.08
Advance Others	0.28	0.28	0.28
Other Receivables	0.02	0.04	38.31
Share Application money pending allotment	128.75	—	—
	<u>133.64</u>	<u>5.48</u>	<u>44.40</u>
<b>7. Current Tax Assets (Net)</b>			
Advance Income Tax [Net of Provision (31st March 2020 : ₹ 68.16 lakhs, 31st March, 2019 : ₹ 319.00 lakhs; 1st April 2018 : ₹ 739.00 lakhs)]	—	3.36	4.61
	<u>—</u>	<u>3.36</u>	<u>4.61</u>
<b>8. Deferred Taxes</b>			
<b>Deferred Tax Assets / (Deferred Tax Liability)</b>			
Fair valuation of investments carried as fair value through P&L	11.18	(148.63)	(129.78)
Fair valuation of investments carried as fair value through OCI	134.72	25.16	(3.66)
Difference between written down value of Property, Plant & Equipment as per books of accounts and Income tax Act, 1961	0.20	0.96	3.79
Provision for Employee Benefits	0.65	0.68	0.39
MAT Credit	—	—	—
<b>Gross Deferred Tax Assets</b>	<u>146.75</u>	<u>(121.83)</u>	<u>(129.26)</u>
	For the year ended 31st March, 2020	For the year ended 31st March, 2019	
<b>Movement in Deferred Tax Assets</b>			
<b>Balance at the beginning of the year</b>		(121.83)	(129.26)
<b>(Charged) /credited</b>			
Deferred Tax Assets on Provision for Earned Leave		(0.03)	0.29
Difference between written down value of Property, Plant and Equipment as per books of accounts and Income Tax Act, 1961		(0.76)	(2.83)
Fair Valuation of Investment through OCI		109.56	28.82
Fair Valuation of Investment through P & L		159.81	(18.85)
<b>Balance at the end of the year</b>		<u>146.75</u>	<u>(121.83)</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

		Building
9.	<b>Investment property</b>	
(A)	<b>Reconciliation of carrying amount</b>	
	<b>Deemed cost as at 1st April, 2018</b>	—
	Additions	467.77
	<b>Cost as at 31st March, 2019</b>	467.77
	Additions	280.42
	<b>Cost as at 31st March, 2020</b>	748.19
	<b>Amortisation</b>	
	<b>Balance as at 1st April, 2018</b>	—
	Charge for the year	19.41
	<b>Balance as at 31st March, 2019</b>	19.41
	Charge for the year	34.41
	<b>Balance as at 31st March, 2020</b>	53.82
	<b>Carrying value (net)</b>	
	<b>Balance as at 1st April, 2018</b>	—
	<b>Balance as at 31st March, 2019</b>	448.36
	<b>Balance as at 31st March, 2020</b>	694.37
(B)	<b>Measurement of Fair Values</b>	
(i)	<b>Fair Value Hierarchy</b>	
	The fair value measurement for all the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.	
(ii)	<b>Valuation Technique</b>	
	The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent in the area.	

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

### 10. Property, Plant and Equipment

	Right of use Assets	Leasehold Land	Leasehold Buildings	Vehicles	Furniture & Fixtures	Computers	Office Equipment	Total
<b>Deemed cost as at</b>								
<b>1st April, 2018</b>	—	18.10	101.72	20.60	0.21	1.03	—	141.66
Additions	—	—	—	—	—	—	—	—
Disposals	—	—	—	19.32	—	—	—	19.32
<b>Cost as at 31st March, 2019</b>	—	18.10	101.72	1.28	0.21	1.03	—	122.34
Additions	417.48	—	—	—	—	0.08	0.72	418.28
Disposals	—	—	—	1.28	—	—	—	1.28
<b>Cost as at 31st March, 2020</b>	417.48	18.10	101.72	—	0.21	1.11	0.72	539.34
<b>Accumulated depreciation</b>								
<b>Balance as at 1st April, 2018</b>	—	—	—	—	—	—	—	—
Charge for the year	—	0.24	7.93	4.14	0.11	0.83	—	13.25
Disposals during the year	—	—	—	3.33	—	—	—	3.33
<b>Balance as at 31st March, 2019</b>	—	0.24	7.93	0.81	0.11	0.83	—	9.92
Charge for the year	5.64	0.22	7.13	0.07	0.02	0.15	0.03	13.26
Disposals during the year	—	—	—	0.88	—	—	—	0.88
<b>Balance as at 31st March, 2020</b>	5.64	0.46	15.06	—	0.13	0.98	0.03	22.30
<b>Carrying amounts (net)</b>								
<b>Balance as at 1st April, 2018</b>	—	18.10	101.72	20.60	0.21	1.03	—	141.66
<b>Balance as at 31st March, 2019</b>	—	17.86	93.79	0.47	0.10	0.20	—	112.42
<b>Balance as at 31st March, 2020</b>	411.84	17.64	86.66	—	0.08	0.13	0.69	517.04

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>11. Other Non-Financial Assets</b>			
Prepaid Expenses	13.06	13.73	16.15
Goods and Services Tax Receivable	5.68	1.50	1.24
Capital Advances	481.39	761.80	749.09
	<u>500.13</u>	<u>777.03</u>	<u>766.48</u>
<b>12. Other financial liabilities</b>			
Unpaid dividend	10.83	11.53	12.55
Other Payables	8.91	7.15	10.74
Lease Liability	423.87	—	—
	<u>443.61</u>	<u>18.68</u>	<u>23.29</u>
<b>13. Current tax liabilities (Net)</b>			
Provision for tax	68.16	—	—
Less : Advance Tax	19.29	—	—
	<u>48.87</u>	<u>—</u>	<u>—</u>
<b>14. Provisions</b>			
Provision for compensated absences	2.48	2.60	1.36
	<u>2.48</u>	<u>2.60</u>	<u>1.36</u>
<b>15. Other non- financial liabilities</b>			
Statutory dues ^	1.84	0.54	2.91
	<u>1.84</u>	<u>0.54</u>	<u>2.91</u>

^ Statutory dues include Tax Deducted at Source, Goods and Service tax and provident fund payable.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	Number	Amount	Number	Amount	Number	Amount
<b>16. Equity Share Capital</b>						
<b>Authorised Share Capital</b>						
Equity Shares of ₹ 10 each	25,00,000	250.00	25,00,000	250.00	25,00,000	250.00
<b>Issued, subscribed and fully paid up</b>						
Equity Shares of ₹ 10 each	10,00,000	100.00	10,00,000	100.00	10,00,000	100.00
<b>a. Reconciliation of shares outstanding at the beginning and at the end of the year</b>						
<b>Equity Shares</b>						
Balance at the beginning of the year	10,00,000	100.00	10,00,000	100.00	10,00,000	100.00
Balance at the end of the year	10,00,000	100.00	10,00,000	100.00	10,00,000	100.00

**b. Terms / rights attached to equity shares**

The Company has one class of equity share having a face value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in ensuing General Meeting, except in case of interim dividend.

