



COMFORT INTECH LIMITED

CIN NO.: L74110DD1994PLC001678

Registered Office :- 106, Avkar, Algani Nagar, Kalaria, DAMAN - 396 210 (U.T)
Corporate Office :- A-301, HETAL ARCH, OPP. NATRAJ MARKET, S.V. ROAD, MALAD (WEST), MUMBAI - 400064
TEL NO.: +91 - 22-2844 9765 / 2844 9766/67 / FAX : +91 022-2889 2527
E-mail : info@comfortintech.com • URL : www.comfortintech.com.

Date: October 13, 2020

To,
The Manager
Department of Corporate Services,
BSE Limited,
Phirozee Jeejeeboy Towers,
Dalal Street, Fort,
Mumbai – 400 001
Scrip Code: 531216

Sub: Notice of the 26th Annual General Meeting and Annual Report 2019-20

Dear Sir/Madam,

In compliance with and Pursuant to Regulation 34(1) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Notice convening the 26th Annual General Meeting (“AGM”) of shareholders and the Annual Report for the Financial Year 2019-20 which is circulated to the shareholders through electronic mode. The 26th AGM of the Company will be held on Thursday, November 05, 2020 at 03:30 P.M. IST through Video Conferencing / Other Audio Visual Means.

The Annual Report for FY 2019-20 is available and can be downloaded from the Company's website at weblink <http://www.comfortintech.com/Investorrelation> and the website of National Securities Depository Limited (NSDL) <https://www.evoting.nsdl.com>. Further, the Register of Members & Share Transfer Books of the Company will remain closed on October 30, 2020 for the purpose of 26th AGM of the Company.

Thanking you,

Yours faithfully,

FOR COMFORT INTECH LIMITED


ANKUR AGRAWAL
DIRECTOR
DIN: 06408167



CC:

National Securities Depository Limited Trade World, 4 th Floor, Kamala Mills Compound Senapati Bapat Marg, Lower Parel, Mumbai 400 013.	Central Depository Services (India) Limited A Wing, 25 th Floor, Marathon Futurex Mafatlal Mills Compounds, N M Joshi Marg, Lower Parel (E), Mumbai – 400013	Bigshare Services Pvt. Ltd. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400 059, Maharashtra, India Phone No: 022-6263 8200, Fax No. : 022-6263 8299 Email Id: info@bigshareonline.com Website: www.bigshareonline.com
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COMFORT INTECH LIMITED

26TH ANNUAL REPORT 2019-20



BOARD OF DIRECTORS

Mr. Ankur Agrawal	:	Executive Director
Mr. Devendra Lal Thakur	:	Non-Executive Independent Director
Mr. Milin Ramani	:	Non-Executive Independent Director
Ms. Divya Padhiyar	:	Additional Director (Non-Executive Independent Woman Director) (w.e.f. October 30, 2019)
Mr. Pravin Naik	:	Chief Financial Officer
Mr. Anil Agrawal	:	Chief Executive Officer (w.e.f. June 29, 2019)

CIN: L74110DD1994PLC001678**REGISTERED OFFICE**

106, Avkar, Algani Nagar
Kalaria, Daman – 396210 (U.T.)

CORPORATE OFFICE

A-301, Hetal Arch, Opp. Natraj Market,
S. V. Road, Malad (West), Mumbai - 400 064
Tel: 91-22-6894-8508/09
Fax: 91-22-28892527
Email: info@comfortintech.com
Website: www.comfortintech.com

STATUTORY AUDITORS

A.R. Sodha & Co.; Chartered Accountants

INTERNAL AUDITORS

Siddhant Shah & Co.; Chartered Accountants

REGISTRARS AND SHARE TRANSFER AGENTS**M/s. Bigshare Services Private Limited**

1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai - 400 059
Tel: 022-62638200 Fax: 022-62638299
Website : www.bigshareonline.com
Email ID: investor@bigshareonline.com

BANKERS

Union Bank of India
HDFC Bank
IDBI Bank

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26th Annual General Meeting through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")

Day & Date	Thursday, November 05, 2020
Time	3.30 P.M.



NOTICE

NOTICE IS HEREBY GIVEN THAT THE 26TH (TWENTY SIXTH) ANNUAL GENERAL MEETING OF THE MEMBERS OF COMFORT INTECH LIMITED WILL BE HELD ON THURSDAY, NOVEMBER 05, 2020 AT 03.30 P.M. THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO VISUAL MEANS ("OAVM"), TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

- a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors' and Auditor's thereon; and
- b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 together with the Report of the Auditor's thereon.

2. To appoint a Director in place of Mr. Ankur Agrawal (DIN: 06408167), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To appoint Ms. Divya Padhiyar (DIN: 08598655), as Non-Executive Independent Director of the Company to hold office for a term of 5 consecutive years i.e. from October 30, 2019 to October 29, 2024

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

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and / or re-enactment(s) thereof for the time being in force), and based on the recommendation and approval of Nomination and Remuneration Committee and Board of Directors of the Company respectively, Ms. Divya Padhiyar (DIN: 08598655), who was appointed as Additional Director and who meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 be and is hereby appointed as Independent Director of the Company for a term of 5 consecutive years i.e. from October 30, 2019 to October 29, 2024 and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors and / or Company Secretary be and is hereby authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds, matters and things, as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company."

4. To approve the Related Party Transactions

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

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 ("the Act") and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any amendment, modification, variation or re-enactment to any of the foregoing), and subject

to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, and also pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed/to be passed at their respective meetings, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board), to approve all the material related party transactions (including any modifications, alterations or amendments thereto) to be entered into by the Company during FY 2020-21 and thereafter in the ordinary course of business and on arm's length basis with related Party/ies within the meaning of the Act and Listing Regulations, as per below framework:

Name of the Related Party	Comfort Fincap Limited	Liquors India Limited	Flora Fountain Properties Limited	Comfort Securities Limited
Name of the Director or Key Managerial Personnel who is/may be related	Mr. Ankur Agrawal	Mr. Ankur Agrawal and Mr. Anil Agrawal	Mr. Ankur Agrawal	Mr. Anil Agrawal
Nature of Relationship	Common Director	Associate Company	Common Director	Associate Company
Nature and particulars of the contract / arrangement	Inter - Corporate loans and / or Inter - corporate deposits, availing and / or providing guarantee, providing of security(ies) in connection with any loan taken / to be taken by entities and business advances for business purpose only			
Material terms of the contract / arrangement	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis.			
Monetary value of the contract / arrangement for FY 2020-21 and onwards	20 Crores	20 Crores	20 Crores	20 Crores
The indicative base price or current contracted price and the formula for variation in the price, if any	Prices are basis on arm's length having reference of market price however remains static for the contracted quantity and delivery period.			
Any other information relevant or important for the members to take a decision on the proposed resolution	None			

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution , the Board / any Committee thereof be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit within the aforesaid limits and the Board / any Committee thereof is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise with regard to such payment and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board / Committee in its absolute discretion may deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution."



5. To consider and approve for creation of Security on the properties of the Company, both present and future, in favour of Lenders

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

“RESOLVED THAT in supersession of all previous resolutions passed by the Company and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, the Articles of Association of the Company and as recommended by the Audit Committee and Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for creation of charge / mortgage / pledge / hypothecation / security in addition to existing charge / mortgage / pledge / hypothecation / security, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and / or immovable properties, tangible or intangible assets of the Company, both present and future and / or the whole or any part of the undertaking(s) of the Company, as the case may be in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowings availed / to be availed by the Company by way of loan(s) (in foreign currency and / or rupee currency) and securities (comprising fully / partly convertible debentures and/or non convertible debentures with or without detachable or non-detachable warrants and / or secured premium notes and / or floating rate notes / bonds or other debt instruments), issued / to be issued by the Company including deferred sales tax loans availed / to be availed by various Units of the Company, from time to time, subject to maximum upto Rs. 3,00,00,00,000/- (Rupees Three Hundred Crores Only) together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Agent(s) / Trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s), Debenture Trust Deed(s) or any other document, entered into / to be entered into between the Company and the Lender(s) / Agent(s) / Trustee(s) / State Government(s) / Agency(ies) representing various state government and/or other agencies etc. in respect of the said loans / borrowings / debentures / securities / deferred sales tax loans and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the Lender(s) / Agent(s) / Trustee(s) / State Government(s) / Agency(ies), etc.

RESOLVED FURTHER THAT the securities to be created by the Company as aforesaid may rank prior / pari passu / subservient with / to the mortgages and /or charges already created or to be created in future by the Company or in such other manner and ranking as may be thought expedient by the Board (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) and as may be agreed to between the concerned parties.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise, settle, and execute such documents / deeds / writings / papers / agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages / charges as aforesaid.”

6. To consider and approve borrowing money(ies) for the purpose of business of the company

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

“RESOLVED THAT in supersession of all previous resolutions passed by the Company and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as recommended by Audit Committee and Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for borrowing, on behalf of the Company, any sum or sums of money, from time to time, as they may consider fit, any sum of money, in any manner, and without prejudice to the generality thereof, by way of loans, advances, credits,

acceptance of deposits or otherwise in Indian rupees or any other foreign currency, from any bank or banks, or any financial institutions, other person or persons, and whether the same may be secured or unsecured, and if secured, whether domestic or international, whether by way of mortgage, charge, hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the Company's assets and effects or properties including uncalled capital, stock in trade (including raw materials, stores, spares and components in stock or stock in transit), notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining undischarged at any given time, will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose so however that the total amount upto which money may be borrowed by the Board under this resolution, at any one time shall not exceed, in the aggregate, the sum of Rs. 3,00,00,00,000/- (Rupees Three Hundred Crores Only) and / or in equivalent foreign currency;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

BY ORDER OF THE BOARD OF DIRECTORS OF COMFORT INTECH LIMITED

Sd/-
ANKUR AGRAWAL
CHAIRMAN AND DIRECTOR
DIN: 06408167

DATE : SEPTEMBER 10, 2020
PLACE : MUMBAI

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), setting out material facts concerning the business to be transacted at the ensuing Annual General Meeting (AGM) under item nos. 3 to 6 is annexed hereto.
2. A brief resume of each of the Director proposed to be appointed/re-appointed at this AGM, nature of their expertise in specific functional areas, names of Companies in which they hold the Directorship and Membership /Chairmanships of Board Committees, Shareholding and relationship between directors inter-se as stipulated under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulation) and other requisite information as per Secretarial Standard-2 on General Meetings, are attached herewith.
3. The Company's Statutory Auditors, M/s. A. R. Sodha & Co. Chartered Accountants, (Firm Registration No. FRN 110324W), were appointed as Statutory Auditors of the Company for a period of 5 consecutive years till the conclusion of the 28th AGM, subject to ratification by members every year.

Pursuant to the provisions Section 139 of the Act, and the Companies (Amendment) Act, 2018 effective from 7 May, 2018, the requirement of seeking ratification from the members for the continuation of re-appointment of the Statutory Auditors has been withdrawn from the Statute.



In view of the above, ratification of the members for continuing the re-appointment of the Statutory Auditors at this AGM is not being sought. M/s. A. R. Sodha & Co. Chartered Accountants, (Firm Registration No. FRN 110324W) have given a confirmation and consent under Sections 139 and 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors.

4. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the conduct of the Annual General Meeting ("AGM") through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company. In compliance with the provisions of the Companies Act, 2013 ("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.
5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. In case of joint holders attending the meeting through VC / OAVM, only such joint holder who is higher in the order of names will be entitled to vote.
7. Institutional / Corporate Members (ie other than Individuals/HUF/NRI) etc are required to send the scanned copy of the Board Resolution (pdf or jpg format) authorizing their representatives to attend the meeting through VC / OAVM on their behalf and to vote through remote e-voting. The said Resolution / Authorisation shall be sent to the Scrutinizer by email through its registered email address to ramavenigalla@gmail.com with a copy marked to evoting@nsdl.co.in.
8. Book Closure: The Register of Members and Share Transfer Books of the Company shall remain closed on October 30, 2020 for the purpose of the Annual General Meeting.
9. Transfer of Unclaimed Dividend Amount and Shares to the Investor Education and Protection fund (IEPF) Authority:

Pursuant to the applicable provisions of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (including any statutory modification(s) and / or reenactment(s) thereof for the time being in force), during the year under review the un-paid/unclaimed dividend for the financial year 2011-12 and 31,499 shares for which no dividend was claimed from consecutive seven years were transferred to the IEPF Authority established by the Central Government. The list shareholders whose shares and dividend were transferred to IEPF Authority is available on the website of the Company at www.comfortintech.com

Further, the Company will be transferring the dividend and the shares to the IEPF Authority for its Dividend Account of the financial year 2012-13 which is due in October, 2020. The Company has sent individual correspondence to the shareholders and published an newspaper advertisement for claiming the un-paid/unclaimed dividend in respect of which dividend has not been en-cashed or claimed by the members for 7 consecutive years or more. The shareholders are once again requested to claim their un-paid/unclaimed to avoid the transfer to IEPF.

Members who have not yet en-cashed their Final Dividends from financial year 2012-13 and 2013-14 and thereafter are requested to make their claims to the Company / RTA. Members are requested to quote folio numbers / DP ID – Client ID in all their correspondence.

In case the members have any queries on the subject matter and the Rules, they may contact the Company's RTA. The members / claimants whose shares and / or, unclaimed dividend, etc. have been transferred to IEPF Authority

may claim the shares and unclaimed dividend by making an application to IEPF Authority in IEPF Form-5 (available on www.iepf.gov.in). The member / claimant can file only one consolidated claim in a financial year as per the IEPF Rules. It is in the members interest to claim any un-en-cashed dividends from IEPF and for future dematerialization of their shares and opt for Automated Clearing House (ACH) mode, so that dividends paid by the Company are credited to the investor's account on time.

10. Share Transfer Permitted only in Demat: Pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, it is advised that transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1st, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, members holding shares in physical form are requested to take action to dematerialise the Equity Shares, promptly to avoid inconvenience in future.

11. In compliance with provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, Annual Report for Financial Year 2019- 2020 of your Company has been sent via Electronic Mode (E-mail) to the Members whose E-mail ID was made available to us by the Depositories Participants. We request the Members to register / update their e-mail address with their Depository Participant, in case they have not already registered/ updated the same.

Members are requested to join the Company in supporting the Green Initiative taken by Ministry of Corporate Affairs ("MCA") to effect electronic delivery of documents to the members at the E-mail addresses registered for the said purpose. Members are hereby requested to register their E-mail addresses with their Depository Participant or with Bigshare Services Pvt. Ltd, Registrar and Share Transfer Agent (RTA) of the Company, for sending various Notices, Dividend intimation and other documents through Electronic Mode. Those members who have changed their E-mail Addresses are requested to register their E-mail ID / New Addresses with RTA, in case the shares are held in physical form and with the Depository Participants where shares are held in Demat mode.

12. Pursuant to the SEBI Listing Regulations, the Company is required to maintain Bank details of its members for the purpose of payment of Dividends, etc. Members are requested to register / update their Bank details with the Company in case shares are held in physical form and with their Depository Participants where shares are held in dematerialised mode to enable expeditious credit of the dividend into their respective Bank accounts electronically through the Automated Clearing House (ACH) mode.
13. All the relevant documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company on all working days (From Monday to Friday) during the business hours up to the date of AGM.
14. The Members, desiring any information relating to the Accounts, are requested to write to the Company at the Corporate Office of the Company, to enable us to keep the requisite information ready.
15. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 and the Register of Contracts or Arrangements, in which the Directors are interested maintained under Section 189 of the Act, will be available for inspection during the AGM.
16. Your attention is invited on the Companies (Significant Beneficial Ownership) Amendment Rules, 2019 issued by the Ministry of Corporate Affairs on 8 February, 2019. A person is considered as a Significant Beneficial Owner (SBO) if he / she, whether acting alone, together or through one or more individuals or trust holds a beneficial interest of at least 10% or more. The beneficial interest could be in the form of a Company's shares or the right to exercise significant influence or control over the Company. If any members holding shares in the Company on behalf of other or fulfilling the criteria, is required to give a declaration specifying the nature of his / her interest and other essential particulars in the prescribed manner and within the permitted time frame.



17. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report for the year 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the physical copy of the Annual Report will not be sent. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website – www.comfortintech.com and website of the Stock Exchange – BSE Ltd – www.bseindia.com. Members can attend and participate in the Annual General Meeting through VC / OAVM facility only.
18. Since the AGM will be held through VC, the Route Map is not annexed in this Notice.

19. Process and Manner of E-voting:

Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide the Members, the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the Members using an electronic voting system ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

Shareholders holding multiple folios / demat account shall choose the voting process separately for each of the folios / demat account.

The remote e-voting period commences on November 02, 2020 (9:00 A.M. IST) and ends on November 04, 2020 (5:00 P.M. IST). During this period, Members' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date October 30, 2020, may cast their vote by remote e- voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote by remote e-voting shall not vote by e-voting conducted during the Meeting.

A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting.

The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. The Members, who has not cast their vote by remote e-voting, shall vote through e-voting system in the AGM.

The Company has appointed Mrs. Ramadevi Satish Venigalla, Proprietor of M/s. Ramadevi Satish Venigalla and Associates, Practicing Company Secretaries, to act as a Scrutinizer, to scrutinize the entire 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.

20. Procedure for Remote E-voting

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned 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***.

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) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.



6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN,your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 are 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 your vote.

General Guidelines for shareholders

- 1 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 ramavenigalla@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the

correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. 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 or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the Depositories / Company for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

- a. In case shares are held in physical mode please provide Folio No., Name of the shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor@bigshareonline.com/evoting@nsdl.co.in.
- b. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to evoting@nsdl.co.in.

Instructions for Members for e-voting on the day of the AGM are as under:

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

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

- i. Member 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 Shareholder / Member's login where the EVEN of Company will be displayed. Please note that 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.
- ii. Members are encouraged to join the Meeting through Laptops for better experience.
- iii. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting 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.



- v. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.
- vi. Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- vii. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow e-voting for all those Members who are present at the Annual General Meeting by electronic means but have not cast their votes by availing the remote e-voting facility.
- viii. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes casted during the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- ix. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.comfortintech.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange – BSE Ltd, where the shares of the Company are listed.

Additional information on Directors recommended for Appointment [Pursuant to Regulation 36(3) of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings] Item No. 2 & 3

Particulars	Mr. Ankur Agrawal	Ms. Divya Padhiyar
DIN	06408167	08598655
Date of Birth	23/11/1990	31/03/1995
Age (in years)	30 Years	25 years
Date of Appointment	June 29, 2019	October 30, 2019
Nationality	Indian	Indian
Qualification	Mr. Ankur Agrawal is a fellow member of ICAI and CFA. He also holds a degree of family MBA from Indian School of Business.	Ms. Divya Padhiyar is an Associate Member of the Institute of Company Secretaries of India (ICSI).
Expertise in specific Functional Area	He has more than 8 years of post qualification work experience in the field of Commerce, Finance, Audit and Accounts.	She has sound experience in the field of Secretarial and other Regulatory Compliances.
Directorships held in other public companies (excluding private, foreign companies and Section 8 companies)	<ol style="list-style-type: none"> 1. Luharuka Media & Infra Limited 2. Comfort Commotrade Limited 3. Comfort Fincap Limited 4. Liquors India Limited 5. Flora Fountain Properties Limited 6. Comfort Intech Limited 	<ol style="list-style-type: none"> 1. Comfort Commotrade Limited (Additional Director) 2. Comfort Fincap Limited (Additional Director) 3. Comfort Intech Limited (Additional Director) 4. Relcon Infraprojects Ltd. (Additional Director)
Shareholding in the Company as on March 31, 2020	Nil	Nil
Memberships/ Chairmanships of Committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee)	<p>Comfort Intech Limited</p> <ul style="list-style-type: none"> • Audit Committee - Member • Stakeholder Relationship Committee - Member • Corporate Social Responsibility Committee- Chairman <p>Comfort Commotrade Limited</p> <ul style="list-style-type: none"> • Audit Committee - Member • Nomination & Remuneration Committee - Member • Stakeholder Relationship Committee - Chairman <p>Luharuka Media & Infra Limited</p> <ul style="list-style-type: none"> • Audit Committee- Member • Stakeholder Relationship Committee - Member 	<p>Comfort Intech Limited</p> <ul style="list-style-type: none"> • Audit Committee - Member • Stakeholder Relationship Committee - Member • Nomination & Remuneration Committee - Member • Corporate Social Responsibility Committee-Member <p>Comfort Commotrade Limited</p> <ul style="list-style-type: none"> • Audit Committee- Member • Stakeholder Relationship Committee - Member • Nomination & Remuneration Committee - Member



	Comfort Fincap Limited <ul style="list-style-type: none"> Audit Committee- Member Stakeholder Relationship Committee - Member 	Comfort Fincap Limited <ul style="list-style-type: none"> Audit Committee - Member Stakeholder Relationship Committee - Member Nomination & Remuneration Committee - Member Relcon Infraprojects Ltd. <ul style="list-style-type: none"> Audit Committee - Member Nomination & Remuneration Committee - Member
No. of Board Meeting attended during the year of the Company	During the financial year ended on March 31, 2020, Mr. Ankur Agrawal attended Three of Three Board Meeting of the Company held during his tenure.	During the financial year ended on March 31, 2020, Ms. Divya has attended One of One Board Meeting of the Company held during her tenure held on February 06, 2020.
Disclosure of relationship between Directors inter-se	Mr. Ankur Anil Agrawal is the son of Mr. Anil Beniprasad Agrawal - Chief Executive Officer of the Company	None
Key Terms and Conditions of the appointment	As per the Item No. 2 of this Notice, i.e. retirement by rotation.	As per the Resolution at Item no. 3 of this Notice read with the explanatory statement thereto
Remuneration last drawn	Only sitting fees for the Meeting attended was paid.	Since the Director is a Non-Executive Director of the Company, only sitting fees for the Meeting attended was paid.
Remuneration sought to be paid	Only sitting fees and the commission, if any would be payable to him	Since the Director is a Non-Executive Director of the Company, only sitting fees and the commission, if any would be payable to her

BY ORDER OF THE BOARD OF DIRECTORS OF COMFORT INTECH LIMITED

Sd/-
ANKUR AGRAWAL
CHAIRMAN AND DIRECTOR
DIN: 06408167

DATE : SEPTEMBER 10, 2020
PLACE : MUMBAI

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company, pursuant to the provisions of Section 161 of the Companies Act, 2013 ("Act") read with applicable rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 had appointed Ms. Divya Padhiyar (DIN: 08598655) as an Additional Director in the capacity of an Independent Director to hold office upto the date of the Annual General Meeting.

The Company has received from Ms. Divya Padhiyar:

- (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014,
- (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013, and
- (iii) a declaration to the effect that she meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

In compliance with the provisions of section 149 read with Schedule IV of the Companies Act, 2013 the appointment of Ms. Divya Padhiyar as Independent Directors is now being placed before the Members for their approval.

All the relevant documents for the appointment of Ms. Divya Padhiyar as Independent Directors of the Company shall be open for inspection by the Members at the Registered Office of the Company between 10:00 am to 1:00 pm on all working day, (Monday to Friday) except Saturdays, Sundays and holidays upto the date of Annual General Meeting and the same shall be available at the time of Annual General Meeting.

A brief profile of Ms. Divya Padhiyar to be appointed as Independent Director is given in the table appearing before the explanatory statement.