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

	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	Number	% Holding	Number	% Holding	Number	% Holding
<b>c. Details of shareholders holding more than 5% shares in the Company</b>						
<b>Equity Shares</b>						
M/s. Mint Investments Limited	3,32,210	33.22%	3,32,210	33.22%	3,32,210	33.22%
Sri Chandra Kr. Dhanuka (Karta of HUF) as a Partner of a Firm	1,61,130	16.11%	1,61,130	16.11%	1,61,130	16.11%
Smt. Aruna Dhanuka	78,700	7.87%	78,700	7.87%	78,700	7.87%

**d. Aggregate number of bonus share issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date :**

- (i) No bonus shares have been issued during the period of 5 years immediately preceding the reporting date.
- (ii) No shares have been allotted as fully paid paid-up pursuant to a contract without payment being received in cash.
- (iii) No shares have been bought back during the period of 5 years immediately preceding the reporting date.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>17. Other Equity</b>			
Capital Reserve	27,181.65	27,181.65	27,181.65
Statutory Reserves	1,802.20	1,802.20	1,761.01
General Reserve	6,100.20	6,100.00	6,000.00
Retained Earnings	2,296.20	2,870.33	2,139.80
Other Comprehensive Income	(952.34)	2,902.44	3,958.17
	<u>36,427.71</u>	<u>40,856.62</u>	<u>41,040.63</u>
<b>Capital Reserve</b>			
Balance as at the beginning of the year	27,181.65	27,181.65	27,181.65
Changes during the year	—	—	—
At the end of the year	<u>27,181.65</u>	<u>27,181.65</u>	<u>27,181.65</u>
<b>Statutory Reserves</b>			
Balance as at the beginning of the year	1,802.20	1,761.01	1,761.01
Changes during the year	—	41.19	—
At the end of the year	<u>1,802.20</u>	<u>1,802.20</u>	<u>1,761.01</u>
<b>General Reserve</b>			
Balance as at the beginning of the year	6,100.00	6,000.00	6,000.00
Changes during the year	—	100.00	—
At the end of the year	<u>6,100.00</u>	<u>6,100.00</u>	<u>6,000.00</u>
<b>Retained Earnings</b>			
Balance as at the beginning of the year	2,870.33	2,139.80	2,139.80
Add : Profit for the year	(543.99)	901.86	—
Less : Transfer to Statutory Reserve	—	(41.19)	—
Less : Transfer to General Reserve	—	(100.00)	—
Less : Dividend Paid during The Year	(25.00)	(25.00)	—
Less : Dividend Distribution Tax paid During The Year	(5.14)	(5.14)	—
At the end of the year	<u>2,296.20</u>	<u>2,870.33</u>	<u>2,139.80</u>
<b>Other Comprehensive Income</b>			
<b>Equity instruments through other comprehensive income</b>			
Balance as at the beginning of the year	2,902.50	3,958.17	—
Net change in fair value	(2,605.24)	(1,381.62)	3,961.83
Income Tax Impact	109.56	28.82	(3.66)
Other Comprehensive Income of Associate	(1,359.10)	297.13	—
At the end of the year	<u>(952.28)</u>	<u>2,902.50</u>	<u>3,958.17</u>
<b>Remeasurement of Defined Benefit Liability</b>			
Balance as at the beginning of the year	(0.06)	—	—
Remeasurement of defined benefit asset / (liability)	—	(0.06)	—
At the end of the year	<u>(0.06)</u>	<u>(0.06)</u>	<u>—</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**a. Description of Nature and Purpose of each Reserve :**
**General Reserve**

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

**Retained Earnings**

Retained earnings are the profits that the Company has earned till date, less any transfer to general reserves, dividends and other distributions made to the shareholders.

**Statutory Reserve**

As per Section 45-IC(1) of the Reserve Bank of India Act, 1934, every non-banking financial company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

**FVTOCI Equity Investment Reserve**

The Company has elected to recognise changes in the fair value of investment in equity shares in other comprehensive income. These changes are accumulated within the FVTOCI investment reserve within equity. The Company will transfer amounts from the said reserve to retained earnings when the relevant equity shares are de-recognised.