Except Ms. Divya Padhiyar, being the appointee, none of the Directors and/or Key Managerial Personnel's of the Company and/or their relatives are concerned or interested, financially or otherwise in the Resolution set out above.

Your Board recommends the said resolution as special resolution for approval of the members.

ITEM NO. 4

Your Company generally enters into transaction with related parties as prescribed in the table of resolution no. 4 in ordinary course of business and at arm's length basis, which would fall in the definition of "Related Parties" under the Companies Act, 2013 ("the Act") and/or the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 the Rules exempts a company from obtaining consent of the Board of Directors and the members in case the related party transactions entered into by the Company are in the ordinary course of business and on arm's length basis.

However, Regulation 23 of the Listing Regulations requires approval of the members through a resolution for all material related party transactions, even if they are entered into in the ordinary course of business and on arm's length basis, For this purpose, a transaction with a related party is considered material if the transaction(s) to be entered into individually or taken



together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements.

Information required to be given in the explanatory statement pursuant to Rule 15 of the Rules forms part of the resolution.

Shareholders' approval by way of a Special Resolution is therefore sought for the resolution set out in this Notice in terms of Regulation 23 of the Listing Regulations, except Mr. Anil Agrawal and Mr. Ankur Agrawal, along with their relatives, none of the other Directors and/or any Key Managerial Personnel's of the Company and are in any way, concerned or interested in the resolution.

The Board recommends the Special Resolution as set out at item No. 4 for the approval of the Shareholders

ITEM NO. 5 & 6

Keeping in view the existing and future financial requirements to support its business operations, the Company may need additional funds. The Board of Directors of a Company shall not, except with the consent of Company by Special Resolution borrow money together with the money already borrowed, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), exceeding the aggregate of the paid up capital and its free reserves as per the provisions of Section 180(1)(c) of the Companies Act, 2013 ("the Act") and its rules thereunder. The borrowings of the Company may in general required to be secured by suitable mortgage or charge on all or any of the movable or immovable properties of the Company, in such form, manner and ranking as may be determined by the Board of Directors / any of it's authorised Committee of the Company from time to time, in consultation with the lender(s). It is therefore, necessary for the members to pass a Special Resolution under Section 180(1)(a) and 180(1)(c) of the Companies Act, 2013, as set out at Item No. 5 and Item No. 6 of the Notice, to enable the Board of Directors to borrow money upto Rs. 300 Crores (Rupees Three Hundred Crores) and inter alia, authorised the Board to secure its borrowing by mortgage / charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company.

None of the Directors and the Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the passing of the above resolution.

The Board recommends the Special Resolution as set out at item no. 5 & 6 for the approval of the shareholder.

BY ORDER OF THE BOARD OF DIRECTORS OF COMFORT INTECH LIMITED

DATE : SEPTEMBER 10, 2020
PLACE : MUMBAI

SD/-
ANKUR AGRAWAL
CHAIRMAN & DIRECTOR
DIN: 06408167

DIRECTORS' REPORT

To the Members of the Company,

Your Directors are pleased to present the 26th Annual Report on the business and operations of the Company along with the Audited Financial Statements (Consolidated and Standalone) for the financial year ended March 31, 2020. :

1. HIGHLIGHTS OF CONSOLIDATED AND STANDALONE FINANCIAL RESULTS:

(Rs. In Lakhs)

Particulars	Consolidated		Standalone	
	2019-20	2018-19	2019-20	2018-19
Total Revenue	8346.51	5426.96	8346.51	5426.96
Total Expenses	8356.78	5341.08	8356.78	5341.08
Profit/(loss) before tax	-10.28	85.88	-10.28	85.88
Profit/(loss) after Tax	-63	76.23	-63	76.23
Share of Profits/Loss of Associates	(158.72)	(64.38)	-	-
Other comprehensive income	(310.03)	(175.33)	(300.02)	(200.28)
Total comprehensive income	(531.74)	(163.47)	(363.01)	(124.05)
Earnings Per Share (EPS)	-0.69	0.04	-0.20	0.24

2. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

On a Consolidated basis, the Company registered a revenue from operations of Rs. 8346.51 lakhs for the year ended March 31, 2020 as compared to Rs. 5426.96 lakhs in the previous financial year ended March 31, 2019. The Company registered a Loss of Rs. 531.74 lakhs for the year ended March 31, 2020 as compared to Rs. 163.47 lakhs in the previous financial year ended March 31, 2019. Further details are included in notes to Accounts of Consolidated Financial Statement.

On a Standalone basis, the Company registered a revenue from operations of Rs. 8346.51 lakhs for the year ended March 31, 2020 as compared to 5426.96 lakhs in the previous financial year ended March 31, 2019. The Company registered a Loss of Rs. 363.01 lakhs for the year ended March 31, 2020 as compared to Rs. 124.05 lakhs in the previous financial year ended March 31, 2019. Further details are included in notes to Accounts of Standalone Financial Statement.

The Consolidated and Standalone Financial Statements of the Company for the year ended March 31, 2020 have been prepared in accordance with Indian Accounting Standards (IND-AS), the relevant provisions of the Companies Act, 2013 and based on the Audited Financial Statements of its Associate Companies, which have been reviewed by the Statutory Auditors.

During the period under review the following events occurred which is likely to have impact of the operations of the Company:

- Appellate Authority of NBFC Registration, Ministry of Finance, Government of India vide its order no. F.No.11/11/2014/BO-II/BOA-Vol-II dated February 14, 2019 has rejected the appeal filed by the Company against the order dated 28.09.2018 passed by the RBI, Mumbai for cancellation of Certificate of Registration of NBFC of Comfort Intech Limited. Further, Company had filed an Extra-Ordinary Writ Petition before the Hon'ble High Court, Delhi against the above referred order of the Appellate Authority. On September 25, 2019, the Company had



withdrawn the writ Petition in the High Court of Delhi at New Delhi, with liberty to approach to RBI for necessary relief. The Company is seeking further legal advice.

- Company was restrained from accessing the securities market and further prohibition on buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of three years, from the date of the SEBI Order no. WTM/GM/EFD/1/2018-19 dated April 02, 2018 in matter of First Financial Services Ltd. Appeal was made before Securities Appellate Tribunal Mumbai and on September 27, 2019 SAT order was passed stating that the restraint order will come to end from the date of the order.
- SEBI vide adjudicating order dated August 21, 2020, has imposed a penalty of Rupees One Crore in the matter of Ravi Kumar Distilleries Limited. The Company is in process of filing appeal with the Securities Appellate Tribunal against the same.

In accordance with the provisions of Section 136 of the Companies Act, 2013, the Annual Report of the Company, containing therein its Consolidated and Standalone Financial Statements are available on the website of the Company at web link <http://www.comfortintech.com/Investorrelation>. Further, a detailed analysis of Company's performance is included in the Management Discussion and Analysis, which forms part of this Annual report.

3. COVID-19 IMPACT

In the last month of financial year, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs for whole economic activity throughout the Country. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers globally.

During the ongoing COVID-19 pandemic, our offices have been fumigated / disinfected regularly. Work from home (WFH) has been enabled for a large number of employees; only for critical processes, a limited staff has worked at offices following all the guidelines prescribed by the relevant authorities. These guidelines included temperature checks at entry points, compulsory social distancing, wearing of masks, hand sanitiser stations, regular sanitisation of high-touch surfaces like table tops, mouse, keyboard, staircase railings, lift buttons etc.; re-arranging of canteen seats, assigning workstations in such a way that social distancing is observed even while working; providing pick-up and drop in sanitised vehicles, etc. Further, pursuant to SEBI Circular No. SEBI/HO/ CFD/CMD1/CIR/P/2020/84 issued by the Securities and Exchange Board of India dated May 20, 2020, the Company has made Disclosure of material impact of COVID-19 pandemic to the Stock Exchange.

4. DIVIDEND

Based on Company's Financial performance for the year 2019-20 and in order to conserve resources to face the challenges and the contingencies due to current pandemic, the Board of Directors have not recommended any dividend on equity shares for the financial year 2019-20.

5. SHARE CAPITAL & LISTING

During the year under review, there have been no change in the share capital of the Company. The paid-up Equity Share Capital of the Company as on March 31, 2020 was Rs 31,99,38,080. Further, there was no public issue, rights issue, bonus issue or preferential issue, etc. during the year. The Company has not issued shares with differential voting rights or sweat equity shares, nor has it granted any stock options during the Financial Year 2019-20.

6. LISTING WITH THE STOCK EXCHANGES

Your Company's equity shares are listed on The BSE Limited. Annual listing fees for the Financial Year 2019-20 & 2020-21 have been paid to BSE Limited (The Stock Exchange) where the shares of the Company are listed.

7. TRANSFER OF UNCLAIMED DIVIDEND AMOUNTS AND CONCERNED SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF) AUTHORITY

Pursuant to the applicable provisions of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (including any statutory modification(s) and / or reenactment(s) thereof for the time being in force), during the year under review the unpaid/unclaimed dividend for the financial year 2011-12 and 31,499 shares for which no dividend was claimed for seven consecutive years were transferred to the IEPF Authority established by the Central Government. The list of shareholders whose shares and dividends were transferred to IEPF Authority is available on the website of the Company at www.comfortintech.com.

Further, the Members may note that the Company will be transferring unpaid/unclaimed dividend and the shares to the IEPF Authority for its Dividend Account of financial year 2012-13 which is due in October, 2020. The Company will be sending individual correspondence to respective shareholders and will be publishing newspaper advertisement for claiming the unpaid/unclaimed dividend in respect of which dividend has not been en-cashed or claimed by the members for 7 consecutive years or more. The shareholders are once again requested to claim their unpaid/unclaimed dividend to avoid the transfer to IEPF Authority .

Members who have not yet en-cashed their Final Dividends from financial year 2012-13 and 2013-14 and thereafter are requested to make their claims to the Company / RTA. Members are requested to quote folio numbers / DP ID – Client ID in all their correspondence.

8. TRANSFER TO RESERVES

There was no amount from statement of profit or loss, which was transferred to General Reserves during the year under review. The closing balance of the retained earnings of the Company for F.Y. 2019-20, after all appropriation and adjustments was Rs. 6555.18 lakhs.

9. DEPOSITS

Your Company has not accepted any deposits and as such no amount on account of principal or interest on public deposit under section 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 was outstanding as on the date of the Balance Sheet.

10. MATERIAL CHANGES AFFECTING THE COMPANY

No material changes and commitments occurred after the close of the financial year 2019-20 till the date of this Report which affect the financial position of the Company except the impact of Covid-19 Pandemic. However, during the period under review. Mr. Anil Beniprasad Agrawal, Mr. Bharat Shiroya, Mrs. Annu Anil Agrawal and Mr. Jugal Thacker has resigned as Director of the Company w.e.f June 29, 2019 due SEBI's order dated March 12, 2019 (WTM/GM/EFD/99/2018-19) which stated that they shall not hold position as Director in any listed Company for the period of three year with w.e.f. July 01, 2019.

Further it is hereby confirmed that there has been no change in the nature of business of the Company.

11. THE MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report in terms of the provisions of Regulation 34 required with schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is enclosed as part of this report.

**12. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:**

The Company does not have any Holding, Joint Venture or Subsidiary Company nor have any joint operations during the year under review but it has three Associate Companies, namely, Lemonade Shares and Securities Private Limited, Comfort Securities Limited and Liquors India Limited and pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the Financial Statements of all the associate companies and their contribution to overall performance of the Company are provided in **Form AOC-1** which is annexed as **Annexure 1** to the report.

13. MATERIAL SUBSIDIARY:

For the period under review, there are no material subsidiaries of the Company.

14. BOARD OF DIRECTORS / KEY MANAGERIAL PERSONNEL'S:

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical backgrounds, age and ethnicity, that will help us retain our competitive advantage.

The details of the Directors, their meetings held during the year and the extracts of the Nomination and Remuneration Policy has been given in the Corporate Governance, which forms part of this report.

I. BOARD OF DIRECTORS

Following were the Directors as on March 31, 2020:

Sr. No.	Name	DIN	Designation
1.	Mr. Ankur Agrawal	06408167	Executive Director
2.	Mr. Devendra Lal Thakur	00392511	Non-executive Independent Director
3.	Mr. Milin Ramani	07697636	Non-executive Independent Director
4.	Ms. Divya Padhiyar	08598655	Additional Director (Non-executive Independent Woman Director)

Further, following changes took place in Board of Directors of the Company in financial year 2019-20 :

a. Change in Directors:

- The Board of Directors of the Company at their Meeting held on June 29, 2019 have considered and approved the appointment of Mr. Ankur Agrawal and Mr. Milin Ramani as Additional Directors of the Company in the category of Non-Executive Non-Independent and Non-Executive Independent Director respectively w.e.f. June 29, 2019, which is approved and recommended by Nomination and Remuneration Committee. Further, at 25th Annual General Meeting, Mr. Ankur Agrawal and Mr. Milin Ramani were regularized as Non executive Non-Independent and Non-Executive Independent Directors respectively. The Company has received requisite declarations from them. There was change in designation of Ankur Agrawal w.e.f. October 23, 2019 as Executive Director.

- Pursuant to Regulation 17 of the SEBI Listing Regulations read with section 149 of the Companies Act, 2013 and based on recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on October 22, 2019, appointed Ms. Divya Padhiyar (DIN: 08598655) as an Additional Woman Director with effect from October 30, 2019 to hold office up to the date of forthcoming Annual General Meeting.

Further, it is proposed to regularize her as independent Director of the Company at ensuing Annual General Meeting of the Company. The Company has received requisite declarations from her.

Details about the Director being appointed/re-appointed are given in the Notice of the forthcoming Annual General Meeting.

- The Board of Directors had accepted and noted the resignation of:

Sr. No.	Name of Director	DIN	Designation	Date of Resignation
1	Mr. Anilkumar Nevatia	00531183	Independent Director	May 18, 2019
2	Mr. Anil Agrawal	00014413	Managing Director	June 29, 2019
3	Mr. Bharat Shiroya	00014454	Whole Time Director	June 29, 2019
4	Mrs. Annu Agrawal	00014487	Non-Executive Director	June 29, 2019
5	Mr. Jugal Thacker	00015460	Independent Director	June 29, 2019

The resignation of Mr. Anilkumar Nevatia as Independent Director was due to his personal and unavoidable circumstances. Further, resignation of Mr. Anil Agrawal, Mr. Bharat Shiroya, Mrs. Annu Agrawal and Mr. Jugal Thacker was due to SEBI's order dated March 12, 2019 (WTM/GM/EFD/99/2018-19). As per their resignation letters received to the Company there are no other material reasons for their resignations apart from the above stated reasons.

Following were the Key Managerial Personnel's as on March 31, 2020:

Sr No.	Name	Designation
1.	Mr. Pravin Naik	Chief Financial Officer
2.	Mr. Anil Agrawal	Chief Executive Officer

b. Change in Key Managerial Personnel's:

- The Board of Directors of the Company, on recommendation of Nomination and Remuneration Committee, considered and approved the appointment of Mr. Anil Beniprasad Agrawal as Chief Executive Officer (CEO) w.e.f. June 29, 2019.
- Further, the Company has appointed Mr. Dhaval Chetan Shah as Company Secretary and Compliance Officer of the Company w.e.f. from May 20, 2019 and has resigned w.e.f. January 18, 2020.

However, post financial year following changes took place in Key Managerial Personnel's of the Company:

- The Board of Directors of the Company, on recommendation of Nomination and remuneration Committee, appointed Mr. Hiren Valjibhai Gediya as Company Secretary and Compliance Officer of the Company w.e.f. from July 15, 2020.



- The Board of Directors have accepted the resignation of Mr. Pravin Arjun Naik as Chief Financial Officer of the Company with effect from September 10, 2020.
- The Board of Directors of the Company, on recommendation of Nomination and Remuneration Committee, had considered and approved the appointment of Mr. Kailash Karanidan Purohit as Chief Financial Officer (CFO) w.e.f. September 10, 2020.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, perquisites and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committees of the Company.

None of the Directors are disqualified for being appointed as the Director of the Company in terms of Section 164 of the Companies Act, 2013. Further, the Company after due assessment took on record the necessary declaration received from the Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations, and also in the opinion of the Board and as confirmed by the Director, they fulfill the conditions specified in Section 149 of the Companies Act, 2013 and the Rules made thereunder. Further, All the independent directors on the Board of the Company are registered with the Indian Institute of Corporate Affairs, Manesar, Gurgaon ("IICA") as notified by the Central Government under Section 150(1) of the Companies Act, 2013 and as applicable shall undergo online proficiency self-assessment test within the time prescribed by the IICA.

c. Director liable to retire by rotation:

Pursuant to provisions of Section 152(6) of the Act, Mr. Ankur Anil Agrawal, Executive Director, retires by rotation at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment. Brief profile of Mr. Ankur Agrawal as required under Regulation 36 (3) of the SEBI Listing Regulations read with SS-2 on General Meeting is provided in the Notice of the ensuing AGM. The Board recommends the same for the approval of shareholders.

d. Board Effectiveness:

I. Director's Evaluation

In terms of the requirement of the Companies Act, 2013 and Regulation 4 (2)(f) of the SEBI Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness, on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the independent director being evaluated.

In a separate meeting of Independent Directors held on February 06, 2020, the performance evaluation of the Board as whole, Chairman of the Company and the Non Independent Directors was evaluated. The Board of Directors expressed their satisfaction with the evaluation process based on the recommendation of the Nomination & Remuneration Committee.

II. Familiarization program for Independent Director(s)

The familiarization program aims to provide the Independent Directors their roles, responsibilities in the Company, nature of the industry, business model, processes & policies and the technology and the risk

management systems of the Company, the operational and financial performance of the Company, significant development so as to enable them to take well informed decisions in timely manner. Further, the Directors are encouraged to attend the training programmes being organized by various regulators / bodies / institutions on above matters. The policy on Company's familiarization program for Independent Directors is hosted on the Company's website.

III. Meeting of the Board and Committees of the Board of Directors:

The Board has established following 4 Committees:

- 1) Audit Committee;
- 2) Nomination and Remuneration Committee;
- 3) Stakeholders' Relationship Committee; and
- 4) Corporate Social Responsibility Committee.

Details of the Board and its Committees along with their amended charters, composition, meetings held during the year are given under Corporate Governance Report appearing elsewhere as a separate section in this Annual Report.

15. NOMINATION AND REMUNERATION POLICY

The Company has a Nomination and Remuneration Policy for Directors and Senior Managerial Personnel approved by the Nomination and Remuneration Committee and the Board. The policy is available at the website of the Company at web link <http://www.comfortintech.com/Investorrelation>. The purpose of the Remuneration Policy is to establish and govern the procedure applicable:

- To evaluate the performance of the members of the Board.
- To ensure remuneration payable to Directors, KMP'S & other Senior Management strike appropriate balance and commensurate among others with the functioning of the Company and its long term objectives.
- To retain motivate and promote talent within the Company and to ensure long term sustainability of the managerial persons and create competitive advantage.

The policy inter-alia covers the Directors' appointment and remuneration, Key Managerial Personnel's and other senior management appointment and remuneration.

16. RELATED PARTY TRANSACTIONS

The Company has put in place a policy for related party transactions ('RPT policy') which has been approved by the Board of Directors. The RPT policy provides for identification of related party transactions, necessary approvals by the Audit Committee/Board of Directors/ Shareholders, reporting and disclosure requirements in compliance with the Act and the SEBI Listing Regulations. The said RPT policy has been uploaded on the website of the Company and can be accessed at the following link: <http://www.comfortintech.com/Investorrelation>.

All transactions executed by the Company during the financial year with related parties were on arm's length basis and in and in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations. All such related party transactions were placed before the Audit Committee for approval, wherever applicable. Pursuant to the provisions of Regulation 23 of the SEBI Listing Regulations, approval of the Members was obtained at the 25th Annual Meeting for material related party transaction(s) entered/to be entered with the related party(ies), as provided under Rule 15 of the Companies (Meeting of Board and its Power) Rules, 2015, for the financial year 2018-19 and 2019-



20. Omnibus approvals are also given by the Audit Committee for the transactions, which are foreseen and are repetitive in nature on yearly basis. A statement of all Related Party Transactions is presented before the Audit Committee and the Board on a quarterly basis, specifying the nature, value and terms & conditions of the transactions. The said transactions were unanimously confirmed and approved by the Audit Committee as well as by the Board.

Pursuant to provisions of section 188 of the Company Act 2013, there were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have a potential conflict with the interest of the Company; hence details are not required to be given under AOC-2.

Pursuant to Regulation 23(9) of the SEBI Listing Regulations, your Company has filed the half yearly reports on related party transactions with the Stock Exchange.

17. REMUNERATION TO DIRECTORS, PARTICULARS OF EMPLOYEES AND HUMAN RESOURCES(HR):

Your Company had 8 employees as on March 31, 2020. The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read along with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company as no employees were in receipt of remuneration above the limits specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as **Annexure 2** and forms part of this Report.

Your Directors would like to record their appreciation of the efficient and loyal service rendered by the employees.

18. WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company has in place a Whistle Blower Policy ('the Policy') which aims to set up a mechanism that enables employees to report about potentially illegal and/or unacceptable practices. It seeks to enable employees to report such practices without fear of victimisation and reprisal. The Policy aims to administer good governance practices in the Company and to ensure that serious concerns are properly raised and addressed.

The purpose of the Policy is to enable a person who observes an unethical practice to approach Chairman of Audit Committee without necessarily informing his/her supervisors and without revealing his/her identity, if he/she so chooses. The Policy governs reporting and investigation of allegations of suspected improper activities.

The employees of the Company are encouraged to use guidance provided in the Policy for reporting all allegations of suspected improper activities. The Policy complies with the requirements of vigil mechanism as stipulated under Section 177 of the Act and the SEBI Listing Regulations. The details of establishment of the Whistle Blower Policy/vigil mechanism have been disclosed on the website of the Company at web link <http://www.comfortintech.com/Investorrelation>.

19. COMPLIANCE WITH SEXUAL HARRASEMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at the workplace. During the year under review, the Company has not received any complaint of sexual harassment. No cases of child labour, forced labour and involuntary labour were reported during the year. Further, the Company is neither required to adopt policy for prevention of Sexual Harassment of Women at Workplace nor to constitute Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

20. AUDITORS

➤ STATUTORY AUDITORS

M/s. A. R. Sodha & Co. Chartered Accountants, (FRN 110324W), were appointed as Statutory Auditors of the Company for a period of 5 consecutive years till the conclusion of the 28th AGM, subject to ratification by members every year. Further, pursuant to the provisions Section 139 of the Act, and the Companies (Amendment) Act, 2018 effective from 7 May, 2018, the requirement of seeking ratification from the members for the continuation of re-appointment of the Statutory Auditors has been withdrawn from the Statute.

M/s. A. R. Sodha & Co. Chartered Accountants, (FRN 110324W) has confirmed their eligibility and consent under Sections 139 and 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 for their continuance as the Auditors of the Company for the financial year 2020–2021. In terms of the SEBI Listing Regulations, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI. Further, the report of the Statutory Auditors along with the notes is enclosed with the Financial Statements. The Auditors have issued modified opinion on the Financial Statements for the financial year ended March 31, 2020 as mentioned below:

The Company has not provided for defined benefit obligation in the nature of gratuity based on the requirement of Ind AS 19 i.e. "Employee Benefit", which requires defined benefit obligation to be recognised based on actuarial valuation basis. In absence of valuation we are unable to quantify the impact of above on the net profit for the year and liabilities as on date.