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>18. Dividend Income</b>		
Dividend from Investments	184.72	179.31
	<u>184.72</u>	<u>179.31</u>
<b>19. Rental Income</b>		
Rental Income from Lease	31.26	68.70
	<u>31.26</u>	<u>68.70</u>
<b>20. Net Gain on Fair Value Changes</b>		
<b>Net gain / (loss) on financial instruments at FVTPL</b>		
<b>On trading Portfolio</b>	(128.66)	25.66
<b>On financial instruments designated at FVTPL</b>		
Investment in equity shares	(3.20)	(51.25)
	<u>(131.86)</u>	<u>(25.59)</u>
<b>Fair Value Changes</b>		
Realised	15.81	19.78
Unrealised	(147.67)	(45.37)
	<u>(131.86)</u>	<u>(25.59)</u>
<b>21. Other Income</b>		
Profit on sale of property, plant and equipment	0.75	13.81
Net gain on foreign currency translation		
Miscellaneous income	0.58	3.60
	<u>1.33</u>	<u>17.41</u>
<b>22. Finance Costs</b>		
<b>On financial liabilities measured at amortised cost</b>		
Interest on		
- Finance lease obligation	41.11	—
- Other Interest expense	0.11	0.45
	<u>41.22</u>	<u>0.45</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### for the year ended 31st March, 2020 (Contd.)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>23. Employee benefits expenses</b>		
Salaries and wages	67.68	62.01
Contribution to provident and other funds	4.61	5.52
Staff welfare expenses	4.17	4.02
	<u>76.46</u>	<u>71.55</u>
<b>24. Depreciation</b>		
Depreciation on Property, Plant and Equipment (Refer Note 10)	13.26	13.25
Depreciation Investment Property (Refer Note 9)	34.41	19.41
	<u>47.67</u>	<u>32.66</u>
<b>25. Other Expenses</b>		
Rent, Taxes and Energy Costs	18.57	51.21
Legal and Professional Fees	15.28	11.60
Listing and Custodian Fees	4.13	3.63
Filing Fees	0.10	0.10
Auditor's Fees and Expenses #	1.00	0.70
Travelling and Conveyance Expenses	7.01	7.34
Director's Fees, Allowances, and Expenses	1.10	3.92
Repair and Maintenance Others	4.53	2.20
Communication Expenses	0.23	1.00
Corporate Social Responsibility Expenditure (Refer Note 36)	16.65	16.35
Insurance Expenses	0.10	4.91
Printing and Stationery	0.66	0.83
Miscellaneous Expenses	10.24	7.68
	<u>79.60</u>	<u>111.47</u>
<b># Payment to Auditors</b>		
<b>As auditor</b>		
- Statutory Audit	0.70	0.55
- Reimbursement of Expenses	0.30	0.15
	<u>1.00</u>	<u>0.70</u>
<b>26. Income Tax</b>		
<b>A. Major Components of income tax (Expenses) / Income are :</b>		
<b>Recognised in Profit and Loss</b>		
Tax Expense	56.16	12.00
Tax Expense for Earlier Years	(0.87)	(0.50)
Deferred Tax Credit	(159.02)	21.39
<b>Total</b>	<u>(103.73)</u>	<u>32.89</u>
<b>Recognised in other comprehensive income</b>		
Tax Impact on		
Items that will not be reclassified to Profit or Loss	109.56	28.82
<b>Total</b>	<u>5.83</u>	<u>61.71</u>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>26. Income Tax</b>		
<b>B. Reconciliation of Effective Tax Rate :</b>		
Accounting Profit before Income Tax	(647.72)	934.74
Tax at statutory Income Tax Rate of 27.82% (Previous Year 27.82%)	(180.20)	260.05
Non Deductible Expense	41.19	36.15
Inadmissible Income / Loss	31.96	36.51
Income Exempt for Tax Purpose	(56.88)	(55.38)
ICDS Effect	55.93	6.76
Income Taxable at Different Rate	28.36	(11.82)
MAT Credit Not Recognised	—	11.94
Others	135.80	(272.21)
Earlier Year Tax Adjustment	(0.87)	(0.50)
Deferred tax Assets on Others Items	(159.02)	21.39
Total Tax Expenses at Effective Tax Rate (a+b)	(103.73)	32.89
Income Tax Expense Reported in the Statement of Profit and Loss	(103.73)	32.89
<b>27. Earnings per Share (EPS)</b>		
Net profit / (Loss) attributable to equity shareholders	(543.99)	901.86
Weighted average number of equity shares outstanding during the year used as denominator in basic and diluted earnings per share	1,000,000	1,000,000
Basic Earnings / (Loss) per Share (₹)	(54.40)	90.19
Diluted Earnings / (Loss) per Share (₹)	(54.40)	90.19
Face value of Share (₹)	10.00	10.00

**28. Disclosure of Transactions with related parties as required by Ind AS 24**

			2019-20		2018-19
Name of related parties and related party relationship	Nature of Transaction	Transaction Value	Outstanding amounts carried in Balance Sheet	Transaction Value	Outstanding amounts carried in Balance Sheet
<b>I. Associate Company</b>					
M/s. Dhunseri Investments Ltd.	—	—	—	—	—
<b>II. Key Management Personnel (KMP)</b>					
A number of key management personnel or their related parties hold positions in other entities that result in having control or significant influence over those entities. List of key management personnel and their relatives					
Mr. Chandra Kumar Dhanuka - Non Executive Director	Director's Sitting Fees	0.20	—	0.18	—
Mrs. Aruna Dhanuka Non Executive Director	Director's Sitting Fees	0.16	—	0.20	0.20
Mr. Mrigank Dhanuka Non Executive Director	Director's Commission	0.07	—	0.11	—
	Director's Commission			0.20	0.20
	Director's Sitting Fees		—	—	—
	Director's Commission			—	—

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**28. Disclosure of Transactions with related parties as required by Ind AS 24 (Contd.)**

		2019-20		2018-19	
Name of related parties and related party relationship	Nature of Transaction	Transaction Value	Outstanding amounts carried in Balance Sheet	Transaction Value	Outstanding amounts carried in Balance Sheet
II. <b>Key Management Personnel (KMP)</b>					
Mr. Mrigank Dhanuka					
Managing Director	Remuneration Paid	12.72	—	27.37	—
Gobind Ram Goenka	Director's Sitting Fees	0.25	—	0.22	—
Non Executive Director	Director's Commission			0.20	0.20
Rajeev Rungta	Director's Sitting Fees	0.21	—	0.21	—
Non Executive Director	Director's Commission			0.20	0.20
Indra Kishore Kejriwal	Director's Sitting Fees	0.23	—	0.21	—
Non Executive Director	Director's Commission			0.20	0.20
Mr. H.P. Bhuwania					
(Chief Executive Officer)	Remuneration Paid	6.00	0.50	6.00	—
Mr. Ayush Beriwala					
- (Chief Financial Officer)	Remuneration Paid	33.25	1.72	12.09	1.65
Ms. Chitra Thakwani					
- (Company Secretary)	Remuneration Paid	3.14	0.65	1.75	0.28
III. <b>Enterprise owned or significantly influenced by key management personnal or their relatives :</b>					
<b>List of enterprise owned or significantly influenced by KMP and their relatives</b>					
Dhunseri Tea & Industries Ltd.	Rent Received	31.26	—	31.26	—
	Reimbursement of Maintainenece Charges Received	1.40	—	1.55	—
Trimplex Investments Ltd.					
(Group Company)	Hire Charges Paid	0.44	—	0.44	—
	Licence Fees Paid	2.30	—	2.30	—
	Reimbursement of Electricity Paid	0.79	—	0.86	0.16
Deepshika Modern Fashion Pvt. Ltd.	Sale of Equity Share	—	—	3.20	—
(Group Company)					
Dhunseri Overseas Pvt. Ltd.	Purchase of Equity Share (nos 8997000)	899.70	—	—	—