Management's Explanation:

For-payment of gratuity, it is accounted-for on payment basis.

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

➤ SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder, the Company has appointed M/s. R.M. Mimani & Associates LLP, Practicing Company Secretaries as Secretarial Auditor to Under take the secretarial audit of the Company for the financial year 2020–21. The Secretarial Auditor Report for the financial year ended March 31, 2020, in the prescribed **Form MR-3** is annexed as **Annexure 3** to this Report. The report is self-explanatory and contains some qualifications, reservations and adverse remarks as mentioned below:

- (i) During the quarter ended on September 30, 2019, the composition of Board is not in accordance with the provision of regulation of 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (ii) The Company has delayed in submitting the information to depository in respect of changes took in Board and KMP of the Company during the audit period.
- (iii) The Company has maintained the data in normal excel file instead of structured database, as required in terms of regulation 3(5) of the PIT Regulations, 2015
- (iv) The Company has filed form MGT-14 with MCA, together with the resolution passed to approve the annual financial results instead of resolution to approve Annual Financial Statements for the financial year ended on March 31, 2019.



- (v) The Company has delayed in transferring the amount of unpaid dividend of the financial year 2011-2012 to IEPF account, as required in pursuance to the provisions of section 125 of the Companies Act, 2013
- (vi) The Company has not fully complied with clause 4 of the Schedule B of PIT Regulation, 2015 read with circular No. LIST/ COMP/ 01/ 2019-20 dated April 2, 2019 of BSE.

Management's Explanation:

- (i) Mrs. Annu Agrawal has resigned w.e.f June 29, 2019 and accordingly the Company has appointed Ms. Divya Padhiyar, Woman Director, w.e.f. October 30, 2019, to have the proper composition of Board in accordance with the provisions of Regulation 17 of the SEBI (LODR) Regulations, 2015. Further, the Company has paid the penalty levied by the Stock Exchange in this regard.
- (ii) The Company has submitted the information of changes in Directors and KMP to depositories.
- (iii) The Company has efficiently started the process of maintaining the data in structured digital database.
- (iv) There was typographical error while filing form MGT-14. The word Results was typed instead of Statements.
- (v) The Company had received request from the shareholders for the unpaid dividend. Accordingly, there was delay in transferring the amount to IEPF.
- (vi) The Company has closed its trading window for the quarter ended June 30, 2019 and September 30, 2019 from the date of the notice of the Board Meeting till 48 hours after the declaration of Result. However, none of its Designated or connected persons has treaded in the securities of the Company from July 01, 2019 and October 01, 2019 till 48 hours after the declaration of result. For the quarter ended December 31, 2019 and March 31, 2020, the trading window was closed from the beginning of the next quarter till 48 hours after the declaration of results for that quarter.

Pursuant to the circular issued by the SEBI dated 8 February, 2019, Secretarial Auditor has also issued the "Annual Secretarial Compliance Report" for the F.Y. 2019-20 and the same was duly submitted to the stock exchange(s) in time

➤ **INTERNAL AUDITOR**

M/s. Siddhant Shah & Co., Practicing Chartered Accountant, Mumbai performed the duties of Internal Auditors of the Company for 2019-20 and their report is reviewed by the Audit Committee from time to time. Further, Board of Directors of the Company has appointed M/s. Siddhant Shah & Co., as an Internal Auditor of the Company for the F.Y. 2020-21.

➤ **COST AUDITOR**

The Maintenance of the cost records, for the services rendered by the Company is not required pursuant to Section 148(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Cost records and Audit) Rules, 2014 and accordingly it is not required to appoint Cost Auditor.

21. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them

in accordance with policy adopted by the company. The Board has laid down standards, processes and procedures for implementing the internal financial controls across the organization. After considering the framework of existing internal financial controls and compliance systems; work performed by the Internal, Statutory and Secretarial Auditors and external consultants; reviews performed by the Management and relevant Board Committees including the Audit Committee, the Board is of the opinion that the Company's internal financial controls with reference to the financial statements were adequate and effective during the financial year under review. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

22. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013, and to the best of Board's knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement and confirm that -

- (a) In the preparation of the Annual Financial Statements for the year ended March 31, 2020, the applicable accounting standards have been followed and there are no material departures.
- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for the year under review.
- (c) The Director have taken proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The Directors have prepared the Annual Accounts on a going concerns basis.
- (e) The Directors had laid down internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

a. Conservation of Energy and Technology Absorption

The Company has optimization of power usage as well as higher operational efficiency. The Company is taking all possible measures to conserve energy. Several environment friendly measures were adopted by the Company such as:

- Automatic power shutdown of idle monitors
- Creating environmental awareness by way of distributing the information in electronic form;
- Minimizing Air Conditioning usage
- Shutting off all lights when not in use
- Usage of Light Emitting Diode (LED) Lights

The Company's operations do not require significant import of technology.

**b. Foreign Exchange Earnings and Outgo**

Details of foreign exchange earnings and outgo required under Section 134 (3) (m) of the Act read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 are as under:

Particulars	Year Ended 31 March, 2020	Year Ended 31 March, 2019
Foreign Exchange Used	1,24,82,410	8,00,16,340
Foreign Exchange Earned	-	-

24. CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year the company has identified the following as the focus area for its CSR activity(ies) : Promoting Education, skill development and vocational training. The CSR Policy is hosted on the Companies website at www.comfortintech.com

The composition of the CSR Committee, CSR Policy and other required details are given in the Annual Report on CSR Activities annexed to this Report as **Annexure 4**.

25. CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, 2015, a separate section on Corporate Governance practices followed by Company, together with a Certificate from Practicing Company Secretary confirming compliance, forms an integral part of this Report. A copy of Certificate issued by Practicing Company Secretary forms part of this report.

26. BUSINESS RISK MANAGEMENT

Pursuant to section 134 (3) (n) of the Companies Act, 2013, the Company has adequate risk management mechanism and is periodically reviewed by the Board. The major risks identified by the business are systematically addressed through mitigating actions on a continuing basis and cost-effectively risk are controlled to ensure that any residual risks are at an acceptable level. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures. Further, your Company aims at enhancing shareholders' value and providing an optimum risk-reward trade off. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

27. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading and Code for Fair Disclosure with a view to regulate trading in securities by the Directors and designated employees of the Company in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The code is available on website of the Company at web link <http://www.comfortintech.com/Investorrelation>

28. DISCLOSURES UNDER THE COMPANIES ACT, 2013 AND THE SEBI LISTING REGULATIONS**a. Extract of Annual Return:**

As required under the provisions of Sections 134(3)(a) and 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the extract of Annual Return in **Form No. MGT-9** is annexed herewith as **Annexure 5** to this Report. Is also available on the web site of the Company at www.comfortintech.com.

b. Changes in the Nature of Business:

During the period under review, the Company vide the Postal Ballot Result dated March 02, 2019 altered the Main Object Clause of Memorandum of Association of the Company to facilitate Company to enter into new business areas of Liquors, Wines, Indian Made Foreign Liquor, Country Liquor, etc.

c. Compliance with Secretarial Standards on Board and General Meetings: During the year under review, the Company has complied with Secretarial Standards on meetings of the Board of Directors and on General Meetings, specified by the Institute of Company Secretaries of India.**d. Equity Shares with Differential Rights:** Your Company has not issued any Equity Shares with differential rights as to dividend, voting or otherwise.**e.** Disclosure on details of Loans, Guarantees and Investments made pursuant to the provisions of Section 186 of the Companies Act, 2013, and Listing Regulations, 2015 are provided in the financial statements in this Annual Report.**f. Other Disclosures:**

- No material fraud has been reported by the Auditors to the Audit Committee or the Board.
- The Company does not have any scheme or provision of money for the purchase of its own shares by trustees for employees benefit.
- There were no buy back of shares during the year under review
- The Company was charged a fine of Rs. 1,55,000/- under Regulation 17(1) of SEBI Listing Regulations, for Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint Woman Director. The Company has made payment and complied with the said regulation.
- During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations and legal compliances apart from the order of SAT Mumbai Order dated September 27, 2019 in matter of First Financial Services Ltd, SEBI Order dated March 12, 2019, withdrawal of the writ Petition by the Company in the High Court of Delhi at New Delhi, with liberty to approach to RBI for necessary relief and SEBI adjudicating order dated August 21, 2020 in the matter of Ravi Kumar Distilleries Limited mentioned elsewhere in the Report.

29. APPRECIATION AND ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Shareholders, Bankers, Financial Institutions, Investors, Regulatory Bodies and other business constituents during the year under review. Your Directors thank all our esteemed clients, associates, vendors and contractors within the country and overseas for their continued support, faith and trust reposed in the professional integrity of the Company. With continuous learning, skill upgradation and technology development Company will continue to provide world class professionalism and services to its clients, associates, vendors and contractors. Your Directors also wish to convey their sincere appreciation to all employees at all levels for their dedicated efforts and consistent contributions and co-operation extended and is confident that they will continue to contribute their best towards achieving still better performance in future.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF COMFORT INTECH LIMITED

DATE : SEPTEMBER 10, 2020
PLACE : MUMBAI

SD/-
ANKUR AGRAWAL
CHAIRMAN AND DIRECTOR
DIN: 06408167



ANNEXURE 1

FORM AOC-1

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

HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES AND THEIR CONTRIBUTION TO OVERALL PERFORMANCE OF THE COMPANY

PART "A": Subsidiaries:

The Company does not have any Subsidiary Company during the year.

Part "B": Associates and Joint Ventures:

The Company does not have any Joint Venture during the year. However, Company has three Associate Company(ies) and the details of the said company(ies) are mentioned here in below:

Name of Associates or Joint Ventures	Lemonade Shares and Securities Private Limited	Comfort Securities Limited	Liquors India Limited
1. Latest audited Balance Sheet Date	March 31,2020	March 31,2020	March 31,2020
2. Date on which the Associate or Joint Venture was associated or acquired	November 2012	May 2007	June 2013
3. Shares of Associate or Joint Ventures held by the company on the year end			
Number of shares:	2,20,000	57,50,000	42,00,000
Amount of Investment in Associates or Joint Venture:	Rs. 22,00,000/-	Rs. 5,75,00,000/-	Rs. 4,20,00,000/-
Extent of Holding (in percentage):	46.81%	48.94%	47.96%
4. Description of how there is significant influence	Equity Holding		
5. Reason why the associate / joint venture is not consolidated	Not applicable, since it is consolidated		
6. Net-worth attributable to shareholding as per latest audited Balance Sheet	Rs. 4,67,48,524/-	Rs. 23,49,91,554/-	Rs. 83,32,033/-
7. Profit or Loss for the year			
i. Considered in Consolidation	Rs. 283/-	Rs. 20,30,523/-	Rs. (1,79,03,137)/-
ii. Not Considered in Consolidation	Rs. 321/-	Rs. 21,18,482/-	Rs. (1,94,26,172)/-
8. Other Comprehensive Income			
i. Considered in Consolidation	-	Rs. (1000697)/-	-
ii. Not Considered in Consolidation	-	Rs. (1044046)/-	-

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF COMFORT INTECH LIMITED

DATE : SEPTEMBER 10, 2020
PLACE : MUMBAI

SD/-
ANKUR AGRAWAL
CHAIRMAN & DIRECTOR
DIN: 06408167

ANNEXURE 2

Statement under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. **The ratio of the remuneration of each Director and Key Managerial Personnel's (KMP) to the median remuneration of the employees of the Company for the financial year 2019-20:**

Name of Directors/ KMP	Designation	Ratio of Remuneration of each Director / Employee to the median remuneration	Remuneration (in Rs.)	
			FY 2019-20	FY 2018-19
Mr. Anil Agrawal*	Managing Director	1.108	1200000	4696667
Mr. Annu Agrawal*	Non-Executive Non-Independent Director	0.018	20000	40,000
Mr. Bharat Shiroya *	Whole Time Director	-	-	-
Mr. Jugal Thacker*	Non-Executive Independent Director	0.018	20000	55,000
Mr. Devendra Lal Thakur	Non-Executive Independent Director	0.088	95000	70,000
Mr. Anilkumar Nevatia \$	Non-Executive Independent Director	0	0	55,000
Mr. Ankur Agrawal ~	Executive Director, Chairman	0.051	55000	NA
Mr. Milin Ramani ~	Non-Executive Independent Director	0.060	65000	NA
Ms. Divya Padhiyar %	Additional Director (Independent Woman Director)	0.023	25000	NA
Mr. Pravin Naik	Chief Financial Officer	0.614	664718	736019
Mr. Dhaval Shah #	Company Secretary	0.393	426204	NA

* Resigned as Director w.e.f. June 29, 2019

~ Appointed as Director w.e.f. June 29, 2019

% Appointed as Director w.e.f. October 30, 2019

Appointed as Company Secretary w.e.f. May 20, 2019 and resigned w.e.f. January 18, 2020

\$ Resigned as Director w.e.f. May 18, 2019



2. The percentage increase in remuneration of each Director, Group Chief Financial Officer, Company Secretary in the financial year 2019–20 as compared to financial year 2018–19:

Name of Directors/ KMP	Designation	No increase / decrease in Remuneration
Mr. Anil Agrawal	Managing Director and Chief Executive Officer	NA
Mrs. Annu Agrawal	Non-Executive Non-Independent Director	NA
Mr. Bharat Shiroya	Whole Time Director	NIL
Mr. Jugal Thacker	Non-Executive Independent Director	NA
Mr. Devendra Lal Thakur	Non-Executive Independent Director	NA
Mr. Anilkumar Nevatia	Non-Executive Independent Director	NA
Mr. Ankur Agrawal	Executive Director, Chairman	Not Comparable
Mr. Milin Ramani	Non-Executive Independent Director	Not Comparable
Ms. Divya Padhiyar	Additional Director (Independent Woman Director)	Not Comparable
Mr. Pravin Naik	Chief Financial Officer	NA
Mr. Dhaval Shah	Company Secretary	Not Comparable

3. The Percentage increase in the median remuneration of employees in the financial year 2019–20:

The percentage increase in the median remuneration of all employees in the financial year was 37.72%.

4. The number of permanent employees on the rolls of Company as on March 31, 2020:

The number of permanent employees on the rolls of Company as on 31st March, 2020 were 8.

5. Average percentile increase / decrease already made in the salaries of employees other than the Managerial Personnel's in the last financial year and its comparison with the percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:

Average percentage increase/decrease made in the salaries of the employees other than the Managerial Personnel in the financial year was (14.17) % vis a vis increase of (61.46) % in the salaries of Managerial Personnel.

6. Affirmation that the remuneration is as per the Nomination and Remuneration Policy of the Company:

We affirm that the remuneration is as per the Nomination and Remuneration Policy of the Company.

Please note that the details required to be given as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company since the remuneration drawn by the Directors, KMP'S and Employees are below the limits specified.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF COMFORT INTECH LIMITED

DATE : SEPTEMBER 10, 2020
PLACE : MUMBAI

SD/-
ANKUR AGRAWAL
CHAIRMAN & DIRECTOR
DIN: 06408167

ANNEXURE 3**Form No. MR-3****Secretarial Audit Report for the financial year ended on March 31, 2020**

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

To,
The Members
Comfort Intech Limited
[CIN: L74110DD1994PLC001678]
106, Avkar Algani Nagar
Kalaria Daman – 396210

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Comfort Intech Limited** here in after called (“the Company”) for the financial year ended 31st March, 2020 [‘Audit Period’]. 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, minute books, forms and returns filed and other records as maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, explanation and clarification given and representation made during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the 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’ book, forms and returns filed and other records as maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

1. The Companies Act, 2013 (the “Act”) and the rules made thereunder including any re-enactment thereof;
2. The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”), to the extent applicable:
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (ii) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (iii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (iv) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
6. Laws specifically applicable to the Industry to which the Company belongs, as identified and compliance whereof as confirmed by the management, that is to say:
 - (i) Food Safety and Standard Act, 2006

We have also examined compliance with the applicable clauses of the Secretarial Standards for Board Meetings (SS-1) and for General Meetings (SS-2) issued by the Institute of Company Secretaries of India.



During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. as mentioned above except the following;

- (i) *During the quarter ended on September 30, 2019, the composition of Board is not in accordance with the provision of regulation of 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;*
- (ii) *The Company has delayed in submitting the information to depository in respect of changes took in Board and KMP of the Company during the audit period.*
- (iii) *The Company has maintained the data in normal excel file instead of structured database, as required in terms of regulation 3(5) of the PIT Regulations, 2015*
- (iv) *The Company has filed form MGT-14 with MCA, together with the resolution passed to approve the annual financial results instead of resolution to approve Annual Financial Statements for the financial year ended on March 31, 2019.*
- (v) *The Company has delayed in transferring the amount of unpaid dividend of the financial year 2011-2012 to IEPF account, as required in pursuance to the provisions of section 125 of the Companies Act, 2013*
- (vi) *The Company has not fully complied with clause 4 of the Schedule B of PIT Regulation, 2015 read with circular No. LIST/COMP/01/2019-20 dated April 2, 2019 of BSE.*

During the audit period, provisions of the following regulations were not applicable to the Company;

- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (ii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (iii) The Securities and Exchange Board of India (Issue of Debt Securities) Regulations, 2008
- (iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999
- (v) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

Management and Auditor Responsibility:

- (i) Maintenance of secretarial 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;
- (ii) We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
- (iii) Wherever our Audit has required our examination of books and records maintained by the Company, we have also relied upon electronic versions of such books and records, as provided to us through online communication. Wherever for the purposes of our Audit, there was a need for physical access to any of the places of business of the Company; the same has not been uniformly possible in view of the prevailing lockdown.
- (iv) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns;
- (v) Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.;
- (vi) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;

(vii) Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practice;

(viii) 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.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except during the quarter ended on September 30, 2019. 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 and there was no formal system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- Decisions at the meetings of the Board or Committee thereof were carried out with requisite majority, while there were no recorded instances of dissent in Board or Committee meetings.

We further report that based on the information provided and representation made by the Company and also on the review of compliance reports of the respective department duly signed by the department head and Compliance Certificate(s) of the Managing Director/CEO/Company Secretary/CFO taken on record by the Board of Directors of the Company, in our opinion system and process exists in the company required to be strengthen to commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, the Company has not undertaken any specific event/action that can have a major bearing on the company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For R M Mimani & Associates LLP
[Company Secretaries]
[Firm Registration No.: I2001MH250300]

Ranjana Mimani
(Partner)

FCS : 6271
CP No.: 4234

Place: Mumbai
Dated: September 10, 2020

UDIN:F006271B000691252



ANNEXURE 4

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

Disclosures pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014:

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

In accordance with the CSR Policy of your Company, the CSR initiatives would be focused around the following identified thrust areas for channelizing the resources on a sustained basis:

- Education: Your Company aspires to enormously contribute to improve & facilitate education at various sections of the society. During the financial year 2019-20 the Company have spent Rs. 14,00,000/- for skill development and vocational training.

Sr. no	CSR Project or activity identified	Sector in which the project is covered under Schedule VII of the Companies Act, 2013	Projects or Programs (1) Local area or Other (2)Specify the state and district where Projects was undertaken	Amount outlay (budget)	Amount spent	Cumulative expenditure upto the reporting period	Amount Spent: Direct or through implementing agency
1.	Education and vocational skills	Promoting education, including special education and employment enhancing vocation skills	Mumbai, Maharashtra	Rs. 5,50,000/-	Rs. 14,00,000/-	Rs. 14,00,000/-	Through Trust

2. Composition of the CSR Committee as on March 31, 2020:

Sr No.	Name of the Member(s)	Position in the Committee	Nature of Directorship
1	Mr. Ankur Agrawal	Chairman	Executive and Chairperson
2	Mr. Milin Ramani	Member	Non-Executive and Independent Director
3	Mr. Devendra Lal Thakur	Member	Non-Executive and Independent Director
4	Ms. Divya Padhiyar	Member	Additional Director (Non-Executive & Independent Woman Director)

3. **Average Net Profit of the Company for the last 3 financial years:** Rs. 2,70,69,007/-
4. **Prescribed CSR Expenditure amounts to (2% of the amount as in Sr.No.3 above):** Rs. 5,41,380.14/-
5. **Details of CSR spent for the financial year:**
 - a. Total amount spent for the financial year: Rs. 14,00,000/-
 - b. Amount unspent, if any : Nil
6. **Reason for not spending the amount during the financial year :** 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 is reproduced below:**

We hereby affirm that CSR Policy, as recommended by CSR Committee and approved by the Board, has been to the extend implemented and the CSR Committee monitors the area for the CSR projects and activities which needs to be complied by the Company in compliance with CSR objectives and rules.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF COMFORT INTECH LIMITED

SD/-
ANKUR AGRAWAL
CHAIRMAN & DIRECTOR
DIN: 06408167

DATE : SEPTEMBER 10, 2020
PLACE : MUMBAI

**ANNEXURE 5****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****as on financial year ended on 31.03.2020****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.****I REGISTRATION & OTHER DETAILS:**

i	CIN	L74110DD1994PLC001678
ii	Registration Date	17/10/1994
iii	Name of the Company	COMFORT INTECH LIMITED
iv	Category/Sub-category of the Company	Company Limited by Shares
v	Address of the Registered Office & contact details	106, Avkar Algani Nagar, Kalaria, Daman, 396210, Daman & Diu, Email: info@comfortintech.com , Website: www.comfortintech.com
vi	Whether listed Company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	BIGSHARE SERVICES PRIVATE LIMITED. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400059 Tel: 022-62638200 Fax: 022-62638299 Website : www.bigshareonline.com Email ID: investor@bigshareonline.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The company has taken the approval from Shareholders through Postal ballot for the diversification and expansion of the various other activities which have good potential with respect to the future prospects of the Company and accordingly your Board of Directors undertook the business activities in the field of trading of various goods and commodities.

Further, the Company has also taken the approval from Shareholders on March 02, 2019 through Postal ballot for carrying on carry on the business as distillers, manufacturers, procurers, importers, exporters, agents, brokers, suppliers, processors, vendors, bottlers, distributors, stockists, dealers, godown keepers, C&F Agents, del credere agents, marketers, merchandisers, wholesalers of all types of spirits, whether rectified or otherwise, including India Made Foreign Liquor as well as Country Liquor, Beverage, Wines and others similar products

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sr No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Comfort Securities Ltd.	U67120MH2002PLC136562	Associate Company	48.94	Section 2(6)
2	Lemonade Shares & Securities Pvt Ltd.	U67100MH2010PTC205455	Associate Company	46.81	Section 2(6)
3	Liquors India Ltd.	U99999TG1975PLC001837	Associate Company	47.96	Section 2(6)

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

SR NO	Category of Shareholder	No. of Shares held at the beginning of the year 01/04/2019				No. of Shares held at the end of the year 31/03/2020				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
	(A) Shareholding of Promoter and Promoter Group2									
1	Indian									
a)	INDIVIDUAL / HUF	1638404	0	1638404	5.12	1638404	0	1638404	5.12	0.00
b)	CENTRAL/ STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0.00	0.00
c)	BODIES CORPORATE	15696925	0	15696925	49.06	15696925	0	15696925	49.06	0.00
e)	ANY OTHERS (Specify)									
2	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	17335329	0	17335329	54.18	17335329	0	17335329	54.18	0.00
2	Foreign									
a)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
b)	INDIVIDUAL	0	0	0	0.00	0	0	0	0.00	0.00
c)	INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0.00
d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
e)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	0	0	0	0.00	0	0	0	0.00	0.00
	Total Public Shareholding	17335329	0	17335329	54.18	17335329	0	17335329	54.18	0.00
	(B) Public shareholding									
3	Institutions									
a)	CENTRAL / STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0.00	0.00
b)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
c)	MUTUAL FUNDS / UTI	0	0	0	0.00	0	0	0	0.00	0.00
d)	VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0.00	0.00
e)	INSURANCE COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
f)	FII'S	0	0	0	0.00	0	0	0	0.00	0.00
g)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0.00	0.00



SR NO	Category of Shareholder	No. of Shares held at the beginning of the year 01/04/2019				No. of Shares held at the end of the year 31/03/2020				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
h)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
i)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
j)	FOREIGN PORTFOLIO INVESTOR	0	0	0	0.00	476723	0	476723	1.49	1.49
k)	ALTERNATE INVESTMENT FUND	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	0	0	0	0.00	476723	0	476723	1.49	1.49
4	Non-institutions									
a)	BODIES CORPORATE									
1	INDIAN	803696	800	804496	2.51	568872	0	568872	1.78	(0.74)
2	OVERSEAS	0	0	0	0.00	0	0	0	0.00	0.00
b)	INDIVIDUAL									
1	(CAPITAL UPTO TO Rs. 1 Lakh)	3838007	41173	3879180	12.12	3367459	15239	3382698	10.57	(1.55)
2	(CAPITAL GREATER THAN Rs. 1 Lakh)	9577251	45925	9623176	30.08	8157406	45925	8203331	25.64	(4.44)
c)	ANY OTHERS (Specify)									
1	HINDU UNDIVIDED FAMILY	0	0	0	0.00	1783559	0	1783559	5.57	5.57
2	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
3	CLEARING MEMBER	322182	0	322182	1.01	169542	0	169542	0.53	(0.48)
4	NON RESIDENT INDIANS (NRI)	11099	900	11999	0.04	0	200	200	0.00	(0.04)
5	NON RESIDENT INDIANS (REPAT)	10092	0	10092	0.03	20121	0	20121	0.06	0.03
6	NON RESIDENT INDIANS (NON REPAT)	7354	0	7354	0.02	6654	0	6654	0.02	(0.00)
7	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
8	EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0.00
9	UNCLAIMED SUSPENSE ACCOUNT	0	0	0	0.00	0	0	0	0.00	0.00
10	IEPF	0	0	0	0.00	46779	0	46779	0.15	0.15
11	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
d)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	14569681	88798	14658479	45.82	14120392	61364	14181756	44.33	(1.49)
	Total Public Shareholding	14569681	88798	14658479	45.82	14597115	61364	14658479	45.82	(0.00)
(C) Shares held by Custodians and against which Depository Receipts have been issued										
f)	SHARES HELD BY CUSTODIANS	0	0	0	0.00	0	0	0	0.00	0.00
12	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
13	Public	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	0	0	0	0.00	0	0	0	0.00	0.00
	Total Public Shareholding	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL	31905010	88798	31993808	100.00	31932444	61364	31993808	100.00	(0.00)

(ii) Shareholding of Promoters & Promoter Group

SL No	Shareholder's Name	Shareholding at beginning of the year 30/03/2019			Shareholding at the end of the year 31/03/2020			
		No of Shares	% of total Shares of the Company	% of Shares pledged/en-cumbered to total Shares	No of Shares	% of total Shares of the Company	% of Shares pledged/en-cumbered to total Shares	% Change
1	BHARAT NANUBHAI SHIROYA	521	0.0016	0.0000	521	0.0016	0.0000	0.0000
2	BHARAT NANUBHAI SHIROYA	531	0.0017	0.0000	531	0.0017	0.0000	0.0000
3	ANIL BENIPRASAD AGRAWAL	99424	0.3108	0.0000	99424	0.3108	0.0000	0.0000
4	ANIL AGRAWAL HUF	372390	1.1639	0.0000	372390	1.1639	0.0000	0.0000
5	ANNU ANIL AGRAWAL	1165538	3.6430	0.0000	1165538	3.6430	0.0000	0.0000
6	LUHARUKA INVESTMENT & CONSULTANTS PVT LTD	7844922	24.5201	0.0000	7844922	24.5201	0.0000	0.0000
7	LUHARUKA EXPORTS PVT LTD	7852003	24.5423	0.0000	7852003	24.5423	0.0000	0.0000
	TOTAL	17335329	54.1834		17335329	54.1834		0.0000

(iii) CHANGE IN PROMOTERS' SHAREHOLDING

No change in Shareholding of Promoter's

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

SR NO	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (01/04/2019)/ end of the year (31/03/2020)	% total Shares of the Company				No of Shares	% total Shares of the Company
1	JATIN HARESH MEHTA	489500	1.53	30-Mar-2019	0		489500	1.53
		489500	1.53	31-Mar-2020	0		489500	1.53
2	AIDOS INDIA FUND LTD	0	0.00	30-Mar-2019		Sell	0	0.00
			0.31	07-Jun-2019	100000	Buy	100000	0.31
			0.60	14-Jun-2019	90475	Buy	190475	0.60
			1.22	23-Aug-2019	200000	Buy	390475	1.22
			0.00	14-Nov-2019	-390475	Sell	0	0.00
			1.22	15-Nov-2019	390475	Buy	390475	1.22
			1.49	14-Feb-2020	86248	Buy	476723	1.49
		476723	1.49	31-Mar-2020	0		476723	1.49
3	MUKUT BEHARI AGARWAL	467191	1.46	30-Mar-2019	0		467191	1.46
		467191	1.46	31-Mar-2020	0		467191	1.46



SR NO	Name	Shareholding		Date	Increase/ Decrease in Sharehold- ing	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Be- ginning (01/04/2019)/ end of the year (31/03/2020)	% total Shares of the Compnay				No of Shares	% total Shares of the Compnay
4	BRIJESH HARESH MEHTA	462900	1.45	30-Mar-2019	0		462900	1.45
		462900	1.45	31-Mar-2020	0		462900	1.45
5	DARSHAN DOSHI	449500	1.41	30-Mar-2019	0		449500	1.41
			0.00	14-Nov-2019	-449500	Sell	0	0.00
			1.41	15-Nov-2019	449500	Buy	449500	1.41
		449500	1.41	31-Mar-2020	0		449500	1.41
6	SUNITA AGARWAL	423815	1.32	30-Mar-2019	0		423815	1.32
		423815	1.32	31-Mar-2020	0		423815	1.32
7	AMITKUMAR ARUNKUMAR KHARA	335000	1.05	30-Mar-2019	0		335000	1.05
		335000	1.05	31-Mar-2020	0		335000	1.05
8	ARUNKUMAR DALICHAND KHARA	335000	1.05	30-Mar-2019	0		335000	1.05
		335000	1.05	31-Mar-2020	0		335000	1.05
9	MAYURKUMAR ARUNKUMAR KHARA	330000	1.03	30-Mar-2019	0		330000	1.03
		330000	1.03	31-Mar-2020	0		330000	1.03
10	SEEMA PRAVINKUMAR JHUNJHUNWALA	266000	0.83	30-Mar-2019	0		266000	0.83
			0.00	14-Nov-2019	-266000	Sell	0	0.00
			0.83	15-Nov-2019	266000	Buy	266000	0.83
		266000	0.83	31-Mar-2020	0		266000	0.83

V Shareholding of Directors and KMP as on March 31, 2020

SL. No.	Name	Designation	No. of Shares held at the Beginning of the year	% of total Shares of the company	No. of Shares held at the End of the year	% of total Shares of the company
1	Mr. Devendra Lal Thakur	Non Executive & Independent Director	2794		2794	0.01
2	Mr. Anil Beniprasad Agrawal	Chief Executive Officer	99424		99424	0.31

VI INDEBTEDNESS

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

(In INR)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,83,84,114	-	-	3,83,84,114
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total	3,83,84,114	-	-	3,83,84,114
Change in Indebtedness during the financial year				
Additions				
Reduction	1,11,84,547	-	-	1,11,84,547
Net Change	1,11,84,547	-	-	1,11,84,547
Indebtedness at the end of the financial year				
i) Principal Amount	2,71,99,567	-	-	2,71,99,567
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	2,71,99,567	-	-	2,71,99,567

VII REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL'S**A. Remuneration to Managing Director, Whole time director and/or Manager:**

(In INR)

Sr. No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
1	Gross salary	Mr. Anil Agrawal*	Mr. Bharat Shiroya*	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	12,00,000	-	12,00,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil
2	Stock option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission -as % of profit -others (specify)	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	12,00,000	-	12,00,000
	Ceiling as per the Act	The above is within the limits as prescribed by the Act.		

* Resigned as Directors of the Company w.e.f June 29, 2019.



B. Remuneration to other directors:

(In INR)

Sr. No	Particulars of Remuneration	Name of the Directors					
		Mr. Anil Nevatia ##	Mr. Jugal Thacker #	Mr. Devendra Lal Thakur	Mr. Milin Ramani *	Ms. Divya Padhiyar **	Total Amount
1	Independent Directors						
	(a) Fee for attending board committee meetings	NA	20,000	95,000	65,000	25,000	2,05,000
	(b) Commission	NA	Nil	Nil	Nil	Nil	Nil
	(c) Others, please specify	NA	Nil	Nil	Nil	Nil	Nil
	Total (1)	NA	20,000	95,000	65,000	25,000	2,05,000
	Other Directors	Mrs. Annu Agrawal #	Mr. Anil Agrawal #	Mr. Bharat Shiroya #	Mr. Ankur Agrawal *		
	"(a) Fee for attending board committee meetings"	20,000	-	-	55,000		75,000
	(b) Commission	Nil	Nil	Nil	Nil		Nil
	(c) Others, please specify.	Nil	Nil	Nil	Nil		Nil
	Total (2)	20,000	-	-	55,000		75,000
	Total Managerial Remuneration	2,80,000					
	Overall Cieling as per the Act.	No Remuneration is paid to any of the Directors other than Managing Director & Whole Time Director.					

* Appointed as Director of the Company w.e.f June 29, 2019

** Appointed as Additional Director (Non Executive Independent Woman Director) of the Company w.e.f October 30, 2019

Resigned as Directors of the Company w.e.f June 29, 2019

Resigned as Director of the Company w.e.f May 18, 2019

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

(In INR)

Sr. No	Particulars of Remuneration	Key Managerial Personnel			
		Company Secretary	Chief Financial Officer	Chief Executive Officer	Total
1	Gross Salary	Mr. Dhaval Shah*	Mr. Pravin Naik	Mr. Anil Agrawal**	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	4,26,204	6,64,718	44,00,000	54,90,922
	(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	-	-	-	-

(In INR)

Sr. No	Particulars of Remuneration	Key Managerial Personnel			
		Company Secretary	Chief Financial Officer	Chief Executive Officer	Total
1	Gross Salary	Mr. Dhaval Shah*	Mr. Pravin Naik	Mr. Anil Agrawal**	
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	4,26,204	6,64,718	44,00,000	54,90,922

* Appointed as Company Secretary & Compliance Officer of the Company w.e.f May 20, 2019 and has resigned from the post w.e.f January 18, 2020

** Appointed as Chief Executive Officer of the Company w.e.f June 29, 2019

VIII 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	The Company was charged a fine of Rs. 150,000/- under Regulation 17(1) of the SEBI Listing Regulations, for Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint Woman Director. The Company has made payment of the same and complied with the said regulation.				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					



CORPORATE GOVERNANCE REPORT

This Corporate Governance Report relating to the Financial year ended March 31, 2020 has been prepared in compliance with the applicable provisions of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and amendments thereof and forms a part of the Report of the Directors to the members.

1. Company's Philosophy on Corporate Governance:

Comfort Intech Limited ('the Company') follows the highest standards of governance and disclosure. The Company firmly believes that adherence to business ethics and sincere commitment to corporate governance will help the Company to maximize stakeholders' value by attracting financial and human capital to secure efficient performance. It aims at holding a balance between economic & social goals on one hand and individual & collective goals on the other.

The Company's Corporate Governance philosophy is based on an effective Independent Board, the separation of the Board's supervisory role from the Executive Management and the Board Committees. Our Board has Independent Directors, highly respected for their professional integrity as well as rich experience and expertise. The Company has always strived to go beyond the Statutory and Regulatory requirements of Corporate Governance. Our endeavor is to follow good governance both in letter as well as in spirit.

2. Board of Directors

➤ Composition of Board of Directors

The Composition of the Board of Directors is in conformity with section 149 of the Companies Act, 2013 ("the Act") read with Regulation 17 of the SEBI Listing Regulations, 2015.

The Board of Directors as on March 31, 2020 consisted of Four Directors, out of which, three Directors are Non-Executive Independent Directors including one Independent Woman Director i.e 3/4th of the total strength of the Board of the Company and one Director is Executive Director.

Directorships and Committee Memberships/Chairmanships in other Companies as on March 31, 2020 are given below:

Name of the Director	DIN	Executive/ Non - Executive/ Independent/ Promoter	No. of shares held in the Company	No. of Directorship in Other entities (1) (Including your Company)	Position in Committees in other entities (2) (Including your Company)	
					Member	Chairman
Mr. Ankur Agrawal	06408167	Executive Director, Chairperson	-	6	7	1
Mr. Devendra Lal Thakur	00392511	Non-Executive- Independent Director	2,794	4	3	5
Mr. Milin Ramani	07697636	Non-Executive- Independent Director	-	5	8	1
Ms. Divya Padhiyar	08598655	Additional Director (Non-Executive- Independent Woman Director)	-	4	6	0

- (1) Excluding Private Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act 2013, alternate Directorship and Memberships of Managing Committees of various Chambers/ Institutions/Boards.
- (2) Represents Chairmanship /Membership of Audit Committee and Stakeholders' Relationship Committees of other Companies.
- (3) None of the Directors on the Board holds Directorships in more than ten public companies. None of the Independent Directors serves as an Independent Director on more than seven listed entities. Further, none of the Director acts as a member of more than ten (10) committees or Acts as a chairman of more than five (5) committees across all Public Limited Companies in which they are Director.
- (4) No Director is related to any other Director on the Board in terms of the definition of 'Relative' given under the Companies Act, 2013.

➤ **Skills / Expertise / Core Competencies of the Board**

The Board of the Company is structured having requisite level of education/qualifications, professional background, sector expertise, special skills. The Board after taking into consideration the Company's nature of business, core competencies and key characteristics has identified the following core skills/ expertise/ competencies as required in the context of its business(es) & sector(s) for it to function effectively and which are currently available with the Board as per the below table.

Sr. No.	Name of Directors	Skills / expertise / competence	Category	Names of the other listed entities where the person is a director
1.	Mr. Ankur Agrawal	<ul style="list-style-type: none"> • Corporate Governance & Ethics • Management & Strategy • Business Administration • Personnel Management • Global business perspective • Strategy and Planning • Financial Management & Taxation • Operations and General Management • Audit & Accounts 	Executive Director, Chairman	1. Comfort Commotrade Limited 2. Comfort Fincap Limited 3. Luharuka Media & Infra Limited



Sr. No.	Name of Directors	Skills / expertise / competence	Category	Names of the other listed entities where the person is a director
2.	Mr. Devendra Lal Thakur	<ul style="list-style-type: none"> • Corporate Governance & Ethics • Management & Strategy • Business Administration • Personnel Management • Global business perspective • Strategy and Planning • Financial Management & Taxation • Operations and General Management • Audit & Accounts 	Non-Executive Independent Director	1. Comfort Commotrade Limited 2. Comfort Fincap Limited 3. Luharuka Media & Infra Limited
3.	Mr. Milin Ramani	<ul style="list-style-type: none"> • Corporate Governance & Ethics • Management & Strategy • Personnel Management • Strategy and Planning • Secretarial & Compliance • Audit & Accounts 	Non-Executive Independent Director	1. Comfort Commotrade Limited 2. Comfort Fincap Limited 3. Luharuka Media & Infra Limited 4. Tree House Education & Accessories Limited
4	Ms. Divya Padhiyar	<ul style="list-style-type: none"> • Corporate Governance & Ethics • Management & Strategy • Secretarial & Compliance • Audit & Accounts 	Additional Director (Non-Executive- Independent Woman Director)	1. Comfort Commotrade Limited 2. Comfort Fincap Limited

➤ **Board Diversity**

Your Company over the years has been fortunate to have persons from diverse fields as Directors on its Board. Pursuant to the SEBI Listing Regulations, the Nomination and Remuneration Committee has formalized a policy on Board Diversity to ensure diversity of experience, knowledge, perspective, background, gender, age and culture. The policy is posted on the website of the Company at web link <http://www.comfortintech.com/Investorrelation>

➤ **Number of Board Meetings**

During the financial year ended 31st March, 2020, 5 (Five) Board Meetings were held on May 20, 2019, June 29, 2019, August 08, 2019, October 22, 2019 and on February 06, 2020. The details of attendance of Directors at Board Meetings during the financial year 2019-20 and at the Annual General Meeting (AGM) of the Company are as reproduced below:

Sr. No.	Name of Director	Category	No. of Meetings attended			Attendance at AGM held on September 14, 2019
			Held During the tenure	Attended	% of attendance	
1	Mr. Anil Agrawal *	Managing Director	2	2	100	NA
2	Mr. Bharat Shiroya*	Whole Time Director	2	2	100	NA
3	Mrs. Annu Agrawal *	Non-Executive – Non Independent Director	2	2	100	NA
4	Mr. Jugal Thacker *	Non-Executive - Independent Director	2	1	50	NA
5	Mr. Anil Kumar Nevatia \$	Non-Executive - Independent Director	0	0	-	NA
6	Mr. Devendra Lal Thakur	Non-Executive - Independent Director	5	5	100	Yes
7	Mr. Ankur Agrawal ~	Executive Director, Chairperson	3	3	100	No
8	Mr. Milin Ramani ~	Non-Executive - Independent Director	3	3	100	Yes
9	Ms. Divya Padhiyar #	Additional Director (Non-Executive - Independent Woman Director)	1	1	100	NA

*Resigned w.e.f. June 29, 2019

\$Resigned w.e.f. May 18, 2019

~ Appointed w.e.f. June 29, 2019

Appointed w.e.f. October 30, 2019

➤ Independent Directors

Separate Meetings of the Independent Directors

During the year under review, the Independent Directors met amongst themselves without the presence of the other Directors on February 06, 2020 and discussed / assessed the following items:

- The quality, quantity and timelines of flow of information between the Company Management and the Board that is necessary for the Board Members to effectively and reasonably perform their duties;
- Evaluation of Performance of Non-Independent Directors and the Board as whole;
- Evaluation of Performance of Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors; and
- To discuss the matter relating to Independent Directors data bank and its resignation and other related matters;



All Independent Directors were present at their Meeting. They expressed satisfaction on the Board Member's freedom to express views on the business transacted at the various Board and Committee meetings and the openness with which the Management discussed various subject matters on the agenda of the meetings.

➤ **Performance evaluation of the Board**

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness, on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the independent director being evaluated.

➤ **Code of Conduct for Directors and Senior Management**

The Company has prescribed a Code of Conduct for Directors and Senior Management of the Company. The said code is available on the website of the Company at web link <http://www.comfortintech.com/Investorrelation> where it can be accessed. The Code lays down the Code of Conduct which is expected to be followed by the Directors and the Designated persons in their business dealings and in particular on matters relating to integrity at work place, in business practices and in dealing with Stakeholders. Chief Executive Officer declares that the members of the Board of Directors and Senior Management Personnel have affirmed Compliance with the Code during the financial year under review.

A. COMMITTEES OF THE BOARD:

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulation; which concern the Company and need a closer review. The Board periodically reviews the composition and terms of reference of its Committees in order to comply with any amendments/modifications to the provisions relating to composition of Committees under the Listing Regulations, Companies Act, 2013 and the Rules issued thereunder.

The Board as on March 31, 2020 has following Statutory Committees:

- a. Audit Committee
- b. Stakeholders Relationship Committee
- c. Nomination and Remuneration Committee and
- d. Corporate Social Responsibility Committee

a) AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI Listing Regulations. The Committee comprises of four directors out of which majority are Independent Director and Chairperson of the Committee is an Independent Director. All members are financially literate and bring in expertise in the fields of finance, accounting, development, strategy and management.

Composition of Audit Committee and attendance record of members for 2019-20

During the financial year under review, the Audit Committee met 4 (Four) times to deliberate on various matters. Audit Committee Meetings were held on May 20, 2019, August 08, 2019, October 22, 2019 and February 06, 2020.

The gap between two Meetings was not more than 120 (One Hundred Twenty) day and the required quorum were present in all the Meetings. Below given are the details of composition and attendance of the members during the financial year 2019-20:

Sr. No.	Name of Member	Category	Designation	No. of Meetings attended		
				Held During the tenure	Attended	% of attendance
1	Mr. Devendra Lal Thakur	Non-Executive - Independent Director	Chairperson	4	4	100
2	Mr. Jugal Thacker *	Non-Executive - Independent Director	Member	1	1	100
3	Mrs. Annu Agrawal *	Non-Executive - Non Independent Director,	Member	1	1	100
4	Mr. Ankur Agrawal #	Executive Director	Member	3	3	100
5	Mr. Milin Ramani #	Non-Executive-Independent Director	Member	3	3	100
6	Ms. Divya Padhiyar \$	Additional Director (Non-Executive - Independent Woman Director)	Member	1	1	100

* Resigned w.e.f June 29, 2019

Appointed as member of the Committee w.e.f June 29, 2019

\$ Appointed as member of the Committee w.e.f October 30, 2019

Terms of Reference

The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013.

b) NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI Listing Regulations. The Nomination and Remuneration Committee comprises of three Directors all the Directors of the Committee are Independent Director of the Company.

Composition of Nomination & Remuneration Committee and attendance record of members for 2019-20:

During the financial year under review, the Nomination & Remuneration Committee met 5 (Five) times to deliberate on various matters. Nomination & Remuneration Committee Meetings were held on May 20, 2019, June 29, 2019, August 08, 2019, October 22, 2019 and February 06, 2020.

Below given are the details of composition and attendance of the members during the financial year 2019-20 :

Sr. No.	Name of Member	Category	Designation	No. of Meetings attended		
				Held During the tenure	Attended	% of attendance
1	Mr. Devendra Lal Thakur	Non-Executive - Independent Director	Chairperson	5	5	100
2	Mr. Jugal Thacker*	Non-Executive - Independent Director	Member	2	1	50



Sr. No.	Name of Member	Category	Designation	No. of Meetings attended		
				Held During the tenure	Attended	% of attendance
3	Mrs. Annu Agrawal*	Non-Executive - Non Independent Director	Member	2	2	100
4	Mr. Ankur Agrawal##	Non-Executive - Independent Director	Member	2	2	100
5	Mr. Milin Ramani#	Non-Executive - Independent Director	Member	3	3	100
6	Ms. Divya Padhiyar ^	Additional Director (Non-Executive - Independent Woman Director)	Member	1	1	100

Notes:

* Resigned as w.e.f June 29, 2019

Appointed as Member of Committee w.e.f June 29, 2019

Appointed as member of the Committee w.e.f June 29, 2019 and ceased to be Member w.e.f October 30, 2019

^ Appointed as Member of Committee w.e.f October 30, 2019

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee are as contained under Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

Remuneration Policy

Your Company's Nomination and Remuneration Policy for Directors and Senior Managerial Personnel's approved by the Nomination and Remuneration Committee and the Board. It is driven by the success and performance of the individual employees and the Company. Through its compensation programme, Company endeavors to attract, retain, develop and motivate a high performance workforce. Individual performance pay is determined by business performance of the Company. The purpose of the Remuneration Policy is to establish and govern the procedure applicable:

- To evaluate the performance of the members of the Board.
- To ensure remuneration payable to Directors, KMP & other Senior Management strike appropriate balance and commensurate among others with the functioning of the Company and its long term objectives.
- To retain motivate and promote talent within the Company and to ensure long term sustainability of the managerial persons and create competitive advantage.