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

### 29. Employee Benefits Expense

#### a. Defined Contribution Plans :

The Company makes contributions, determined as a specified percentage of the employee salaries in respect of qualifying employees towards provident fund, which is a defined contribution plan. The amount recognised as an expense towards contribution to provident fund for the year aggregated to ₹ 4.61 lakhs (31st March, 2019 : ₹ 5.52 lakhs)

#### b. Compensated Absences :

The principal assumptions used in determining the compensated absences benefit obligation are as given below :

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Discounting rate (p.a.)	6.70%	7.60%	7.40%
Future salary increase ( p.a.)	5.00%	5.00%	5.00%

The discount rate is based on the prevailing market yield of Indian government securities as at the balance sheet date for the estimated terms of the obligation.

An amount of ₹ 0.2 lakhs (previous year ₹ 1.63 lakhs) pertaining to compensated absences is recognised as an expense and included in "Employee benefits expense" in Note 23.

#### c. Defined Benefit Plan : Gratuity

Gratuity scheme - This is an defined benefit plan and it entitles an employee, who has rendered atleast 5 years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement / exit.

#### i. Reconciliation of the Net Defined Benefit Liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability and its components

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Balance at the beginning of the year	8.91	7.44
Acquisition adjustment	—	1.45
Benefits paid	(4.54)	—
Current service cost	1.25	—
Interest cost	0.49	0.56
Actuarial (gains) losses recognised in other comprehensive income	0.62	(0.54)
Balance at the end of the year	6.73	8.91
<b>ii. Movement in Plan Assets</b>		
Opening Fair value of plan assets	13.58	12.54
Interest on plan assets	0.84	0.95
Actual return on plan assets less interest on plan assets	—	0.09
Benefit paid	(4.53)	—
Closing Fair value of plan assets	9.89	13.58
<b>iii. Expense Recognised in Profit or Loss</b>		
Current service cost	—	—
Interest cost	—	—
	—	—
<b>iv. Remeasurements Recognised in Other Comprehensive Income</b>		
Actuarial (gain) loss on defined benefit obligation	0.62	(0.54)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>v. Actuarial Assumptions</b>			
Principal Actuarial Assumptions at the Reporting Date (expressed as weighted averages) :			
<b>Financial assumptions</b>			
Discount Rate	6.70%	7.40%	7.60%
Future Salary Growth	5.00%	5.00%	5.00%
<b>Demographic Assumptions</b>			
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Retirement Age	58 years	58 years	58 years
Withdrawal Rate (%)	1.00%	1.00%	1.00%

As at 31st March, 2020, the weighted average duration of the defined benefit obligation was 10 year (31st March, 2019 : 7 years)

### vi. Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	For the year ended 31.03.2020		For the year ended 31.03.2019	
	<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
Discount Rate (1%)	0.78	0.65	8.43	9.48
Future Salary Growth (1%)	0.78	0.67	9.49	8.41

Although the analysis does not take into account of the full distribution of cash flows expected under the plan, it does not provide an approximation of the sensitivity of the assumptions shown.

### vii. Maturity Profile

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date :

	As at 31st March, 2020	As at 31st March, 2019
1 Year	1.17	5.06
2 to 5 Years	0.60	0.01
5 Years onwards	5.81	12.22

### Risk Analysis

The Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans and management estimation of the impact of these risks are as follows :

**Interest rate risk :** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**Salary Inflation risk :** Higher than expected increases in salary will increase the defined benefit obligation

**Demographic risk :** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

- d. The fair Value of Gratuity Planned Asset is in excess of Provision required as per Gratuity Valuation report and the company has not recognised, the asset in the books.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**30. Financial Instruments – Fair Values and Risk Management**
**i. Valuation Principles**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below :

**ii. Accounting Classification and Fair Values**

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Particulars	31st March, 2020					
	Carrying Amount			Fair Amount		
	FVTPL	Designated at FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
<b>Financial Assets Measured at Fair Value</b>						
Investment in mutual funds	480.38	—	—	480.38	—	—
Investment in equity shares	1,450.64	3,498.02	—	4,948.66	—	—
Equity Instruments (unquoted)	485.31	1277.62	—	—	—	1762.93
<b>Financial assets not measured at fair value #</b>						
Investments	—	—	26,937.17	—	—	—
Cash and cash equivalents	—	—	892.61	—	—	—
Bank balances other than cash and cash equivalents	—	—	10.83	—	—	—
Other financial assets	—	—	133.64	—	—	—
	2,416.33	4775.64	27,974.25	5,429.04	—	1762.93
<b>Financial liabilities *</b>						
<b>Financial liabilities not measured at fair value</b>						
Other financial liability	—	—	19.74	—	—	—
Lease Liability	—	—	423.87	—	—	423.87
Payable to employees	—	—	—	—	—	—
	—	—	443.61	—	—	423.87

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	31st March, 2019					
	Carrying Amount			Fair Amount		
	FVTPL	Designated at FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
<b>Financial Assets Measured at Fair Value</b>						
Investment in Mutual Funds	—	—	—	—	—	—
Investment in Equity Shares	5,034.70	4,810.18	—	9,844.88	—	—
Equity Instruments (unquoted)	511.25	377.92	—	—	—	889.17
Investment in equity shares (Portfolio Management Services ('PMS'))	163.58	—	—	163.58	—	—
<b>Financial Assets not Measured at Fair Value #</b>						
Investments	—	—	28,804.23	—	—	—
Cash and Cash Equivalents	—	—	35.77	—	—	—
Bank balances other than cash and cash equivalents	—	—	15.99	—	—	—
Other Financial Assets	—	—	5.48	—	—	—
	5,709.53	5188.10	28,861.47	10,008.46	—	889.17
<b>Financial Liabilities *</b>						
<b>Financial Liabilities not Measured at Fair Value</b>						
Other Financial Liabilities	—	—	18.68	—	—	—
Lease Liability	—	—	—	—	—	—
Payable to Employees	—	—	—	—	—	—
	—	—	18.68	—	—	—

Particulars	31st March, 2018					
	Carrying Amount			Fair Amount		
	FVTPL	Designated at FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
<b>Financial assets ^</b>						
<b>Financial assets measured at fair value</b>						
Investment in Mutual Funds	1,290.45	—	—	1,290.45	—	—
Investment in Equity Shares	4,319.82	5,895.16	—	10,214.98	—	—
Equity Instruments (unquoted)	230.00	381.12	—	—	—	611.12
Investment in Equity Shares (Portfolio Management Services ('PMS'))	195.98	—	—	195.98	—	—
<b>Financial Assets not Measured at Fair Value #</b>						
Investments	—	—	27,615.80	—	—	—
Cash and Cash Equivalents	—	—	399.00	—	—	—
Bank balances other than cash and cash equivalents	—	—	12.97	—	—	—
Other financial assets	—	—	44.40	—	—	—
	6,036.25	6276.78	28,072.17	11,701.41	—	611.12
<b>Financial Liabilities *</b>						
<b>Financial Liabilities not Measured at Fair Value</b>						
Other Financial Liabilities	—	—	23.29	—	—	—
Lease Liability	—	—	—	—	—	—
Payable to Employees	—	—	—	—	—	—
	—	—	23.29	—	—	—

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

#The Investor has not disclosed fair value financial instruments carried at amortised cost such as investments, cash and cash equivalents, other bank balances and other financial assets because their carrying amounts are a reasonable approximation of fair value.

\*The Investor has not disclosed fair value financial instruments carried at amortised cost such as trade payables, borrowings and other financial liabilities because their carrying amounts are a reasonable approximation of fair value.

**ii) Measurement of Fair Values**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 inputs.

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

Particulars	Fair alue hierarchy	Valuation technique	Significant unobservable inputs	Inter-relationship between unobservable inputs and fair vale measurement
<b>Financial assets measured at FVTPL</b> Investment in mutual funds	Level 1	'Market valuation technique: Investments traded in active markets are determined by reference to quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house, quoted price of equity shares in the stock exchange etc.	Not Applicable	Not Applicable
Investment in equity shares	Level 1	'Market valuation technique : Investments traded in active markets are determined by reference to the last traded rate of NSE/BSE.	Not Applicable	Not Applicable
Investment in equity shares Unquoted	Level 3	'Investments in unquoted equity are valued by discounting the aggregate future cash flows (both principal and interest cash flows) with risk-adjusted discounting rate.	Price not available in active Market	Discounting the aggregate future Cash Flow
Investment in equity shares (Portfolio Management Services ('PMS') :	Level 1	'Market valuation technique: Investments traded in active markets are determined by reference to the last traded rate of NSE/ BSE.	Not Applicable	Not Applicable
<b>Financial assets measured at FVTOCI</b> Financial assets measured at FVTOCI	Level 1	'Market valuation technique: Investments traded in active markets are determined by reference to the last traded rate of NSE/ BSE.	Not Applicable	Not Applicable

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### for the year ended 31st March, 2020 (Contd.)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

#### 31. Financial Risk Management

##### Introduction and risk profile

The Investor is a Non Banking Financial Company registered with Reserve Bank of India.

The Investor's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

##### i. Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises partially from the investments.

Credit risk is being managed using a set of credit norms and policies. The Company has defined roles and responsibilities for originators and approvers. All credit exposure limits are approved by Board of Directors. The Investor follows a process of time-to-time revisiting the credit policy and processes, on the basis of experience and feedback.

The carrying amount of financial assets represent the maximum credit risk exposure. The maximum exposure to credit risk at the reporting was :

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Cash and Cash Equivalents (including bank balances)	892.61	40.23	399.42
Investments	34,129.14	39,701.86	39,928.33
Loans	—	—	—
Other Financial Assets	133.64	5.48	44.40
Total	35,155.39	39,747.57	40,372.15

Credit risk relating to cash and cash equivalent and bank deposits is managed by only accepting banks and financial institution counterparties after evaluating parameters like capital adequacy, non- performing assets, profitability and liquidity ratios and net worth and by diversifying bank deposits in different banks across the country.

##### ii. Liquidity Risk

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

The Company's primary sources of liquidity include cash and bank balances, deposits, investment in mutual funds and cash flow from operating activities. As at 31st March, 2020, the Company had a working capital of ₹ 2439.09 lakhs (31st March, 2019 : ₹ 2,135.65 lakhs and 1 April 2018 : ₹ 4,245.07 lakhs) including cash and cash equivalent of ₹ 892.61 lakhs (31st March, 2019 : ₹ 35.77 lakhs and 1st April, 2018 : ₹ 399.00 lakhs).

Consequently, the Company believes its revenue, along with proceeds from financing activities will continue to provide the necessary funds to cover its short term liquidity needs.

##### Exposure to Liquidity Risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

As at 31st March, 2020	Contractual Cash Flows					
	Carrying amount	Total	0 - 1 year	1 - 2 years	2 - 5 years	More than 5 years
Term Loan	—	—	—	—	—	—
Payable to Employees	—	—	—	—	—	—
Trades Payables	—	—	—	—	—	—
Lease Liability	423.87	5,012.95	35.60	72.93	75.66	4,828.76
Other Payables	8.91	8.91	8.91	—	—	—

As at 31st March, 2019	Contractual Cash Flows					
	Carrying amount	Total	0 - 1 year	1 - 2 years	2 - 5 years	More than 5 years
Term Loan	—	—	—	—	—	—
Payable to Employees	—	—	—	—	—	—
Trades Payables	—	—	—	—	—	—
Other Payables	7.15	7.15	7.15	—	—	—

As at 1st April, 2018	Contractual Cash Flows					
	Carrying amount	Total	0 - 1 year	1 - 2 years	2 - 5 years	More than 5 years
Term Loan	—	—	—	—	—	—
Payable to Employees	—	—	—	—	—	—
Trades Payables	—	—	—	—	—	—
Other Payables	10.74	10.74	10.74	—	—	—

**iii) Market Risk**

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**a. Foreign Currency Risk**

Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is not exposed to foreign currency risk as the Company does not have receivables or payables in foreign currency.