The policy inter-alia covers the Directors' appointment and remuneration, Key Managerial Personnel's and other senior management appointment and remuneration.

The Remuneration Policy as required under Section 178 of the Companies Act, 2013, is available on the website of the Company and can be accessed at web link <http://www.comfortintech.com/Investorrelation>. The policy has been amended w.e.f. April 1, 2019.

i. Pecuniary Relationship or Transactions with Non-Executive Directors.

During the year, there were no pecuniary relationships or transactions entered into between the Company and any of its Non-Executive / Independent Directors apart from payment of sitting fees and / or commission /perquisites as approved by the members.

ii. Criteria of selection of Non-Executive Directors

Non-Executive Independent Directors are expected to bring in objectivity and independence around the Company's Strategic approach, Performance and Risk Management. They must also ensure very high standards of Financial Probity and Corporate Governance.

The Independent Directors are also expected to commit and allocate sufficient time to meet the expectations of their Role as Non-Executive Independent Directors, to the satisfaction of the Board.

iii. Conflict of Interest:

The Independent Directors are not to involve themselves in situations, which may, directly or indirectly conflict with the interests of the Company. It is accepted and acknowledged that they may have business interests, other than those of the Company. As a pre-condition to their Appointment / Reappointment as Independent Directors, they shall be required to declare any such conflicts to the Board, in writing at the time of their Appointment / Re-appointment and / or as and when there is any changes in the directorship and also on yearly basis.

The key elements in which every Independent Director will be expected to contribute are: Strategy, Performance, Risk, People, Reporting and Compliance.

iv. Criteria of making payment of Remuneration to Non-Executive Directors

Non-Executive Directors ("NEDs") are paid remuneration by way of Sitting Fees;

- During the financial year 2019-20, no Commission was paid to the Non-Executive Directors;
- No amount by way of loan or advance has been given by the Company to any of its Directors;
- The sitting fees payable to the NEDs for attending the Board and Committee meetings is fixed subject to the statutory ceiling. The details of sitting fees paid to the Non-Executive Independent Director and Non-Executive Non-Independent Directors along with their shareholding for the financial year 2019-20 are in **Annexure 2 & 5** of Boards Report.

v. Details of Remuneration Paid to Executive Director:

The details of remuneration paid to the Executive Directors along with their shareholding for the financial year 2019-20 are given **Annexure 2 & 5** of the Board's Report.

c) STAKEHOLDERS' RELATIONSHIP COMMITTEE

Company's Stakeholders' Relationship Committee is constituted pursuant to Section 178 (5) of Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations. The Committee comprises of four directors out of which three are Independent Directors. The Chairperson of the Committee is Independent Director.



Composition of Stakeholders' Relationship Committee and attendance record of members for FY 2019-20:

During the financial year under review, the Stakeholders' Relationship Committee met 4 (Four) times to deliberate on various matters. Stakeholders' Relationship Committee Meetings were held on May 20, 2019, August 08, 2019, October 22, 2019 and February 06, 2020.

Below given are the details of composition and attendance of the members during the financial year 2019-20 :

Sr. No.	Name of Member	Category	Designation	No. of Meetings		
				Held During the tenure	Attended	% of attendance
1	Mr. Devendra Lal Thakur	Non-Executive - Independent Director	Member	4	4	100
2	Mrs. Annu Agrawal *	Non-Executive - Non Independent Director	Member	1	1	100
3	Mr. Jugal Thacker *	Non-Executive - Independent Director	Member	1	1	100
4	Mr. Ankur Agrawal #	Executive Director	Member	3	3	100
5	Mr. Milin Ramani #	Non-Executive - Independent Director	Chairman	3	3	100
6	Mrs. Divya Padhiyar \$	Additional Director (Non-Executive - Independent Woman Director)	Member	1	1	100

* Resigned w.e.f June 29, 2019

Appointed as Member of Committee w.e.f June 29, 2019

\$ Appointed as Member of Committee w.e.f October 30, 2019

Terms of Reference:

The terms of reference of the Stakeholders' Relationship Committee are as contained under Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

Status of Transfers

There were no pending share transfers requests as on March 31, 2020.

Complaints

The details of shareholders' complaints received and disposed of during the year under review are as follows:

SR NO.	STATUS OF INVESTOR COMPLAINTS	
1.	Pending at the beginning of the financial year	0
2.	Received during the financial year	1
3.	Disposed off during the financial year	1
4.	Pending at the end of the financial year	0

D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted a Corporate Social Responsibility Committee and the Role, Powers and Functions of the Committee are in accordance with the Section 135 of the Companies Act, 2013 and rules framed under Schedule VII as applicable, besides other terms as referred by the Board of Directors.

Composition of Corporate Social Responsibility Committee and attendance record of members for FY 2019-20:

During the financial year under review, the Corporate Social Responsibility Committee met once to deliberate on various matters. Corporate Social Responsibility Committee Meetings was held on February 06, 2020.

The Corporate Social Responsibility Committee consisted of Mr Anil Agrawal, Mrs. Annu Agrawal, Mr. Bharat Shiroya and Mr. Jugal Thacker. All the Members resigned from their Directorship with the Company w.e.f June 29, 2019. Accordingly, the Committee was reconstituted w.e.f. June 29, 2019.

Below given are the details of composition and attendance of the members during the financial year 2019-20:

Sr. No.	Name of Member	Category	Designation	No. of Meetings		
				Held During the tenure	Attended	% of attendance
1	Mr. Devendra Lal Thakur #	Non-Executive - Independent Director	Member	1	1	100
2	Mr. Ankur Agrawal #	Executive Director	Chairman	1	1	100
3	Mr. Milin Ramani #	Non-Executive - Independent Director	Member	1	1	100
4	Mrs. Divya Padhiyar \$	Additional Director (Non-Executive - Independent Woman Director)	Member	1	1	100

Appointed as Member of Committee w.e.f. June 29, 2019

\$ Appointed as Member of Committee w.e.f October 30, 2019

Terms of Reference:

- Review the existing Corporate Social Responsibility Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- Decide CSR projects or programmes or activities to be taken up by the company;
- Place before the board the CSR activities proposed to be taken up by the company each year;
- Oversee the progress of the initiatives rolled out under this policy on yearly basis;
- Define and monitor the budgets for carrying out the initiatives; Submit a report to the Board of Directors on all CSR activities during the financial year;
- Recommend the amount of expenditure to be incurred
- Monitor and review the implementation of the CSR policy

Code of Conduct

Regulation 17(5) of the SEBI Listing Regulations, requires Listed Companies to lay down a code of conduct for its Directors and Senior Management, incorporating duties of directors as laid down in the Companies Act, 2013. The Company has also adopted a Code of Conduct for Directors and Senior Management. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. A declaration duly signed by the Chief Executive Officer has been annexed to this report. The code of conduct has been posted on the website of the Company www.comfortintech.com



3. General Body Meetings

a. Details of Date, Time, Location and Special Resolutions Passed during last 3 years:

YEAR	LOCATION	DATE	TIME	NATURE OF SPECIAL RESOLUTIONS IF ANY PASSED
2016-2017	Hotel Cidade De Daman, Devka Beach, Nani Daman - 396210 (U.T of Daman and Diu)	September 16, 2017	04.30 P.M	<ol style="list-style-type: none"> 1. To re-appoint Mr. Anil Agrawal, (DIN: 00014413), as Managing Director of the Company. 2. Approval / ratification of the Related Party Transactions of the Company.
2017-18	Hotel Cidade De Daman, Devka Beach, Nani Daman - 396210 (U.T of Daman and Diu)	September 01, 2018		<ol style="list-style-type: none"> 1. To revise the remuneration payable to Mr. Anil Agrawal, (DIN: 00014413), Managing Director of the Company. 2. To Consolidate Face Value of Equity Shares of The Company 3. To Alter Memorandum of Association of the Company 4. Approval/ratification of the Related Party Transaction(s) of the Company. 5. To Alter the Main Objects of the Memorandum of Association of the Company 6. Consent of Members for increase in the limits applicable for making investments /extending loans and giving guarantees or providing securities in connection with loans to Persons/Bodies Corporate 7. Providing loan(s), guarantee(s) and security(ies) pursuant to Section 185 of the Companies Act, 2013.
2018-19	The Gold Beach Resort, Plot No. 2/1-B & 2/1-C, Devka Beach Road, Marwad, Nani Daman, Daman- 396210 (U.T of Daman and Diu)	September 14, 2019		<ol style="list-style-type: none"> 1. Appointment of Mr. Ankur Anil Agrawal (DIN: 06408167) as a Non - Executive Non - Independent Director. 2. To appoint Mr. Milin Jagdish Ramani (DIN: 07697636), as Non-Executive Independent Director of the Company to hold office for a term of 5 consecutive years i.e. from June 29, 2019 to June 28, 2024. 3. To approve and ratify the Related Party Transactions

b. Details of Resolution passed through Postal ballot

There was no Resolution passed through Postal ballot during the year under review.

c. Extra Ordinary General Meeting:

There was no Extra Ordinary General Meeting held during the year under review.

4. Means of Communication

- Your Company maintains a website www.comfortintech.com, wherein there is a dedicated section 'Investor Relation'. The website provides details, inter alia, about the Company, its performance including quarterly financial results, annual reports, press release, investor presentation, share price data, unpaid dividend details, shareholding pattern, contact details, etc.
- Extracts of the Quarterly / Half-yearly / Annual results subjected to Limited Review / Audit Report by Statutory Auditors are generally published in the Free Press Gujarat and Lokmitra and also made available on the website of the Company at web link <http://www.comfortintech.com/Investorrelation>. Other information relating to Shareholding Patterns and other Compliance requirement are uploaded on BSE Portals and on Company's website at <http://www.comfortintech.com/Investorrelation>.
- The Company has disclosed and complied with all the mandatory requirements as stipulated under the SEBI Listing Regulations. The details of these compliances have been given above in the relevant sections of this report.
- BSE's Listing Centre is a web-based application designed by the BSE Limited for Corporates and is used for periodical compliance filings like Quarterly Results, Shareholding Pattern, Corporate Governance report, Media releases, Statement of Investor Complaints, others are in accordance with the SEBI Listing Regulations filed electronically.
- SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATR) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

5. General Shareholder Information

a. Annual General Meeting ("AGM") for the F.Y. 2019-20

Day and Date	Thursday, November 5, 2020.
Time	03.30 P.M.
Venue	Annual General Meeting (AGM) to be conducted through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

b. Financial year and tentative calendar:

The Company follows the financial year from April 01 to March 31. Subject to the extension provided by the regulators due to Pandemic situation in the country, following is the tentative calendar:

Quarter ending June 30, 2020	Second week of September 2020
Quarter ending September 30, 2020	Second week of November 2020
Quarter ending December 31, 2020	Second week of February 2021
Financial year ending March 31, 2021	Fourth week of May 2021

c. Book closure date: Friday, October 30, 2020.

d. Dividend payment date: No Dividend is recommended for the period under review.



e. Listing details

Name of Stock Exchange	BSE Limited
Address	BSE Limited, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400001
Stock Code	531216
ISIN	INE819A01031

Annual Listing Fees for the F.Y. 2019-20 and 2020-21, has been paid to the above Stock Exchange.

f. Capital structure:

Authorised Capital	Rs. 40,00,00,000/- (4,00,00,000 equity shares of Rs. 10/- each)
Issued, Subscribed and Paid-up Capital	Rs. 31,99,38,080/- (3,19,93,808 equity shares of Rs. 10/- each)

CIN : L74110DD1994PLC001678

History of the Equity shares: The shareholders vide Special resolution at the 24th Annual General Meeting approved the consolidation of face value of equity shares of the Company from Re. 1/- each fully paid up into Rs. 10/- each fully paid up which was subject to the approval from the Stock Exchange. Further, the Company had received the trading approval from the Stock Exchange w.e.f. February 12, 2019.

g. Address of Correspondence:

Registered Office: 106, Avkar Algani Nagar, Kalaria, Daman, Daman & Diu, 396210,
Corporate Office: A/301, Hetal Arch, Opp. Natraj Market, S.V. Road, Malad (West), Mumbai - 400 064,
 Email: info@comfortintech.com; Tel. No: 022-6894-8509. Website: www.comfortintech.com

h. Distribution of Shareholding as on 31st March 2020:

SR NO	SHAREHOLDING OF NOMINAL		NUMBER OF SHAREHOLDERS	% OF TOTAL	SHARES	% OF TOTAL
1	1	500	5,396	76.8223	7,68,112	2.4008
2	501	1000	616	8.7699	4,99,017	1.5597
3	1001	2000	375	5.3388	5,60,344	1.7514
4	2001	3000	172	2.4487	4,39,845	1.3748
5	3001	4000	93	1.324	3,26,349	1.02
6	4001	5000	64	0.9112	3,03,990	0.9502
7	5001	10000	118	1.68	8,83,327	2.7609
8	10001	999999999	190	2.705	2,82,12,824	88.1821
TOTAL			7024	100.0000	31993808	100.0000

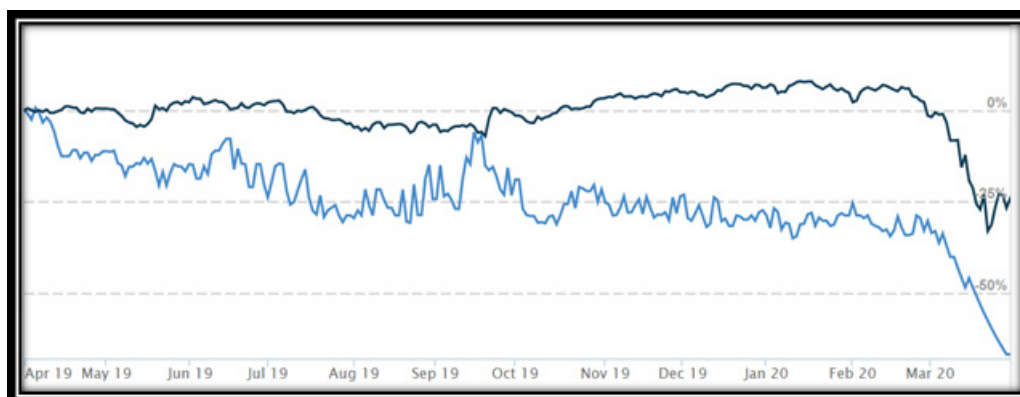
i. Monthly Volumes and Prices: Financial year 2019 –20:

High, Low Price and Trading Volume of the Company's Equity Shares during F.Y. 2019 –20 at BSE Limited is given below:

Period	BSE Ltd.						
	High (Rs.)	Low (Rs.)	No. of Shares Traded	Period	High (Rs.)	Low (Rs.)	No. of Shares Traded
Apr-19	7.41	5.92	94,680	Oct-19	5.95	4.12	1,23,148
May-19	6.37	5.32	65,749	Nov-19	5.57	4.73	90,494
Jun-19	6.84	5.4	3,03,165	Dec-19	5.5	4.6	56,201
Jul-19	6.48	4.59	49,729	Jan-20	5.3	4.16	1,33,058
Aug-19	6.24	4.21	3,72,044	Feb-20	5.4	4.48	1,67,394
Sep-19	7.3	4.85	82,511	Mar-20	4.75	2.21	51,053

Source: BSE Limited (www.bseindia.com)

j. Comfort Intech Limited Share Price Performance versus BSE Sensex Relative Price Performance:



Source: <https://www.moneycontrol.com>

k. Suspension of trading in securities:

There was no suspension of trading in Securities of the Company during the year under review

l. Share Transfer System / Unclaimed Dividend and other related matters:

i. Registrar and Share Transfer Agent:

All inquiries relating to the members records, transmission of shares, change of address, non-receipt of dividend, loss of share certificates, transfer of shares to IEPF Authority, etc. should be addressed to:

Bigshare Services Pvt. Ltd.

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai – 400 059, Maharashtra, India

Phone No: 022-6263 8200, Fax No. : 022-6263 8299

Email Id: info@bigshareonline.com Website: www.bigshareonline.com

**ii. Share Transfer System:**

SEBI vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018, amended Regulation 40 of the SEBI Listing Regulations pursuant to which from 1st April, 2019, onwards securities can be transferred only in dematerialized form. However, it is clarified that, members can continue holding shares in physical form.

The Share Transfers in physical form are processed and the Share Certificates returned within a period of 15 days from the date of receipt of the document, subject to the documents being clear in all respects.

The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI Listing Regulations, and files a copy of the certificate with the Stock Exchange.

iii. Nomination facility for Members:

As per the provisions of the Companies Act, 2013, facility for making Nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain Nomination form, from the RTA of the Company. Members holding shares in dematerialised form should contact their Depository Participants (DP) in this regard.

iv. Details of Unclaimed Dividend:

Pursuant to provisions of Section 125 of the Companies Act, 2013 the amount of Dividend which has remained unclaimed / unpaid for a period of 7 consecutive years, is required to be transferred to Investors Education and Protection Fund (IEPF) Authority established by Central Government. Accordingly, the unclaimed dividend pertaining Dividend for the year 2011-12 on completion of 7 years was credited to IEPF during the period under year. All the members who have not encashed the dividend warrants since financial year 2012-13, 2013-14 and thereafter are requested to take steps to contact the RTA of the Company.

Financial year	Date of Declaration	Date of Payment	Tentative dates for transfer of shares and dividend to IEPF
2012-13	31-08-2013	10-09-2013	07-10-2020
2014-15	26-09-2015	03-10-2015	01-11-2022
2015-16	17-09-2016	22-09-2016	21-10-2023
2016-17	16-09-2017	22-09-2017	21-10-2024
2017-18	01-09-2018	19-09-2018	18-10-2025

v. Transfer of Concerned Equity Shares to Investor Education and Protection Fund Authority:

Pursuant to the applicable provisions of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (including any statutory modification(s) and / or reenactment(s) thereof for the time being in force), during the year under review the un-paid/unclaimed dividend of Rs. 50895/- for the financial year 2011-12 and 31,499 shares for which no dividend was claimed for consecutive seven years were transferred to the IEPF Authority established by the Central Government. The list shareholders whose shares and dividend were transferred to IEPF Authority is available on the website of the Company at <http://www.comfortintech.com/Investorrelation>.

Further, the Company will be transferring the dividend and the shares to the IEPF Authority for its Dividend Account of the financial year 2012-13 which is due in October, 2020. The Company has sent individual correspondence to the shareholders and publish newspaper advertisement for claiming the un-paid/unclaimed

dividend in respect of which dividend has not been en-cashed or claimed by the members for 7 consecutive years or more. The shareholders are once again requested to claim their un-paid/unclaimed to avoid the transfer to IEPF.

Members who have not yet en-cashed their Dividends are requested to make their claims to the Company / RTA. Members are requested to quote folio numbers / DP ID – Client ID in all their correspondence.

In case the members have any queries on the subject matter and the Rules, they may contact the Company's RTA. The members / claimants whose shares and / or, unclaimed dividend, etc. have been transferred to IEPF Authority may claim the shares and unclaimed dividend by making an application to IEPF Authority in IEPF Form-5 (available on www.iepf.gov.in). The member / claimant can file only one consolidated claim in a financial year as per the IEPF Rules. It is in the members interest to claim any un-en-cashed dividends from IEPF and for future dematerialization of their shares and opt for Automated Clearing House (ACH) mode, so that dividends paid by the Company are credited to the investor's account on time.

vi. Pending Investor Grievances:

Any Member / Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company at the Corporate Office with a copy of the earlier correspondences and relevant supporting's for quick resolution.

vii. Reconciliation of Share Capital Audit:

As required under Regulation 76 of the Securities & Exchange Board of India (Depositories and Participants) Regulation, 2018 as amended, quarterly audit of the Company's share capital is being carried out by Independent Company Secretary in Practice with a view to reconcile the total Share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Certificate in regard to the same has been submitted to BSE Limited and is also placed before the Board of Directors.

viii. Payment of Dividend through Automated Clearing House (ACH):

The Company provides the facility for direct credit of the dividend to the members Bank Account. The SEBI Listing Regulations also mandate Companies to credit the dividend to the members electronically. Members are therefore urged to avail of this facility to ensure safe and speedy credit of their dividend into their Bank account through the Banks' "Automated Clearing House" mode. Members who hold shares in demat mode should inform their Depository Participant, whereas Members holding shares in physical form should inform the Company about of the core banking account details allotted to them by their bankers. In cases where the core banking details are not available with the Company, then the Company will issue physical warrant / demand draft to the Members.

ix. Green Initiatives for Sending Communication:

The Company request the Shareholders who have not registered their Email ID Depository Participants (DPs)/ RTA to do the same in the interest of environment so that so that Annual report and other communications can be sent electronically to all the members.

m. Shareholding Pattern as at March 31, 2020:

The details of the same are provided under **Annexure 5** to the Boards Report.

n. List of the Top 10 Shareholders of the Company (Excluding Promoter Group) As on March 31, 2020:

The Details of the same are provided under **Annexure 5** to the Boards Report.

**o. Dematerialization of Shares:**

About 99.81% of total equity share capital is held in dematerialized form with NSDL and CDSL as on 31st March, 2020.

As on Date	Status of Shares - Physical versus Electronic mode		Total no. of shares
	Electronic	Physical	
March 31, 2020	3,19,32,444 (99.81%)	61364 (0.19%)	3,19,93,808 shares of Rs. 10/- each

p. GDRs / ADRs / Warrants or any Convertible instruments as on March 31, 2020:

There are no outstanding GDRs / ADRs / Warrants or any Convertible instruments.

q. Plant Location:

The Company does not have any plants.

r. Compliance Officer of the Company:

Mr. Dhaval Shah was appointed as Company Secretary and Compliance Officer of the Company w.e.f. May 20, 2019. He resigned as a Company Secretary and Compliance Officer w.e.f. January 18, 2020. Post financial year, Mr. Hiren Valjibhai Gediya was appointed as Company Secretary and Compliance Officer of the Company w.e.f. July 15, 2020.

s. Commodity Price Risk or Foreign Exchange Risk and Hedging activities:

Company is exposed to foreign exchange risk. The Company is proactively mitigating these risks by entering into commensurate hedging transactions with banks as per applicable guidelines and group risk management instructions. Please refer notes to the Financial Statements in this regard. The Company does not have any exposure hedged through Commodity derivatives. The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated 15 November, 2018 is not required to be given for commodity hedging activities.