**b. Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk from the external borrowings that are used to finance their operations.

**c. Market Price Risk**

The Company is mainly exposed to the price risk due to its investment in mutual funds and quoted equity shares. The price risk arises due to uncertainties about the future market values of these investments. The Company has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in mutual funds and equity shares.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Carrying Value as at		
	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Investments valued using quoted Price in active market	5,429.04	10,008.46	11,701.41
	<u>5,429.04</u>	<u>10,008.46</u>	<u>11,701.41</u>
Sensitivity Analysis on Total			
		Increase by 1%	Decrease by 1%
Impact on total Comprehensive income for the year ended 31.03.2020		54.29	(54.29)
Impact on total Comprehensive income for the year ended 31.03.2019		100.08	(100.08)

### iv) Legal and Operational Risk

#### a) Legal Risk

Legal risk is the risk relating to losses due to legal or regulatory action that invalidates or otherwise precludes performance by the end user or its counterparty under the terms of the contract or related netting agreements. There is currently no legal risk on the Investor.

#### b) Operational Risk

**Operational risk framework is designed to cover all functions and verticals towards identifying the key risks in the underlying processes. The framework, at its core, has the following elements :**

1. Well defined Governance Structure.
2. Regular workshops and training for enhancing awareness and risk culture.
3. Documented Operational Policy.

### 32. Capital Management

For the purpose of Investor's capital management, capital includes issued equity share capital, other equity reserve. The primary objective of capital management is to maintain an efficient capital structure to reduce the cost of capital and to maximize shareholder's values

Following table summarizes the capital structure of the company

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Share Capital	100.00	100.00	100.00
Other Equity	36,427.71	40,856.62	41,040.63
Total Equity	36,527.71	40,956.62	41,140.63

### 33. Dividends

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Dividend on Equity Shares paid During the Year</b>		
Final dividend for the FY 2018-19 [₹ 2.50 (Previous year - ₹ 2.50) per equity share]	25.00	25.00
Dividend distribution tax on final dividend	5.14	5.14

The Board of Directors recommended a Dividend @ 12.5% i.e. ₹ 1.25/- per Equity share for the financial year 2019-20 in the board meeting dated 30.07.2020.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**34. Commitments and Contingencies**

The Company has no contingent liability as at March 31, 2020, March 31, 2019 and April 1, 2018

The Company has no commitments as at March 31, 2020, March 31, 2019 and April 1, 2018

**35. Operating Segment**

The Board of Directors of the Investor takes decision in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and is thus considered to be chief operating decision maker.

The Investor is engaged in the business of holding investments in various entities within the group and investing funds into other relevant securities with the objective to earn reasonable return. Considering the nature of Investor's business and operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

**36. Corporate social responsibility expenditure**

Disclosure in respect of CSR expenditure under section 135 of the Companies Act, 2013 and rules thereon

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Gross amount required to be spent by the Company during the year	16.61	16.31
Amount spent by the Company during the year (Contribution to Dhanuka Dhunseri Foundation)	16.65	16.35

**37. Expenditure in foreign currency**

The Investor has not incurred any expenditure in foreign currency for the year ended March 31, 2020 and March 31, 2019.

**38. Leases**

As lessor :

Effective April 1, 2019, the Investor 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 Investor 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.

The adoption of the new standard resulted in the recognition of right-of-use (ROU) asset of ₹ 417.48 lacs and a lease liabilities of ₹ 427.83 Lacs.

As Lessor :

The Investor has sub leased the premise to Dhunseri Tea and Industries Ltd. under the terms constituting an operating lease. The Investor has recognised the lease rentals of ₹ 31.26 Lacs as income in its books.

**39. COVID-19, a global pandemic has resulted in a significant decrease in the economic activities across the world including India, an account of lockdown announced on 23rd March, 2020. This has affected activities of organisations across the economic ecosystem impacting earnings prospects and valuations of Companies, which has created huge volatility in stock markets, in which the Group operates. As a results, the Group's business is impacted by decline in carrying value of investments and thus profitability.**

The management is continuously focussing a Group's capital and liquidity position, which remain strong. There have been no changes to the Group's internal financial control during this pandemic.

The management has carried out current assessment of the potential impact of Covid-19 on the Group and is of the view that the Group is well capitalised with low leverage, widely diversified investment activities and has adequate liquidity to sustain its operations and look for appropriate investment opportunities. The impact assessment is continuous process and will continue to monitor for any material changes to the future economic conditions.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

40. For disclosure mandated by Schedule III of Companies Act, 2013 by way of additional information, refer below :

Name of the entity in the group	2019 - 2020							
	Net assets (total assets minus total liabilities)		Share in profit (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ n lakhs)	As % of consolidated Profit & loss	Amount (₹ n lakhs)	As % of consolidated other comprehen- sive income	Amount (₹ n lakhs)	As % of consolidated total comprehen- sive income	Amount (₹ n lakhs)
<b>Parent Entity</b>								
Naga Dhunseri Group Limited	27.12%	10,039.30	6.62%	(36.03)	61.26%	(2,495.68)	54.82%	(2,531.71)
<b>Associates</b>								
Dhunseri Investments Limited	72.75%	26,937.17	89.75%	(488.22)	33.36%	(1,359.10)	40.00%	(1,847.32)
<b>Consolidation adjustments</b>	0.13%	48.03	3.63%	(19.74)	5.38%	—	5.17%	(19.74)
<b>Total</b>	100.00%	37,024.51	100.00%	(543.99)	100.00%	(3,854.18)	100.00%	(4,398.77)

**41. Maturity analysis of assets and liabilities**

The table summarises the analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