6. Other Disclosures**i. Related Party Transactions:**

All the transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations during the financial year were in the ordinary course of business and on an arm's Length Price or fair value basis. There were no transactions with related parties during the financial year which were in conflict of the interest of the Company. Suitable disclosures as required by the Indian Accounting Standard (Ind AS-24) have been made in the notes to the Financial Statements. A statement in summary form of transactions with Related Parties in ordinary course of business and on an arm's length basis is periodically placed before the Audit Committee for review and recommendation to the Board for their approval. As required under Regulation 23(1) of the SEBI Listing Regulation, the Company has the policy on dealing with Related Party Transactions. The policy has been uploaded on the website of the Company and can be accessed at web link <http://www.comfortintech.com/Investorrelation>.

ii. Subsidiary Companies:

The Company has a policy on Material Subsidiary and the same is placed on the website of the Company at web link <http://www.comfortintech.com/Investorrelation>. During the period under review there are no subsidiaries of the Company.

iii. Strictures and Penalties:

The Company has complied with all requirements specified under the SEBI listing Regulations as well as other Regulations and guidelines of SEBI. No penalties have been imposed on the Company by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets except from BSE Limited as disclose under the Board's Report.

iv. Compliance with Accounting Standards / Ind AS:

All applicable Ind AS have been consistently applied. Financial statements of the Company are prepared in accordance with the Indian Accounting Standards.

v. Internal Control System:

The Company has a formal system of internal control testing which examines both, the design effectiveness and operational effectiveness to ensure reliability of Financial and Operational information and all statutory / regulatory Compliances. The Company's business processes have a robust Monitoring and Reporting process resulting in Financial discipline and Accountability.

vi. Vigil Mechanism / Whistle Blower Policy:

In compliance with the requirements of the Companies Act, 2013 and the SEBI Listing Regulations, the Company has established a Whistle Blower Policy and the same is placed on the web site of the Company at web link <http://www.comfortintech.com/Investorrelation>. The Company has a Whistle Blower Policy for Directors and Employees to report their concerns about unethical behavior, leakage of unpublished price sensitive information, actual or suspected fraud or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguards against victimisation of Director(s) and / or Employee(s) who avail the mechanism.

vii. Website:

The Company has its own functional website <http://www.comfortintech.com> as required by the SEBI Listing Regulations, where information about the Company, quarterly and Annual Audited Financial Results, Annual Reports, distribution of shareholding at the end of each quarter, official press releases, and information required to be disclosed under Regulation 30(8) and 46 of the SEBI Listing Regulations, etc. are regularly updated. All material events / information relating to the Company that could influence the market price of its securities or investment decisions are timely disclosed to the Stock Exchanges as per the Company's Policy on determination of materiality of events framed under the SEBI Listing Regulations. All disclosures under this policy are also displayed on the Company's website and hosted for a minimum period of 5 years and thereafter as per the Archival Policy of the Company. The Policy on determination of materiality of events and Archival Policy of the Company is available on the Company's website at web link <http://www.comfortintech.com/Investorrelation>.

viii. Compliance with non mandatory requirement under SEBI Listing Regulations:

- **The Board of Directors** - The Mr. Ankur Agrawal, Chairman of the Company is an Executive Director. Accordingly, there was no such requirement for providing the office and expenses for performance of his duties.
- **Shareholders Rights** - Quarterly/ Half Yearly / Yearly Results are subjected to Limited Review by Statutory Auditors and are generally published in Free Press Gujarat and Lokmitra having wide circulation. The said Results are made available on the website of the Company <http://www.comfortintech.com/Investorrelation>. Other information relating to shareholding pattern and other requisite matters are uploaded on BSE website and on the Company's website in the investors section.



- **Modified Opinion(s) in Audit Report** - The Company's Financial Statements for the financial year 2019–20 has the modified opinion and the management's explanation on the said modified opinion appears elsewhere in this Report.
- **Separate Posts of Chairman and Chief Executive Officer** - For the period under review, the position of Chairman and Chief Executive Officer was handled by two different people.
- **Reporting of Internal Auditor** - The Internal Auditor report directly to the Audit Committee, attends the Audit Committee meetings, and interacts directly with the Audit Committee members.

ix. There is no payment made by the Company towards Royalty to any Related Party during the year under review.

x. Total fees paid to Statutory Auditors of the Company is Rs.3,00,000/- for financial year 2019-20, for all services on a consolidated basis, to the statutory auditor.

xi. Certificate from Practicing Company Secretary:

A Certificate has been received from M/s. R M Mimani & Associates LLP, Practicing Company Secretaries, that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

xii. Details of preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations:

The Company has not raised funds through preferential allotment or qualified institutional placement.

xiii. Recommendations of Committees of the Board:

There were no instances during the financial year 2019–20, wherein the Board had not accepted recommendations made by any committee of the Board.

xiv. Disclosure relating to Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has zero tolerance towards any action on the part of any employee which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to provide a safe and conducive work environment to all its employees and associates to uphold and maintain the dignity of every woman employee working in the Company.

The following is reported pursuant to Section 22 of the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a) Number of complaints received in the year : Nil
- b) Number of complaints disposed off during the year : Nil
- c) Number of cases pending more than ninety days: Nil
- d) Number of workshops or awareness programme against sexual harassment carried out: The company has conducted online training for creating awareness against sexual harassment against women at the work place.
- e) Nature of action taken by the employer or district officer: Not applicable

xv. Chief Executive Officer and Chief Financial Officer Certification:

The Chief Executive Officer and the Chief Financial Officer have issued a certificate pursuant to the provisions of the SEBI Listing Regulations certifying that the Financial Statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs as at March 31, 2020. The said certificate is annexed and forms part of this report.

xvi. Compliances with Corporate Governance Disclosure requirements as specified in the SEBI Listing Regulations:

The Company complies with all mandatory requirements as per Regulation 17 to 27 and sub-regulation (2) of Regulation 46 of the SEBI Listing Regulation. Further, as required by Schedule V of the SEBI Listing Regulations, the Certificate on Corporate Governance received from M/s R M Mimani & Associates LLP, Company Secretaries is annexed to the Report.

xvii. Disclosures with respect to Demat Suspense Account / Unclaimed Suspense Account: As on 31st March, 2020:

As on March 31, 2020, there are no outstanding shares credited / lying in the demat suspense account / unclaimed suspense account. As on the date of this report, the Company had transferred 31,499 shares to Investor Education and Protection Fund Authority (IEPF) in respect of the dividends, which have remained unclaimed / uncashed for last 7 consecutive years.

xviii. Codes and Policies:

The Board has adopted all applicable Codes and Policies in terms of the requirements of the Companies Act, 2013, the SEBI Listing Regulations and also under SEBI (Prohibition of Insider Trading) Amendment, Regulations, 2018. The requisite Codes and / or Policies are posted on the Company's website at <http://www.comfortintech.com/Investorrelation> and references to these codes and policies have been given at relevant sections in this report

xix Depository for Equity Shares:

National Securities Depository Limited Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Tel : 91 22 2499 4200 Fax : 91 22 2497 6351	Central Depository Services (India) Limited Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai – 400 013.
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CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members
Comfort Intech Limited
[CIN: L74110DD1994PLC001678]
106, Avkar Algani Nagar, Kalaria,
Daman, Daman & Diu, 396210

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Comfort Intech Limited** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

DIN DD	Full Name	Designation	Date of Appointment
00392511	Mr. Devendralal Rambharose Thakur	Director	24-11-2015
06408167	Mr. Ankur Anil Agrawal	Director	29-06-2019
08598655	Ms. Divya Dilip Padhiyar	Director	30-10-2019
07697636	Mr. Milin Jagdish Ramani	Director	29-06-2019

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For R M Mimani & Associates LLP
[Company Secretaries]
[Firm Registration No.: I2001MH250300]

Ranjana Mimani
(Partner)
FCS : 6271
CP No.: 4234

Place: Mumbai
Dated: September 10, 2020

UDIN: F006271B000691318

**DECLARATION PURSUANT TO SCHEDULE 5 OF THE LISTING REGULATION
DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY BY THE BOARD
MEMBERS AND SENIOR MANAGERIAL PERSONNEL**

To the members of Comfort Intech Limited,

This is to confirm that the Company has adopted Code of Conduct for the Board of Directors and Senior Managerial Personnel of the Company, which is available at <http://www.comfortintech.com/Investorrelation>, I declare that the Board of Directors and Senior Managerial Personnel have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31 March, 2020.

For Comfort Intech Limited

SD/-

**Anil Beniprasad Agrawal
Chief Executive Officer**

Place: Mumbai

Date: September 10, 2020

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER CERTIFICATION

We the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Comfort Intech Limited ("the Company") to the best of our knowledge and belief, certify that:

- 1) We have reviewed Financial Statements and the Cash Flow statement for the financial year ended March 31, 2020 and that to the best of our knowledge and belief, we state that:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, laws and regulations.
- 2) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or which violate the Company's Code of Conduct.
- 3) We hereby declare that, all Board Members and Senior Managerial Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.
- 4) We are responsible for establishing and maintaining Internal Controls for financial reporting and that we have evaluated the effectiveness of Internal Control Systems of the Company pertaining to Financial Reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- 5) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - a) significant changes, if any, in internal controls over financial reporting during the year;
 - b) significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours faithfully,

For Comfort Intech Limited

Sd/-

**Anil Beniprasad Agrawal
Chief Executive Officer**

For Comfort Intech Limited

Sd/-

**Pravin Naik
Chief Financial Officer**

Place: Mumbai

Date : September 10, 2020



CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

The Members of

Comfort Intech Limited

[CIN: L74110DD1994PLC001678]

106, Avkar Algani Nagar, Kalaria,
Daman, Daman & Diu, 396210

We have examined the compliance of conditions of Corporate Governance by **Comfort Intech Limited** ("the Company") for the financial year ended on March 31, 2020, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the LODR.

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

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

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of LODR during the financial year ended March 31, 2020, except in respect of the matters specified below;

- (i) During the quarter ended on September 30, 2019, the composition of Board was not in accordance with the provisions of regulation of 17 the SEBI (LODR), Regulations 2015.
- (ii) Quarterly compliance reports on Corporate Governance filed by the Company during the period has been signed by a Director of the Company instead of the Compliance Officer or Chief Executive Officer of the entity, as required pursuant to the provisions of regulation 27 (2) (c), of the SEBI (LODR) Regulations, 2015

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

For R M Mimani & Associates LLP

[Company Secretaries]

[Firm Registration No.: I2001MH250300]

SD/-

Ranjana Mimani

(Partner)

FCS : 6271

CP No.: 4234

Place: Mumbai

Dated: September 10, 2020

UDIN: F006271B000691340

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Owing to a strict nationwide lockdown due to the novel coronavirus (COVID-19) during the bulk of the first quarter of the financial year 2020-21, India's Gross Domestic Product (GDP) for the April-June quarter (Q1) slipped by a sharp 23.9 per cent, as per provisional estimates released by Ministry of Statistics and Programme Implementation (MoSPI) on Monday. The GDP had expanded by 5.2 per cent in the corresponding quarter of 2019-20.

The June quarter GDP data is the worst contraction in the history of the Indian economy mainly because the central government on March 25 had ordered a complete lockdown of most of the manufacturing and service sectors owing to the spread of COVID-19. Only essential services such as food items and medicines were allowed during this period as the country tried to curb the spread of the virus across the country.

The GDP for the preceding January-March quarter (Q4) of 2019-20 had witnessed a growth of 3.1 per cent. As per the government data, the gross value added (GVA) at basic price at constant terms during the June quarter shrunk 22.8 per cent. The GVA at Basic Price at Current Prices slipped 20.6 per cent in Q1 2020-21.

The long-term growth perspective of the Indian economy is positive due to its young population, English proficiency, corresponding low dependency ratio, healthy savings and investment rates, and increasing integration into the global economy. India topped the World Bank's growth outlook for the first time in fiscal year 2015-16, during which the economy grew 7.6%. Despite previous reforms, economic growth is still significantly slowed by bureaucracy, poor infrastructure, and inflexible labor laws (especially the inability to lay off workers in a business slowdown).

India is the third-largest and fastest-growing liquor market in the world. Alcoholic beverages is considered a sunrise industry owing to its high-growth potential and increasing social acceptance. According to Netscribes research, the alcoholic beverages market in India is expected to grow at a CAGR of around 7.72% over a 10 year period to reach a value of INR 5.3 trillion in FY 2026.

An average Indian male drinker consumes three times more alcohol than an average female drinker each year. Region wise, south Indian states constitute the highest alcohol consuming region in the country.

The combined annual sales of alcohol companies has grown 3.7 percent in the last five years.

The liquor industry contributes the maximum tax revenue to the government and relaxation in the sale of liquor will help the government generate some revenue during this crises.

Alcohol consumption in India is estimated to touch about 6.5 billion litres by 2020 from about 5.4 billion litres in 2016, data from Statista revealed.





The alcohol market in India divided into different segments such as country liquor, Indian Made Foreign Liquor (IMFL), beer, and imported liquor. Country liquor commands the highest market share given its affordability.

ABOUT THE COMFORT INTECH LIMITED

Business Overview

The Company vide Postal Ballot Result dated March 02, 2019, altered Main Object Clause of Memorandum of Association of the Company to facilitate the Company to enter into new business areas of Liquors, Wines, India Made Foreign Liquor, Country Liquor etc.

The Non-Banking Financial Companies (NBFCs) sectors integral to the Indian financial landscape. It aids in boosting financial inclusion initiative by lending services to the unbanked population in rural/ semi urban and urban areas. It also provides services to the micro, small and medium enterprises (MSMEs) segment. Some of the reasons for the success of the sector include cost efficiency, refined product lines and better customer services. Niche segmentation, simplified procedures and a focused credit approach are believed to be the key factors bolstering the profitability of NBFCs, making them one of the highest value creating business models within the Indian economy.

Appellate Authority of NBFC Registration, Ministry of Finance, Government of India vide its order no. F.No.11/11/2014/BO-II/BOA-Vol-II dated February 14, 2019 has rejected the appeal filed by the Company against the order dated 28.09.2018 passed by the RBI, Mumbai for cancellation of Certificate of Registration of NBFC of Comfort Intech Limited. Further, Company had filed an Extra-Ordinary Writ Petition before the Hon'ble High Court, Delhi against the above referred order of the Appellate Authority. On September 25, 2019, the Company had withdrawn the writ Petition in the High Court of Delhi at New Delhi, with liberty to approach to RBI for necessary relief. The Company is seeking further legal advice.

PRODUCTS & SERVICES

Our Company offers the wide range of financial services to commercial, industrial and financial clients with a one stop financial solution. The Company is also involved in the activities of trading in consumer appliances products, natural gypsum, tissues, leasing of properties and etc. Further, the Company vide Postal Ballot Result dated March 02, 2019, altered Main Object Clause of Memorandum of Association of the Company to facilitate the Company to enter into new business areas of Liquors, Wines, Indian Made Foreign Liquor, Country Liquor etc

FINANCIAL PERFORMANCE

On a Consolidated basis, the Company registered revenue from operations of Rs. 8346.51 lakhs for the year ended March 31, 2020 as compared to Rs. 5426.96 in the previous year ended March 31, 2019. The Company registered a Loss of Rs. 531.74 lakhs for the year ended March 31, 2020 as compared to Rs. 163.46 lakhs in the previous year ended March 31, 2019. Further details are included in notes to Accounts of Consolidated Financial Statement.

On a Standalone basis, the Company registered revenue from operations of Rs. 8346.51 lakhs for the year ended March 31, 2020 as compared to Rs. 5426.96 in the previous year ended March 31, 2019. The Company registered a Loss of Rs. 363.01 lakhs for the year ended March 31, 2020 as compared to Rs. 124.05 lakhs in the previous year ended March 31, 2019. Further details are included in notes to Accounts of Standalone Financial Statement.

Details of Significant changes, if any, in the Key Financial Ratios:

Key Ratios	FY20	FY 19
Debt/Equity Ratio	0.03	0.04
Return on Networth	-0.01	0.01
Interest Coverage Ratio	0.03	3.99
Net profit Ratio	-0.01	0.01
Return on Capital Employed	0.000	0.010
Basic EPS	-0.20	0.24

SWOT ANALYSIS:

STRENGTHS

- Focused in new Business: The Company is involved in the activities of trading in consumer appliances products, natural gypsum, tissues, leasing of properties and etc. Further, the Company vide Postal Ballot Result dated March 02, 2019, altered Main Object Clause of Memorandum of Association of the Company to facilitate the Company to enter into new business areas of Liquors, Wines, Indian Made Foreign Liquor, Country Liquor etc.
- Growing urbanization has introduced a larger consumer group, mainly young men and women to alcoholic beverages and has resulted in more consumers willing to try new products.
- The board of our Company comprises of qualified professionals, experienced in the industry. Chief Executive Officer of the Company, Mr. Anil B. Agrawal, Chartered Accountant, has nearly 30 years of experience in financial services.

WEAKNESS

- The ban on alcohol in some states in India, such as Bihar, Kerala, and Gujarat, has adversely affected the sales of alcoholic beverages.
- Limited Flexibility in pricing in liquor Industry.
- Increase in price inputs can cause upward pricing.
- Multiplicity of Taxes in liquor Industry.
- Accessibility: We do not have branches on a Pan India basis, so we are not able to explore the business opportunities in those regions. Appellate Authority of NBFC Registration, Ministry of Finance, Government of India vide its order no. F.No.11/11/2014/BO-II/BOA-Vol-II dated February 14, 2019 has rejected the appeal filed by the Company against the order dated 28.09.2018 passed by the RBI, Mumbai for cancellation of Certificate of Registration of NBFC of Comfort Intech Limited. Further, Company had filed an Extra-Ordinary Writ Petition before the Hon'ble High Court, Delhi against the above referred order of the Appellate Authority. On September 25, 2019, the Company had withdrawn the writ Petition in the High Court of Delhi at New Delhi, with liberty to approach to RBI for necessary relief. The Company is seeking further legal advice.



OPPORTUNITIES

- The Company is involved in the activities of trading in consumer appliances products, natural gypsum, tissues, leasing of properties and etc. Further, the Company vide Postal Ballot Result dated March 02, 2019, altered Main Object Clause of Memorandum of Association of the Company to facilitate the Company to enter into new business areas of Liquors, Wines, Indian Made Foreign Liquor, Country Liquor etc.
- Alcohol consumption in India is estimated to touch about 6.5 billion litres by 2020 from about 5.4 billion litres in 2016
- Alcoholic beverages are considered a sunrise industry owing to its high-growth potential and increasing social acceptance.

THREATS

- Unpredictable revisions in the tax system, laws and regulations in liquor Industry
- Changes in political and economic factors
- Increasing Competition liquor Industry
- Regulatory Changes
- Social and economic disruption caused by the outbreak of Covid-19 Pandemic

HUMAN RESOURCES(HR)

As on March 31, 2020, the Company had a total head count of 8 employees. The Directors wish to place on record their appreciation and acknowledgment of the efforts and dedication and contributions made by employees at all levels during the year under review. The Company continues to focus on attracting new talent & help them to acquire new skills, explore new roles and realize their potential.

RISKS & CONCERNS

The COVID-19 cess levied in varying degrees by revenue-sapped states has taken a toll on alcohol makers -- stretching their working capital and eating into cash flow. In contrast to the early trends when long queues outside shops may have given an impression that the alcohol industry would remain an outlier in a moribund economy, industry executives say that 'unrealistic' tax on alcohol has done more damage to the industry than the pandemic.

Demand in states such as New Delhi, West Bengal, Andhra Pradesh and Telangana has tumbled, with brewers bearing a major brunt. "After the drastic price hike in some states, the industry has registered about 80 per cent decline in overall beer volume in May - a peak season for beer - versus last year. The hike in duty is also having knock-on effects on the ancillary segments as well, especially farmers, the entire supply chain ecosystem with barley malt suppliers and logistics partners. We believe the prevailing duty hike will dampen growth this year," said Kartikeya Sharma, President – South Asia, AB InBev.

Risk management involves identification of risk, assessing the impact on business if a security incident occurs, and making the right financial decision about how to deal with the results of one's assessment. It also includes the implementation of a programme to continually measure and assess the effectiveness of existing safeguards in protecting one's critical assets. Thus, managing risks is not a one-time activity; it's an ongoing process. It is also critical to recognize that certain business risks are unavoidable, and have to be dealt with as they arise.

Your Company has directed its effort towards risk management by employing the expertise people and technology to mitigate the risks affecting the growth and profitability of the Company. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures. The Company is constantly engaged in innovating its methods and procedures of risk management.

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Board has put in place various internal controls to be followed by your Company to ensure that the internal control mechanisms are adequate and are effective. The Board has automated most of the key areas of operations and processes, to minimize human intervention. The design, implementation and maintenance of adequate internal financial controls are such that they operate effectively and ensure accuracy and completeness of the accounting records.

The operational processes are adequately documented with comprehensive and well defined Standard Operating Procedures. This includes the financial controls in the form of maker and checker being with separate individuals. The Board, with a view to ensure transparency, has also formulated various policies and has put in place appropriate internal controls for the procurement of services, materials, fixed assets, monitoring income streams, investments and financial accounting.

Internal control measures includes adherence to systemic controls, information security controls, as well as, role based/ need based access controls. Further, the existing systems and controls are periodically reviewed for change management in the situations of introduction of new processes / change in processes, change in the systems, change in personnel handling the activities and other related activities.

The internal financial controls with reference to financial statements as designed and implemented by the Company are adequate. The internal financial control procedure adopted by the Company is adequate for safeguarding 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

The Audit Committee of the Company reviews and recommends the unaudited quarterly financial statements and the annual audited financial statements of your Company to the Board for approval. Your Company has appointed a firm of chartered accountants to conduct independent financial and operational internal audit in accordance with the scope as defined by the Audit Committee. The reports from the Internal Auditors are reviewed by the Audit Committee on periodic basis and the Internal Auditor has been advised to issue flash reports, if required. Further, all related party transactions are placed before the Audit Committee and are approved / ratified by it after deliberations.

CAUTIONARY

Statement in the Management Discussion & Analysis, describing the company's objectives, projections and estimates are forward looking statement and progressive within the meaning of applicable laws & regulations. Actual result may vary from those expressed or implied. Important developments that could affect the company's operations are significant changes in political and economic environment in India, tax laws, RBI regulations, exchange rate fluctuation and other incidental factors.



STANDALONE FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS,
COMFORT INTECH LIMITED**

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of Comfort Intech Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, statement of changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

The Company has not provided for defined benefit obligation in the nature of gratuity based on the requirement of Ind AS 19 i.e. "Employee Benefit", which requires defined benefit obligation to be recognised based on actuarial valuation basis. In absence of valuation we are unable to quantify the impact of above on the net profit for the year and liabilities as on reporting date.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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 qualified opinion on the financial statements.

Emphasis of Matter

- a) We draw attention to Note No 33 to the financial statements regarding the Company not being able to recover a loan from the legal heir of a borrower given against security of shares of a listed entity (Pledge Security), the balance as on 31-03-2020 is Rs.19.63 crores. Consequently, the Company has invoked the said pledge Security. Major quantity of the said invoked pledge security has been freezed by a statutory authority on account of legal disputed matter of the company and hence company is unable to sell the same to recover the loan and interest thereon. Management is confident of freeze getting lifted on pledge security as the said pledge security is not part of the dispute. The Pledge security is infrequently traded on the stock exchanges. The quoted Market value of Pledge Security is Rs 7.65 crores as on 31-03-2020 and as on signing of financial accounts is approx Rs.9.70 Crore. In view of the weak sentiment in the equity markets and the subdued business climate due to Covid 19 pandemic situation, management is of the view that quoted price of pledge security cannot be taken as fair value as even after considering the 50% investment company discount, the Fair Value, based on latest audited Balance Sheet and reviewed results of the listed entity whose shares are pledge as security is sufficient to cover the carrying value of loan, the diminution in the market value being only temporary, the management is fully confident of the intrinsic value getting reflected on the stock exchange in the near

future and will be able to recover the carrying value of loan. Management therefore has decided that presently, no impairment loss allowance is required for shortfall in value of pledge security.