	31st March, 2020			31st March, 2019			1st April, 2018		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Financial Assets</b>									
Cash and Cash Equivalents	892.61	—	892.61	35.77	—	35.77	399.00	—	399.00
Bank Balances other than Cash and Cash Equivalents	10.83	—	10.83	15.99	—	15.99	12.97	—	12.97
Investments	1,470.36	32,658.78	34,129.14	2,096.99	37,604.87	39,701.86	3,812.78	36,115.55	39,928.33
Other Financial Assets	130.06	3.58	133.64	1.26	4.22	5.48	40.67	3.73	44.40
<b>Non-Financial Assets</b>									
Current Tax Assets (Net)	—	—	—	3.36	—	3.36	4.61	—	4.61
Deferred Tax Assets (net)	—	146.75	146.75	—	—	—	—	—	—
Investment Property	—	694.37	694.37	—	448.36	448.36	—	—	—
Property, Plant and Equipment	—	105.20	105.20	—	112.42	112.42	—	141.66	141.66
Right of Use Assets	—	411.84	411.84	—	—	—	—	—	—
Other non-Financial Assets	5.68	494.45	500.13	1.50	775.53	777.03	1.24	765.24	766.48
<b>Total Assets</b>	2,509.54	34,514.97	37,024.51	2,154.87	38,945.40	41,100.27	4,271.27	37,026.18	41,297.45

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

### Maturity analysis of assets and liabilities (Contd.)

	31st March, 2020			31st March, 2019			1st April, 2018		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Liabilities and Equity</b>									
<b>Liabilities</b>									
<b>Financial Liabilities</b>									
<b>Payables</b>									
Other Financial Liabilities	19.74	423.87	443.61	18.68	—	18.68	23.29	—	23.29
<b>Non-Financial Liabilities</b>									
Current Tax Liabilities (Net)	48.87	—	48.87	—	—	—	—	—	—
Provisions	—	2.48	2.48	—	2.60	2.60	—	1.36	1.36
Deferred Tax Liabilities (Net)	—	—	—	—	121.83	121.83	—	129.26	129.26
Other Non- Financial Liabilities	1.84	—	1.84	0.54	—	0.54	2.91	—	2.91
<b>Total Liabilities</b>	<b>70.45</b>	<b>426.35</b>	<b>496.80</b>	<b>19.22</b>	<b>124.43</b>	<b>143.65</b>	<b>26.20</b>	<b>130.62</b>	<b>156.82</b>
<b>Equity</b>									
Equity Share Capital	—	100.00	100.00	—	100.00	100.00	—	100.00	100.00
Other Equity	—	36,427.71	36,427.71	—	40,856.62	40,856.62	—	41,040.63	41,040.63
<b>Total Equity</b>	<b>—</b>	<b>36,527.71</b>	<b>36,527.71</b>	<b>—</b>	<b>40,956.62</b>	<b>40,956.62</b>	<b>—</b>	<b>41,100.63</b>	<b>41,140.63</b>
<b>Liabilities and Equity</b>	<b>70.45</b>	<b>36,954.06</b>	<b>37,024.51</b>	<b>19.22</b>	<b>41,081.05</b>	<b>41,100.27</b>	<b>26.20</b>	<b>41,271.25</b>	<b>41,297.45</b>

#### 41. First time Adoption of Ind AS

These are the Investor's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31st March, 2020, the comparative information presented in these financial statements for the year ended 31st March, 2019 and in the preparation of an opening Ind AS balance sheet at 1st April, 2018 (the Investor's date of transition).

In preparing its opening Ind AS balance sheet and in presenting the comparative information for the year ended 31st March, 2019, the Investor has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under section 133 of the Companies read with paragraph 7 of the Companies (Account) Rules, 2014, considered as 'Previous GAAP'.

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

#### A. Exemptions Availed

Ind AS 101 First-Time Adoption of Indian Accounting Standards allows first-time adopters certain exemptions from the retrospective application of certain Ind AS. The Investor has applied the following exemptions:

##### I. Property, Plant and Equipment, Intangible Assets and Investment Property

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and investment property as recognised 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. Accordingly, the Investor has elected to measure all of its property, plant and equipment and investment property at their previous GAAP carrying value.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**II. Investment in Subsidiaries and Associates**

Under previous GAAP, investment in subsidiaries were being carried in the balance sheet at cost. Ind AS 101 permits the Investor to measure its investment in subsidiaries at its previous GAAP carrying amount at the date of transition as deemed costs.

Accordingly, the Investor has adopted to measure its investment in subsidiaries and associates at the previous GAAP carrying amount as at the date of transition as deemed costs.

**III. Designation of Previously Recognised Financial Instruments**

Under Ind AS 109, at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in equity instrument (other than investments in subsidiaries, associates) in other comprehensive income. Ind AS 101 allows such designation of previously recognised financial assets, as 'fair value through other comprehensive income' on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

Accordingly, the Investor has designated its investments in certain equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

**B. The following Mandatory Exceptions have been Availed**

**I. Estimates**

An entity's estimates in accordance with Ind ASs 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 1 April 2018 are consistent with the estimates as at the same date made in conformity with previous GAAP. Key estimates considered in preparation of the financial statement that were not required under the previous GAAP are listed below:

- Fair value of financial instrument carried at FVTPL and FVOCI.
- Determination of discounted value for financial instruments carried at amortised cost

**II. Classification and Measurement of Financial Assets**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Investor has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

**III. De-recognition of financial assets and liabilities**

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financials Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if 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 Investor has elected to apply derecognition principles of Ind AS 109 retrospectively as reliable information was available at the time of initially accounting for these transactions.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**C. Reconciliation of total equity as at 31st March, 2019 and 1st April, 2018**

Particulars	Notes to first time adoption	As at 31.03.20019	As at 01.04.2018
Equity as reported under Previous GAAP		29,697.48	27,242.35
Adjustment :			
Gain / (loss) arising from fair valuation of investments	D.1	3,665.92	5,223.54
Measurement of security deposits at amortised costs	D.2	(1.87)	(1.74)
Depreciation		(0.71)	—
Remeasurements of gain / (loss) on defined benefit obligations	D.3	0.06	—
Deferred tax on above adjustments		(123.29)	(133.44)
On Account of Associate		7,719.03	8,809.92
Equity as per Ind AS		40,956.62	41,140.63

**D. Reconciliation of total comprehensive income for the year ended 31st March, 2019**

Particulars	Notes to first time adoption	For the year ended 31st March, 2019
<b>Net Profit as per previous Gaap</b>		1,932.87
Effect of measuring the financial instruments at fair value	D.1	(176.00)
Measurement of security deposits at amortised costs	D.2	(0.13)
Remeasurements of gain/(loss) on defined benefit obligations	D.3	0.06
Other Adjustments		(0.65)
On account of Associate		(835.62)
Deferred tax on above adjustments		(18.67)
<b>Net Profit as per Ind AS</b>		901.86
Other Comprehensive Income (Net of Tax)	D.4	(1,055.73)
<b>Total Comprehensive Income as per Ind AS</b>		(153.87)

**D.1 Fair valuation of investments**

Under the previous GAAP, investments in mutual funds, unquoted equity and quoted equity share were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value.

Under Ind AS, the Investor has recognised investments through profit and loss and designated certain equity investment through FVOCI measured at Fair Value.

The difference between the fair value of investments through profit and loss as per Ind AS and carrying value of investments as per Previous GAAP has resulted in increase of investments and corresponding increase in retained earnings as on transition date by ₹ 1261.71 Lakhs During the corresponding year ended 31st March, 2019, such fair valuation accounting has resulted in an decrease of investments and corresponding decrease in profit and loss for the year by ₹ 176.00 lakhs

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31st March, 2020 (Contd.)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

The difference between the fair value of investments through FVOCI as per Ind AS and carrying value of investments as per Previous GAAP has resulted in increase of investments and corresponding increase in retained earnings as on transition date by ₹ 3961.83 lakhs. During the corresponding year ended 31 March 2019, such fair valuation accounting has resulted in an decrease of investments and corresponding decrease in other comprehensive income for the year by ₹ 1352.86 lakhs.

**D.2 Remeasurements of Security Deposit**

Under Ind AS, re-measurements i.e. security deposit not given on market rate are recognised at amortised cost. The application of IND AS has resulted in recognition of interest income of ₹ 0.65 lakhs and amortisation of prepaid expenses of ₹ 2.40 lakhs as at transition date and corresponding ₹ 0.06 lakhs and ₹ 0.21 lakhs as at 31st March, 2019

**D.3 Remeasurements of post-employment benefit obligations**

Both under Indian GAAP and Ind AS, the Investor recognised cost related to its post-employment defined benefits plan on actuarial basis. Under Indian GAAP, the entire cost including the actuarial gains and losses are charged to statement of profit and loss. Under Ind AS, remeasurements (comprising of actuarial gains and losses) are recognised immediately in Balance sheet with corresponding debit credit to retained earning through OCI. For the year ended 31st March, 2019, remeasurement of gratuity liability resulted in net benefit of ₹ 0.06 lakhs which has now been removed from employee benefits expenses in the Statement of profit and Loss and recognised separately in OCI. This has resulted in increase in employee benefits expense by ₹ 0.40 lakhs and gain in OCI by ₹ 0.06 lakhs for the year ended 31st March, 2019.

**D.4 Deferred tax adjustment**

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 Income Taxes requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS has resulted in recognition of deferred tax on temporary differences which were not required to recognised under Previous GAAP. The above changes have resulted in creation of deferred tax assets (net) amounting to ₹ 133.44 lakhs as at the transition date to Ind AS and ₹ 10.15 lakhs as at 31st March, 2019.

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**Signatories to Notes 1 to 42**

SUNIL OSWAL, *FCA, Partner*  
Membership No. : 071678  
For and on behalf of  
DHANDHANIA & ASSOCIATES  
(Chartered Accountants)  
Firm Registration No. : 316052E  
Place : Kolkata  
Dated : The 30th day of July, 2020

For and on behalf of the Board of Directors of  
Naga Dhunseri Group Ltd.  
CIN : L01132WB1918PLC003029

C. K. DHANUKA	<i>Chairman</i>
DIN : 00005684	
RAJEEV RUNGTA	<i>Director</i>
DIN : 00122221	
CHITRA THAKWANI	<i>Company Secretary &amp;</i>
ACS 54009	<i>Compliance Officer</i>
AYUSH BERIWALA	<i>Chief Financial Officer</i>
H. P. BHUWANIA	<i>Chief Executive Officer</i>



**Form AOC-1**

**Statement containing salient features of the Financial Statement of  
Subsidiaries / Associate Companies / Joint Ventures  
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of  
Companies (Accounts) Rules, 2014)**

**Part "A" : Subsidiaries – NIL**

**Part "B": Associates and Joint Ventures**

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

Name of Associates / Joint Ventures	Dhunseri Investments Limited
	Associate
1. Latest Audited Balance Sheet Date	31.03.2020
2. Shares of Associate/ Joint Ventures held by the Company on the year end	
No. of Equity Shares	13,16,476 Equity shares of ₹ 10/- each
Amount of Investment in Associates / Joint Venture	₹ 26,937.17 Lakhs
Extend of Holding %	21.59%
3. Description of how there is significant influence	Voting Rights
4. Reason why the associate/joint venture is not consolidated.	Consolidated
5. Net Worth attributable to Shareholding as per latest Audited Balance Sheet	₹ 36,442.61 Lakhs (based on Audited Balance Sheet as at 31.03.2020 of the Associate Company)
6. Profit / Loss for the year	
i. Considered in Consolidation	₹ (488.22) Lakhs
ii. Not Considered in Consolidation	NIL

- Names of associates or joint ventures which are yet to commence operations - NIL
- Names of associates or joint ventures which have been liquidated or sold during the year - NIL

SUNIL OSWAL, FCA, Partner  
Membership No. : 071678  
For and on behalf of  
DHANDHANIA & ASSOCIATES  
(Chartered Accountants)  
Firm Registration No. : 316052E  
Place : Kolkata  
Dated : The 30th day of July, 2020

For and on behalf of the Board of Directors of  
Naga Dhunseri Group Ltd.  
CIN : L01132WB1918PLC003029

C. K. DHANUKA	Chairman
DIN : 00005684	
RAJEEV RUNGTA	Director
DIN : 00122221	
CHITRA THAKWANI	Company Secretary &
ACS 54009	Compliance Officer
AYUSH BERIWALA	Chief Financial Officer
H. P. BHUWANIA	Chief Executive Officer