- b) We further draw attention to Note 34 to the financial statements wherein it is stated that due to the outbreak of COVID-19 pandemic across the globe and in India there is a significant decline and volatility in the global and Indian financial & commodity markets and slowdown in the economic activities. The management of the Company have, based on current available information, determined the carrying value of various financial assets after considering the potential macro-economic impact and all available internal and external information up to the date of approval of these financial results. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Our report is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

Key Audit Matters	How our audit addressed the key audit matter
A. Impairment of Financial Asset due to Non Recoverability of Loan from the legal heir of one of the borrowers	
The Company is not being able to recover a loan from the legal heir of a borrower given against security of shares of a listed entity (Pledge Security) and the balance as on 31-03-2020 is Rs.19.63 crores. Consequently, the Company has invoked the said pledge Security. Major quantity of the said invoked pledge security has been freeze by a statutory authority on account of legal disputed matter of the company and hence company is unable to sell the same to recover the loan and interest thereon. Management is confident of freeze getting lifted on pledge security as the said pledge security is not part of the dispute. The Pledge security is infrequently traded on the stock exchanges. The quoted Market value of Pledge Security is Rs 7.65 crores as on 31-03-2020 and as on signing of financial accounts is approx Rs.9.70 Crore.	<ol style="list-style-type: none"> 1. We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 2. We evaluated the management's reasonableness for not making provision in the books of accounts for the shortfall in the value of security.



based on latest audited Balance Sheet and reviewed results of the listed entity whose shares are pledge as security is sufficient to cover the carrying value of loan, the diminution in the market value being only temporary, the management is fully confident of the intrinsic value getting reflected on the stock exchange in the near future and will be able to recover the carrying value of loan. Management therefore has decided that presently, no impairment loss allowance is required for shortfall in value of pledge security.

3. We have further assessed the financial statements of the company whose shares are pledged.

B. Amount advanced to Associate Company

The Company has entered into sub lease agreement for Production of Indian made foreign Liquor brands owns by the company or for which company has been granted the authority for production and marketing with its associate company on 20th of March, 2020. As per the agreement company has already advanced amount of Rs.11.50 Crore which will be adjusted over period of time against the bottling charges payable to the associate.

1. Examined the agreement entered by the company with the associate company.
2. Discussion with the management for understanding the demand for the company's brand of Indian made foreign liquor and utilization of capacity of associate by company and other parties by way sub-lease
3. Analysed the past year capacity utilization and sales achieved by the company for the said brands
4. Studied the management projection towards the cash flow that would be generated from Bottling contracts of Associate from which advances will adjusted

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of The Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always

detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016, issues by the Central Government of India in terms of sub section (11) of the section 143 of the Companies Act, 2016, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except as described in the Basis for Qualified Opinion paragraph.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure B**.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company has disclosed the impact of pending litigations on its financial statements. Refer Note 30 to financial statements.
 - II. According to the information given to us, the company has not entered into any long-term contracts including derivative contracts.
 - III. There has been no delay in transferring any amount to be transferred to Investor Education and Protection fund by the Company.

For A.R. Sodha & Co.
Chartered Accountants
FRN 110324W

A.R. Sodha
Partner
M No.031878

Place : Mumbai
Date : 24th July, 2020
UDIN : 20031878AAAABD4743

ANNEXURE A TO AUDITORS'S REPORT

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

1.
 - a. The Company has generally maintained proper records of fixed assets showing full particulars, including quantitative details and situation of fixed assets.
 - b. According to information given to us, fixed assets have been physically verified by the management at reasonable intervals and no material discrepancy was noticed on such verification.
 - c. According to the information and explanation given to us and on the basis of records furnished before to us, the title deeds/ownership documents of the immovable properties are held in the name of the company.
2.
 - a. According to information and explanation given to us by the management and records furnished before us, Inventory of Finished Good, Raw Material, Packing Material and under construction property have been physically verified by the management at reasonable intervals. In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of inventory by the management.
3. According to the information and explanation given to us and on the basis of records furnished before us, company has granted unsecured loans to one party covered in the register maintained under section 189 of the Companies Act, 2013.
 - a. The terms and conditions of the grant of such loan are not prejudicial to the interest of the company.
 - b. According to information and explanation given to us the loan is repayable on demand and has been repaid as and when demanded. Interest has been served on a regular basis.
 - c. Loan has been repaid as and when demanded and hence there is no overdue amount.
4. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to the guarantees and securities given. However, the company has not given any loan, or made any investment, under section 185 and 186 of the Companies Act, 2013.
5. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not accepted any deposits within the meaning of section 73 to 76 from public during the year. Accordingly clause 3(v) of Companies (Auditor's Report) Order, 2016 is not applicable.
6. According to the information and explanation given to us the Company is not required to maintain cost records as specified under section 148 sub-section (1) of the Companies Act, 2013. Accordingly clause 3(vi) of Companies (Auditor's Report) Order, 2016 is not applicable.
7.
 - a. The company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Goods and Service Tax, Cess and any other statutory dues except delays in the payment of Tax Deducted at Source, Goods and Service Tax. No undisputed statutory dues as stated above is outstanding as at 31st March for more than six months from the date they become payable.



- b. According to information and explanation given to us , there are no disputed statutory dues relating to Income Tax, Sales Tax, Custom Duty, Excise Duty, Cess, Goods and Service Tax or any other statute except as stated below:

Name of statute	Nature of dues	Year(s) to which it pertains	Amount Not Paid (Rs. in Lacs)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand	A.Y.2011-12	220.38 Lakhs	Commissioner Of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax Demand	A.Y.2012-13	12.08 Lakhs	Commissioner Of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax Demand	2016-17	3,21,460	Rectification yet to be filed with the Assessing Officer. Refer Note 30 to the financial statements
Income Tax Act, 1961	Income Tax Demand	2018-19	20,85,350	Scrutiny Assessment under process with the Assessing Officer

8. According to the information and explanation given to us and records examined by us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the Balance Sheet date.
9. According to information and explanation given to us and records examined by us, the company has neither raised any money by way of public offers nor raised any term loan during the year. Accordingly Clause 3(ix) of Companies (Auditor's Report) Order, 2016 is not applicable.
10. During the course of our examination of the books and records of the company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the company noticed or reported by its officers or employees during the year nor we have been informed of such instances by the management.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of the Section 197 read with Schedule V of the Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. According the clause 3(xii) of Companies (Auditor's Report) Order, 2016 is not applicable.
13. According to the information and explanation provided to us and based on our examination of the records of the Company, the transaction with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in financial statements as required by the applicable Accounting Standards.
14. According to the information and explanation provide to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly the clause 3(xiv) of the Companies (Auditor's Report) Order, 2016 is not applicable.

15. According to the information and explanation provided to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transaction with directors or persons connected with him. Accordingly clause 3(xv) of the Companies (Auditor Report) Order, 2016 is not applicable.
16. Considering the asset and income pattern, the company is not require to hold certificate of registration under 45-IA of the Reserve Bank of India Act, 1934.

For A. R. SODHA & Co.
Chartered Accountant
FRN 110324W

A. R. Sodha
Partner
M. No 3187

Place : Mumbai
Date : 24th July, 2020

UDIN : 20031878AAAABD4743



ANNEXURE B TO AUDITORS'S REPORT

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 Comfort Intech Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting.

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary 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 Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For A.R. Sodha & Co.
Chartered Accountants
FRN 110324W

A.R. Sodha
Partner
M No. 31878

Place : Mumbai
Date : 24th July, 2020

UDIN : 20031878AAAABD4743



Balance Sheet as at March 31, 2020

(Amount in INR)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
(1) ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	2	5,992,653	7,549,019
(b) Investment Property	3	<u>78,818,735</u>	<u>79,187,669</u>
		84,811,388	86,736,688
(c) Financial Assets			
(i) Investments	4	146,870,500	189,325,000
(ii) Loans		<u>-</u>	<u>-</u>
		146,870,500	189,325,000
(d) Other non-current assets	5	28,291,169	52,791,169
(2) CURRENT ASSETS			
(a) Inventories	6	54,227,746	40,300,509
(b) Financial Assets			
(i) Investments	7	45,544,206	44,541,593
(ii) Trade receivables	8	232,331,763	154,114,459
(iii) Cash and cash equivalents	9	84,649,523	116,677,957
(iv) Loans	10	299,227,039	310,294,950
(v) Others (to be specified)	11	<u>6,045,419</u>	<u>27,215,664</u>
		667,797,950	652,844,622
(c) Other current assets	12	<u>117,010,774</u>	<u>167,142,061</u>
TOTAL ASSETS		<u>1,099,009,527</u>	<u>1,189,140,049</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13	319,938,080	319,938,080
(b) Other Equity*		<u>655,518,357</u>	<u>691,819,790</u>
		975,456,437	1,011,757,870
LIABILITIES			
(a) Deferred tax liabilities (Net)	14	4,867,299	4,867,299
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	27,199,567	38,384,114
(ii) Trade payables	16	81,485,111	125,456,705
(iii) Other financial liabilities (other than those specified in item ©)	17	<u>6,070,543</u>	<u>4,299,629</u>
		114,755,221	168,140,448
(b) Provisions	18	1,690,550	1,690,550
(c) Current Tax Liabilities (Net)	19	2,240,020	2,683,882
TOTAL EQUITY AND LIABILITIES		<u>1,099,009,527</u>	<u>1,189,140,049</u>
See accompanying notes to the financial statements	1		

* Refer Statement of changes in equity

As per our report of even date

For A. R. Sodha & CO.
Chartered Accountants
Firm Reg. No.: 110324W

A.R. Sodha
Partner
M.No.-031878

Mumbai, 24th July, 2020

Ankur Agrawal
Director
DIN: 06408167

Pravin Naik
Chief Financial Officer

Mumbai, 24th July, 2020

Milin Ramani
Director
DIN: 07697636

Hiren Gediya
Company Secretary
A62416

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

(Amount in INR)

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
I Revenue from Operations	20	834,332,581	539,511,271
II Other Income	21	318,134	3,184,544
III Total Revenue (I + II)		834,650,716	542,695,815
IV Expenses			
Purchases of Stock-in-Trade	22	548,716,423	494,171,845
Excise Duty paid		241,712,019	-
Changes in inventories of Stock-in-trade	23	(7,211,582)	(170,514)
Employee benefits expense	24	10,686,035	15,536,776
Finance costs	25	1,061,881	2,004,239
Depreciation and amortization expense	2	1,927,043	2,657,286
Other Expenses	26	38,786,441	19,908,515
Total Expenses (IV)		835,678,261	534,108,148
V Profit/(loss) before exceptional items and Tax (III-IV)		(1,027,545)	8,587,667
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		(1,027,545)	8,587,667
VIII Tax Expense:			
(a) Current Tax		5,142,790	5,129,460
(b) Deferred Tax		-	(1,641,699)
(c) I.Tax of earlier years w/off		129,698	(2,523,483)
		5,272,488	964,278
IX Profit (Loss) for the period from continuing operations (VII-VIII)		(6,300,033)	7,623,390
X Other Comprehensive Income			
A Items that will not be reclassified to profit or loss			
(i) Gain/(Loss) on sale of Investments		(2,936,900)	(769,838)
(ii) Fair value changes of equity instruments through other comprehensive income		(27,064,500)	(19,258,589)
		(30,001,400)	(20,028,427)
XI Total Comprehensive Income for the period (IX+X)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		(36,301,433)	(12,405,038)
XII Earnings Per Equity Share (Face Value Rs. 10/- Per Share):	27		
Basic & Diluted (Rs.)		(0.20)	0.24
See accompanying notes to the financial statements	1		

As per our report of even date

For A. R. Sodha & CO.Chartered Accountants
Firm Reg. No.: 110324W**A.R. Sodha**Partner
M.No.-031878Mumbai, 24th July, 2020**Ankur Agrawal**Director
DIN: 06408167**Pravin Naik**

Chief Financial Officer

Mumbai, 24th July, 2020**Milin Ramani**Director
DIN: 07697636**Hiren Gediya**Company Secretary
A62416



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

(Amount in INR)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax for the year	(1,027,545)	8,587,667
Adjustments for :		
Interest Paid	1,061,881	2,004,239
Depreciation	1,925,300	2,657,286
Profit/(loss) from Sale of Equity Instruments held for trading	671,549	(561,093)
Change in Fair Value of Current Investments	28,518,625	6,316,555
Baddebts Written Off	-	-
Rent Received	(3,329,000)	28,848,354
Operating Profit before Working Capital change	27,820,809	13,838,155
Adjustments for :		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(13,927,237)	(170,514)
Trade receivables	(78,217,304)	(51,635,750)
Short-term loans and advances	11,067,911	35,745,174
Other financial assets	21,170,245	(9,924,122)
Other current assets	50,131,287	(161,674,071)
Other non-current assets	24,500,000	14,724,901
		55,577,248
		(132,082,035)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(43,971,595)	77,980,062
Other current liabilities	1,770,914	(2,069,285)
Cash Generated From Operations	345,030	(42,333,103)
Income Tax paid/(refund)	5,716,350	6,345,045
NET CASH FROM OPERATING ACTIVITIES Total (A)	(5,371,320)	(48,678,149)
CASH FLOW FROM INVESTING ACTIVITIES		
Investments (Purchased)/Sold	(17,739,686)	(29,573,706)
Fixed Assets (Purchased)/Sold	-	(1,130,297)
Rent Received	3,329,000	5,166,500
NET CASH USED IN INVESTING ACTIVITIES Total (B)	(14,410,686)	(25,537,503)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid (including Dividend Tax)	-	(11,552,126)
Loan taken / (Repaid) in Secured Loan	(11,184,546)	21,154,076
Interest paid	(1,061,881)	(2,004,239)
NET CASH FROM FINANCING ACTIVITIES Total (C)	(12,246,428)	7,597,710
Net Increase/(Decrease) in Cash and Cash Equivalents Total (A+B+C)	(32,028,434)	(66,617,941)
Cash and Cash Equivalents -- Opening Balance	116,677,957	183,295,898
Cash and Cash Equivalents -- Closing Balance	84,649,522	116,677,957
	(0)	0

As per our report of even date

For A. R. Sodha & CO.
Chartered Accountants
Firm Reg. No.: 110324W

A.R. Sodha
Partner
M.No.-031878

Mumbai, 24th July, 2020

Ankur Agrawal
Director
DIN: 06408167

Pravin Naik
Chief Financial Officer

Mumbai, 24th July, 2020

Milin Ramani
Director
DIN: 07697636

Hiren Gediya
Company Secretary
A62416

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

A. EQUITY SHARE CAPITAL

Particulars	Amount(Rs.)
As at 31 March, 2019	319,971,540
Changes in equity share capital	-
As at 31 March, 2020	319,971,540

B. OTHER EQUITY

Particulars	Other Equity				
	Reserve and Surplus			Other Comprehensive Income	Total other Equity
	Special Reserve	Share Premium	Retained Earnings		
As at 1 April, 2018	55,262,730	522,583,850	126,168,779	11,761,595	715,776,954
Total Comprehensive Income for the year	-	-	7,623,390	-20,028,427	-12,405,038
Transfer from Profit and Loss	1,524,678	-	-	-	1,524,678
Transfer to Special Reserve	-	-	(1,524,678)	-	(1,524,678)
Dividend on Equity Shares	-	-	(9,598,170)	-	(9,598,170)
Tax on Dividend on Equity Shares	-	-	(1,953,956)	-	(1,953,956)
As at 31st March, 2019	56,787,408	522,583,850	120,715,364	-8,266,832	691,819,790
Total Comprehensive Income for the year	-	-	-6,300,033	-30,001,400	-36,301,433
Transfer from Profit and Loss	-	-	-	-	0
As at 31st March, 2020	56,787,408	522,583,850	114,415,331	-38,268,232	655,518,357

As per our report of even date

For A. R. Sodha & CO.Chartered Accountants
Firm Reg. No.: 110324W**A.R. Sodha**Partner
M.No.-031878Mumbai, 24th July, 2020**Ankur Agrawal**Director
DIN: 06408167**Pravin Naik**

Chief Financial Officer

Mumbai, 24th July, 2020**Milin Ramani**Director
DIN: 07697636**Hiren Gediya**Company Secretary
A62416



Notes to financial statements for the year ended March 31, 2020

NOTE – '1'

SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of Preparation:

The financial statements of the Company comprising of Balance Sheet, Statement of Profit and Loss, Statement of changes in Equity and Cash Flow Statement together with the notes have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") as amended.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below.

B. Use of Estimates

The preparation of financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

C. Revenue Recognition:

- a) Revenue from sale of goods is recognised when the following conditions are satisfied.
 - i) the Company has transferred the significant risks and rewards of ownership of the goods to the buyer which generally coincides when the goods are dispatched in accordance with the terms of sale.
 - ii) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
 - iii) the amount of revenue can be measured reliably
 - iv) it is probable the economic benefits associated with the transaction will flow to the Company.
 - v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.
- b) As per prudential norms prescribed by Reserve Bank of India, interest income has been recognized only on standard advances given by the Company
- c) Dividend income & interest receivable from government on tax refunds are accounted as and when received.
- d) Rental income from investment property is recognized on accrual basis.

D. Property, Plant and Equipment:

- i) Property, plant and equipment are shown at historical cost inclusive of incidental expenses less accumulated depreciation.
- ii) Depreciation on fixed assets is calculated on a straight- line basis over the estimated useful lives of the assets as follows:

No.	Category	Estimated Useful Lives
1	Office Premises	60 years
2	Furniture and Fixtures	10 years
3	Motor Vehicles	10 years
4	Electrical Installations and Equipments	10 years
5	Computer and Data Processing Units	3 years
6	Plant and Machinery	15 Years

- iii) Depreciation on Property, plant and equipment are added or sold during the year, is provided on pro-rata basis with reference to the date of addition/deletion.

E. Impairment of assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

F. Foreign Exchange Transactions:

Foreign Currency transactions are accounted for at the exchange rates prevailing at the time of recognition of income/ expenditure. Foreign currency monetary items are reported using the closing rates. Exchange difference arising on reporting them at closing rate i.e. at the rate different from those at which they were initially recorded are recognized as income or expenses as the case may be. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

G. Investment Property

Investment Properties are measured using the cost model. Investment properties are measured initially at cost including transaction cost. Under Ind AS, investment properties are required to be separately presented on the face of the Balance Sheet. There is no impact on the total equity or profit as a result of this adjustment.

H. Employee Benefits :

- Short terms employee benefits are charged to the profit and loss account as and when incurred
- Payments to defined contribution plan are charged to profit & loss account when contributions to respective funds are due.
- Gratuity and Leave encashment payments are accounted for on Payment basis.

I. Segment Reporting:

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision making body, in deciding how to allocate resources and assessing performance.



The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segments revenue is accounted on the basis of transactions which are primarily determine based on market/fare value factors. Revenue, expenses, assets and liabilities which relates to the Company as a whole and are not allocable to segments on a reasonable basis have been included under “unallocated revenues/expenses/assets/liabilities”.

J. Inventories:

Stock of Goods, raw material, packing material and under construction property are measured at lower of cost or net realizable value

K. Financial instruments:

i) Financial Assets

a. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

b. Subsequent Measurement

1. Financial assets carried at amortised cost (AC)

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

2. Financial assets at fair value through other comprehensive income (FVTOCI)

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

3. Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

c. Investment in subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost.

d. Other Equity Investments

The Company subsequently measures all equity investments at fair value. There are two measurement categories into which the Company classifies its equity instruments:

- Investments in equity instruments at FVTPL: Investments in equity instruments are classified as at FVTPL, unless the Company irrevocable elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.
- Investments in equity instruments at FVTOCI: On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

e. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

f. De-recognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is de-recognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

ii) Financial Liabilities**a) Initial Recognition and Measurement**

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost, Fee of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.



b) Subsequent measurement

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

L. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether :

- i) the contract involves the use of an identified asset
- ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- iii) the Company has the right to direct the use of the asset

The Company applies a single recognition and measurement approach for all leases, except for short term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below :-

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets (i.e. 30 and 60 years)

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

“Lease liability” and “Right of Use” asset are separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

M. Borrowing Costs:

- (a) Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.
- (b) All other borrowing costs are recognized as expense in the period in which they are incurred.

N. Taxation:

Provision for income tax has been made in accordance with normal provisions of Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using tax rates and laws that have been substantively enacted as of the balance sheet date. Current and Deferred tax is recognised in Statement of Profit and Loss, except when it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

O. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculation diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

P. Contingent Liability and Contingent Assets

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote. Contingent assets are neither recognised nor disclosed.



Q. Fair Value Measurement

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into Level I, Level II and Level III based on the lowest level input that is significant to the fair value measurement as a whole. For a detailed information on the fair value hierarchy, refer note no. 28 and 29

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

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

Notes to financial statements for the year ended March 31, 2020

Note - 2 :- Property, Plant and Equipment

(Amount in INR)

Particulars	Gross block			Accumulated depreciation and impairment				Net block	
	Balance as at 1 April, 2019	Additions	Disposals	Balance as at 31 March, 2020	Balance as at 1 April, 2019	Depreciation / amortisation expense for the year	Other adjustments	Balance as at 31 March, 2020	Balance as at 31 March, 2019
	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)
a Office Premises	771,090	-	-	771,090	296,465	13,088	-	461,537	474,625
b Furniture and fittings	6,861,164	-	-	6,861,164	5,999,427	148,306	-	713,431	861,737
c Motor Vehicles	11,619,531	-	-	11,619,531	6,453,402	1,214,070	-	3,952,059	5,166,129
d Electrical Installations and Equipment	1,392,624	-	-	1,392,624	858,206	78,302	-	456,116	534,418
e Computers and data processing units	928,756	-	-	928,756	832,552	51,930	-	44,274	96,204
f Plant and Machinery	982,493	-	-	982,493	566,586	52,413	(1,743)	365,237	415,907
Total	22,555,658	-	-	22,555,658	15,006,639	1,558,109	(1,743)	5,992,653	7,549,019


Notes to financial statements for the year ended March 31, 2020
Note 3 - Investment in Property

(Amount in INR)

Particulars	As at March 31, 2020		As at March 31, 2019	
Investment Property*	80,293,459		80,293,459	
Less: Provision for depreciation	1,474,724	78,818,735	1,105,790	79,187,669
		78,818,735		79,187,669

* The company is in the process of ascertaining the fair value of the properties.

Note 4 - Investments

(Amount in INR)

Particulars	As on 31.03.2020		As on 31.03.2019	
	Nos. / Units	Amount	Nos. / Units	Amount
Investment at Fair Value through Other Comprehensive Income				
In Equity Shares of Associate Companies - Unquoted Fully paid-up				
Comfort Securities Ltd. (F.V. Rs. 10/- each)	5,750,000	56,000,000	5,750,000	56,000,000
Lemonade Share & Securities Pvt. Ltd. (F.V. Rs. 10/- each)	220,000	22,000,000	220,000	22,000,000
Liquors India Limited (F.V. Rs. 10/- each)	4,200,000	54,600,000	4,200,000	54,600,000
In Equity Shares of Others- Unquoted Fully paid-up				
The Malad Sahakari Bank Ltd (F.V. Rs. 10/- each)	100	1,000	100	1,000
Total [A]	10,170,100	132,601,000	10,170,100	132,601,000
In Equity Shares of Others- Quoted Fully paid-up				
Comfort Commotrade Ltd. (F.V. Rs. 10/- each)	1,200,000	1,416,000	1,200,000	4,512,000
Himachal Futuristic Communications Ltd (F.V. Re. 1/- each)	1,425,000	12,853,500	2,290,000	52,212,000
Total [B]	2,625,000	14,269,500	3,490,000	56,724,000
TOTAL [A+B]	12,795,100	146,870,500	13,660,100	189,325,000

Note 5 - Other non-current assets

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
a) Balances with Statutory/Government Authorities	5,979,969	5,979,969
b) Capital Advances	22,311,200	46,811,200
TOTAL	28,291,169	52,791,169

Note 6 - Inventories

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
Property under development	40,300,509	40,300,509
Stock (Liquor - Finished Good)	7,211,582	-
Stock (Liquor - Raw Material & Packing Material)	6,715,655	-
TOTAL	54,227,746	40,300,509

Note 7 - Investments

(Amount in INR)

Particulars	As at March 31, 2020		As at March 31, 2019	
Investment at Fair Value through Profit and Loss				
In Equity Shares of :(Quoted fully paid up)				
Name of The Scrip	No of shares	Amount	No of shares	Amount
ACC Ltd	200	193,500	200	332,200
Luharuka Media & Infra Ltd.*	5,642,660	2,087,784	5,642,660	4,796,261
Ravi Kumar Distilleries Ltd.*	2,366,000	10,788,960	2,366,000	20,915,440
Vedanta Limited	14,250	922,688	14,250	2,618,438
Reliance Industries Ltd.	2,500	2,781,125	4,000	5,452,200
Grasim Industries Ltd.	825	392,205	825	708,015
Aditya Birla Capital Ltd	1,155	48,741	1,155	112,786
Ambuja Cements Ltd.	3,000	467,100	20,000	4,701,000
Ultraeech Cement Ltd.	160	520,680	160	639,848
Duncans Industries Ltd.*	105	956	105	956
Balrampur Chini Mills Ltd	5,000	519,750	20,000	2,732,000
Hindustan Copper Ltd.	10,000	213,000	10,000	489,500
JK Lakshmi Cement Ltd.	3,000	587,100	3,000	1,042,950
Arihant Superstructures Ltd.	200,000	4,290,000	-	-
MTNL	149,900	905,396	-	-



(Amount in INR)

Particulars	As at March 31, 2020		As at March 31, 2019	
Vikas EcoTech Ltd	745,000	826,950	-	-
Vikas Multicorp Ltd	745,000	849,300	-	-
Pilani Investment and Industries Corporation Ltd	17,041	19,148,972	-	-
TOTAL	9,905,796	45,544,206	8,082,355	44,541,593

* Demat account in which these Investments are held is freeze and company has applied to H'able High Court at Hyderabad for Unfreeze of Demat account as company is not party to the matter with respect to which account has been frozen.

Note 8 - Trade Receivables

(Amount in INR)

Particulars	As at March 31, 2020		As at March 31, 2019	
a) Due for a period exceeding six months				
- Unsecured, considered good	3,951,496		3,356,412	
- Doubtful	7,749,428		7,749,428	
Less: Provision for Doubtful Debts	(1,549,900)	10,151,025	(1,549,900)	9,555,940
		10,151,025		9,555,940
b) Others				
- Unsecured, considered good	222,180,738		144,558,519	
- Doubtful	-		-	
Less: Provision for Doubtful Debts	-	222,180,738	-	144,558,519
		222,180,738		144,558,519
TOTAL		232,331,763		154,114,459

Note 9 - Cash & Bank Balances

(Amount in INR)

Particulars	As at March 31, 2020		As at March 31, 2019	
Cash & Bank Balances				
a) Balances with Banks :				
- Current Accounts	1,298,212		2,293,241	
- Deposit Accounts (Under lien with Banks)	83,124,499	84,422,711	114,314,499	116,607,740
b) Cash-in-hand		226,811		70,216
TOTAL		84,649,523		116,677,957

Note 10 - Loans

(Amount in INR)

Particulars	As at March 31, 2020		As at March 31, 2019	
a) Advances recoverable in cash or in kind for value to be received				
i) Advances Considered good & in respect of which Company is fully secured	209,164,439		209,697,900	
ii) Advances Considered good for which Company holds no Security other than personal security	89,707,100	298,871,539	100,170,550	309,868,450
iii) Sub-Standard Advances in respect of which Company is:				
(a) Secured	-		-	
(b) Unsecured	-		-	
Doubtful (Secured)	325,500	325,500	400,500	400,500
b) Other Advances		30,000		26,000
TOTAL		299,227,039		310,294,950

Note 11 - Financial Current Assets : - Others

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
a) Security deposits	3,521,500	5,112,500
b) Advance to Suppliers	2,523,919	22,103,164
TOTAL	6,045,419	27,215,664

Note 12 - Other Current Assets

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
a) FDR Interest Receivable	524,936	3,861,004
b) Prepaid Expenses	1,341,760	32,058
c) Business Advance	115,117,610	163,249,000
d) ST Input	26,469	-
TOTAL	117,010,774	167,142,061


Note 13 - Share Capital

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised :		
400,00,000 Equity Shares (Previous Year 400,00,000) of Rs. 10/- each	400,000,000	400,000,000
TOTAL	400,000,000	400,000,000
Issued and Subscribed :		
3,19,97,154 Equity Shares (Previous Year 3,19,97,154) of Rs. 10/- each	319,971,540	319,971,540
TOTAL	319,971,540	319,971,540
Paid-up share capital :		
3,19,93,808 Equity Shares (Previous Year 3,19,93,808) of Rs. 10/- each	319,938,080	319,938,080
TOTAL	319,938,080	319,938,080

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

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
Number of shares at the beginning of the year	319,938,080	319,938,080
Add: Number of Shares allotted fully paid up during the year	-	-
Less: Number of Shares bought back during the year	-	-
Number of shares outstanding as at the end of the year	319,938,080	319,938,080

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of Equity Share is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

(c) The details of shareholders holding more than 5% shares.

Name of the Shareholders	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% held	No. of Shares	% held
Luharuka Investment & Consultants Pvt Ltd	78,449,224	24.52%	78,449,224	24.52%
Luharuka Exports Private Limited	77,385,444	24.19%	77,385,444	24.19%

Note 14 - Deferred Tax Liabilities

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liabilities	4,867,299	6,508,999
Add / Less: During the Year	-	(1,641,699)
TOTAL	4,867,299	4,867,299
Components of Deferred Tax liabilities		
Deferred Tax Liabilities/(Assets) in relation to:		
a) Property, plant and Equipment	-	(169,144)
b) Current Investments	-	5,036,443
TOTAL	-	4,867,299

Note 15 - Short Term Borrowings

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
Loans repayable on demand		
From banks		
Secured *	27,199,567	38,384,114
Unsecured	-	-
	27,199,567	38,384,114
TOTAL	27,199,567	38,384,114

*Secured loans are lien on FDR kept with bank.
The interest rate on this facility is FD Interest Rate+1%

Note 16 - Trade Payables

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
Current payables (including acceptances) outstanding for less than 12 months	81,485,111	125,456,705
TOTAL	81,485,111	125,456,705

Note 17 - Other financial liabilities

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
a) Security Deposits from Tenants	2,626,122	587,000
b) Outstanding Liabilities for Expenses	2,349,621	2,617,828
c) Un-paid dividend	1,094,801	1,094,801
TOTAL	6,070,543	4,299,629


Note 18 - Provisions

Particulars	(Amount in INR)	
	As at March 31, 2020	As at March 31, 2019
a) Contingent provision for Standard Advances	1,480,550	1,480,550
b) Provision for doubtful debts	210,000	210,000
TOTAL	1,690,550	1,690,550

Note 19 - Current Tax Liabilities

Particulars	(Amount in INR)	
	As at March 31, 2020	As at March 31, 2019
Provision for Taxation (net of Advance tax & TDS)	2,240,020	2,683,882
TOTAL	2,240,020	2,683,882

Note 20 - Revenue from Operations

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
(a) Income from Operation				
Sales of Goods	350,384,181		485,614,169	
Sales of Liquor	456,315,277		-	
Interest Received				
From Loans & Advances	14,665,102	10,548,388		
From Term deposits	6,534,183	21,199,285	10,492,573	21,040,961
Rent Received		3,329,000		5,166,500
Commission & Marketing Services		30,443,059		-
(A)	861,670,802		511,821,630	
(b) Other operating Income				
Dividend Received	650,540		526,784	
Income from Investment in Mutual Fund	87,797		-	
Port Charges	-		4,565,965	
Terminal handling Charges	-		20,093,310	
Wharfage Charges	-		2,617,496	
Profit / (loss) from FO Trading (net)	1,107,366		-	
Profit/(loss) from Sale of Equity Instruments held for trading	(665,300)		243,121	
Change in Fair Value of Equity Instruments held for trading	(28,518,625)		(357,035)	
(B)	(27,338,221)		27,689,641	
TOTAL (A+B)	834,332,581		539,511,271	

Note 21 - Other Income

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Misc Income	14,362	2,65,230
Profit on exchange fluctuation	3,03,772	-
Compensation for delay in work	-	85,60,862
Profit/(loss)from Sale of Current Investments (upto 30th Sept., 2018)	-	3,17,972
Change in Fair Value of Current Investments (upto 30th Sept., 2018)	-	(59,59,520)
TOTAL	3,18,134	31,84,544

Note 22 - Purchases

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Goods	32,22,36,751	44,81,80,124
Port Charges	-	44,17,465
Terminal handling Charges	55,229	1,95,60,158
Wharfage Charges	-	23,03,396
Custom Clearing & Forwarding Charges	9,57,181	59,90,676
Transport Charges	67,35,822	1,37,18,155
Loss on exchange fluctuation	-	1,871
Commission & Marketing Charges	2,54,28,917	-
Purchase Raw & Packing Materials of Liquor	17,62,91,930	-
Less: Closing Stock	(67,15,655)	-
Job Work charges	2,18,60,670	-
Licences and Fees	18,65,578	-
TOTAL	54,87,16,423	49,41,71,845

Note 23 - Changes in Inventories of Stock-in-trade

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventories at the end of the year		
Goods (Liquor)	72,11,582	-
Properties (under development)	4,03,00,509	4,03,00,509
Inventories at the beginning of the year		
Goods (Liquor)	-	-
Properties (under development)	4,03,00,509	4,01,29,995
Net (Increase) / Decrease in Inventories	(72,11,582)	(1,70,514)


Note 24 - Employment Benefit Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries , Bonus & Allowances	97,98,250	1,45,14,346
Staff Welfare Expenses	5,98,519	6,41,892
Staff Insurance Expenses	1,06,800	96,540
Staff PF Expenses	1,82,466	2,83,998
TOTAL	1,06,86,035	1,55,36,776

Note 25 - Financial Costs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Expenses	10,61,881	20,04,239
TOTAL	10,61,881	20,04,239

Note 26 - Other Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Advertisement Expenses	42,848	47,352
Annual Listing Fees	3,00,000	2,50,000
Bad debts W/off	-	-
Business Pomotion Expenses	71,115	9,08,765
Bank Charges	16,32,726	15,54,276
Charities & Donation	-	25,000
Custodial Fees	1,55,240	1,32,362
Conveyance Expenses	3,23,976	2,69,160
Commission & processing fee paid	26,67,588	13,04,451
Corporate Social Responsibility	14,00,000	5,01,000
Director's Sitting fees	2,80,000	2,20,000
Electricity Expenses	26,71,264	11,91,247
Freight Expenses	72,73,797	-
Legal & Professional Fees	50,67,269	23,94,630
Insurance Expenses	58,515	1,64,870
Motor Car Expenses	6,36,605	15,20,302
Marketing Expenses	46,70,469	-
Rates & Taxes	6,37,501	1,73,014

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Payments to Auditors :		
- Audit & Tax Audit fees	3,00,000	2,50,000
- For Other Services	-	-
Repairs & Maintenance to Other Assets	12,41,673	3,56,576
Rent Expense	13,20,000	13,20,000
Share Trading Expenses	1,65,187	1,84,700
Telephone , Telex and Postage	4,99,598	3,74,015
Travelling Expenses	12,37,894	24,91,643
Tradening Fee	20,22,108	-
Printing & Stationery	2,35,638	2,93,020
Provision on debtors	-	15,49,900
Other Expenses	38,75,430	24,32,234
TOTAL	3,87,86,441	1,99,08,515

Note 27 - Earnings Per Equity Share

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Net profit after tax attributable to equity shareholders for		
Basic EPS	(63,00,033)	76,23,390
Add/Less: Adjustment relating to potential equity shares	-	-
Net profit after tax attributable to equity shareholders for	(63,00,033)	76,23,390
Diluted EPS		
(b) Weighted average no. of equity shares outstanding during the year		
For Basic EPS	3,19,93,808	3,19,93,808
(c) Face Value per Equity Share (Rs.)	10.00	10.00
Basic EPS	-0.20	0.24

Note 28- Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction 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.



This note describes the fair value measurement of both financial and non-financial instruments.

Valuation Framework

The Group has an internal fair value assessment team which assesses the fair values for assets qualifying for fair valuation.

The Group's valuation framework includes:

Benchmarking prices against observable market prices or other independent sources;
Development and validation of fair valuation models using model logic, inputs, outputs and adjustments.

These valuation models are subject to a process of due diligence and validation before they become operational and are continuously calibrated. These models are subject to approvals by various functions including risk, treasury and finance functions. Finance function is responsible for establishing procedures, governing valuation and ensuring fair values are in compliance with accounting standards.

Valuation Framework

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

Fair values of other investments under FVOCI have been determined under level 1 using quoted market prices of the underlying instruments;

Fair value of loans held under a business model that is achieved by both collecting contractual cash flows and partially selling the loans through partial assignment to willing buyers and which contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest are measured at FVOCI. The fair value of these loans have been determined under level 3.

The Group has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, short term loans, floating rate loans, trade payables, short term debts, borrowings, bank overdrafts and other current liabilities are a reasonable approximation of their fair value and hence their carrying value are deemed to be fair value.

Note 29- Fair Value Hierarchy

The Company determines fair values of its financial instruments according to the following hierarchy:

Level 1: valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2: valuation based on using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3: valuation technique with significant unobservable inputs: – financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2020

Particulars	Date of Valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held for trading under FVTPL	31/03/2020	4,55,44,206	-	-	4,55,44,206
Equity instrument classified under FVOCI	31/03/2020	1,42,69,500	-	-	1,42,69,500

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2019

Particulars	Date of Valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held for trading under FVTPL	31/03/2019	4,45,41,593	-	-	4,45,41,593
Equity instrument classified under FVOCI	31/03/2019	5,67,24,000	-	-	5,67,24,000

Fair Value of Financial Instruments not measured at fair value as at 31 March 2020

Particulars	Carrying Value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Non Current Assets					
Investments	13,26,01,000	-	-	13,26,01,000	13,26,01,000
Current Assets					
Trade receivables	23,23,31,763	-	-	23,23,31,763	23,23,31,763
Cash and cash equivalents	8,46,49,523	8,46,49,523			8,46,49,523
Loans	29,92,27,039	-	-	29,92,27,039	29,92,27,039
Others	60,45,419	-	-	60,45,419	60,45,419
Current Liabilities					
Borrowings	2,71,99,567	-	-	2,71,99,567	2,71,99,567
Trade payables	8,14,85,111	-	-	8,14,85,111	8,14,85,111
Other financial liabilities	60,70,543	-	-	60,70,543	60,70,543



Fair Value of Financial Instruments not measured at fair value as at 31 March 2019

Particulars	Carrying Value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Non Current Assets					
Investments	13,26,01,000	-	-	13,26,01,000	13,26,01,000
Current Assets					
Trade receivables	15,41,14,459	-	-	15,41,14,459	15,41,14,459
Cash and cash equivalents	11,66,77,957	11,66,77,957	-	11,66,77,957	23,33,55,913
Loans	31,02,94,950	-	-	31,02,94,950	31,02,94,950
Others	2,72,15,664	-	-	2,72,15,664	2,72,15,664
Current Liabilities					
Borrowings	2,71,99,567	-	-	2,71,99,567	2,71,99,567
Trade payables	8,14,85,111	-	-	8,14,85,111	8,14,85,111
Other financial liabilities	60,70,543	-	-	60,70,543	60,70,543

30. Contingent liabilities & Commitments:

Particulars	2019-2020 (Rs.)	2018-2019 (Rs.)
i) Contingent Liabilities		
a) Claims against the Company /		
Disputed Liabilities, not acknowledged as Debt	*22,52,550	*22,52,550
b) Corporate Guarantee and Security given for loans availed by related party (Sanctioned limit Rs.10,00,00,000/-)	50,51,595	6,25,29,552
c) Income Tax demand **		
(Appeal has been filed against the order)	2,32,46,422	2,75,89,100
ii) Commitments :		
Estimated amount of contracts remaining to be executed on capital account	-	-

*The Company has made security deposit of Rs. 25,12,500/- in favour of "The Registrar City Civil & Session Court" as per pay order no. 757810 dated 20.01.2017

**In addition to the above:

- There is a demand of Rs. 3,21,460 for AY 2016-17 pertaining to TDS Credit claimed which is not yet paid by the parties who had deducted the TDS. The Company is in the process of filing the rectification and is following up with the respective parties and is confident that the amount will be paid by them and the said demand will be reversed.
- There is a demand of Rs. 20,85,350 for AY 2018-19 for which scrutiny assessment is under process with the Assessing Officer.

31. Auditors' Remuneration

For Statutory and Tax Audit

2019-2020	2018-2019
Rs. 3,00,000	Rs. 2,50,000
Rs. 3,00,000	Rs. 2,50,000

32. Earnings per Share:

Basic & Diluted

2019-2020	2018-2019
Rs. -0.20	Rs. 0.24

33. Advances recoverable in cash or in kind or for value to be received in respect of which company is fully secured includes:-

Particulars	2019-2020 (Rs.)	2018-2019 (Rs.)
Secured against Immovable Property	3,25,500	4,00,500
Secured against Shares*	20,91,64,439	20,96,97,900

*Legal heir of a borrower has defaulted on payment of interest and Principal on loan against shares of a listed company (Pledge Security), balance as on 31-03-2020, Rs.19.63 crores. Consequently, the Company has invoked the said pledge Security. Major quantity of the said invoked pledge security has been freeze by a statutory authority on account of legal disputed matter of our company and hence company is unable to sell the same to recover the loan and interest thereon. Management is confident of freeze getting lifted on pledge security as the said pledge security is not part of the dispute. The Pledge security is infrequently traded on the stock exchanges. The quoted Market value of Pledge Security is Rs 7.65 crores as on 31-03-2020 and as on signing of financial accounts is approx Rs.9.70 Crore. In view of the weak sentiment in the equity market and the subdued business climate due to Covid 19 pandemic situation, management is of the view that quoted price of pledge security cannot be taken as fair value as even after considering the 50% investment company discount, the Fair Value, based on latest audited Balance Sheet and reviewed results of the listed company whose shares are pledge as security is sufficient to cover the carrying value of loan, the diminution in the market value being only temporary, the management is fully confident of the intrinsic value getting reflected on the stock exchange in the near future and will be able to recover the carrying value of loan. Management therefore has decided that presently, no impairment loss allowance is required for shortfall in pledge security value.

34. The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial & commodity markets and slowdown in the economic activities. The management of the Company have, based on current available information, determined the carrying value of various financial assets after considering the potential macro-economic impact and all available internal and external information up to the date of approval of these financial results. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.**35. Foreign Currency Transactions:**

Particulars	2019-2020 (Rs.)	2018-2019(Rs.)
Outgo:		
Purchase of Goods (Import)	1,24,82,410	8,00,16,340
Earnings:	Nil	Nil

36. There are no dues to Micro and Small Enterprises as at 31st March, 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.



37. Balances of the Sundry Debtors, Loans and Advances and Sundry Creditors are subject to confirmation and resultant reconciliation, if any.

38. Disclosure pursuant to Ind AS – 108: OPERATING SEGMENTS

BUSINESS SEGMENTS

(Rs. In Lakhs)

Sr. No.	Particulars	Year ended	
		31-Mar-20	31-Mar-19
		Audited	Audited
1	Segment Revenue		
	a) Trading in Goods	3506.88	5128.91
	b) Manufacturing of Liquor	4563.15	-
	c) Trading in Shares /Mutual Funds	-273.38	-52.29
	d) Financing	211.99	210.41
	e)Leasing of Immmovable Properties	33.29	51.67
	f)Commission	304.43	-
	Less: Inter Segment Revenue		
	Total Income from Operations	8346.36	5338.70
2	Segment Results:		
	[Profit before Depreciation, Tax and Finance Costs from each segment]		
	a) Trading in Goods	207.03	171.69
	b) Manufacturing of Liquor	117.02	-
	c) Trading in Shares	-275.03	-54.13
	d) Financing	211.99	210.41
	e)Leasing of Immmovable Properties	24.38	51.67
	f) Commission	50.14	0.00
	Total	335.54	379.63
	Less:(i) Finance Costs	10.62	20.04
	(ii) Depreciation	19.27	26.57
	(iii) Other un-allocable expenditure net off Un-allocable Income	315.92	247.14
	Profit from ordinary activities before tax	-10.28	85.88
3	Segment Assets		
	a) Trading in Goods	1186.39	1,777.61
	b) Trading in Liquor	1249.65	-
	c) Trading in Shares	494.96	445.42
	d) Financing	2992.27	3,102.95
	e)Leasing of Immmovable Properties	790.72	791.95
	f) Unallocable	4276.11	5,773.48
	Total Segment Assets	10990.10	11891.40

(Rs. In Lakhs)

Sr. No.	Particulars	Year ended	
		31-Mar-20	31-Mar-19
		Audited	Audited
4	Segment Liabilities		
	a) Trading in Goods	564.42	1254.57
	b) Trading in Liquor	199.17	-
	c) Trading in Shares	-	-
	d) Financing	16.91	16.91
	e) Leasing of Immmovable Properties	-	-
	f) Unallocable	10209.51	10619.93
	Total Segment Liabilities	10990.10	11891.40

39. In accordance with Accounting standard 'Ind AS-24' relating to Related Party Disclosures, information pertinent to related party transaction is given as under:-

Parties Where Control Exists: None

Parties with whom transaction have taken place.

A. Name of the related parties & description of relationship

- a) Key Managerial Personnel : Mr. Anil Agrawal (CEO)
Mr. Pravin A Naik (CFO)
Mr. Dhaval Shah (CS) (resigned w.e.f Januray 18, 2020)
Mr. Ankur Agrawal (Director)
Mr. Devendra Lal Thakur (Director)
Mr. Milin Ramani (Director)
Ms. Divya Padhiyar (Director) (appointed w.e.f. October 30, 2019)
- b) Promoters and their relatives : Mrs. Annu Agrawal (Promoter)
Anil Agrawal –HUF (Promoter)
Mr. Anil Agrawal(Promoter)
Mr. Bharat Shiroya(Promoter)
Luharuka Exports Pvt. Ltd. (Promoter)
Luharuka Investment & Consultants Pvt. Ltd. (Promoter)
M/s Luharuka Travels & M/s Luharuka Enterprises
(Proprietorship concerns of Mr. Pradeep Agrawal, brother of CEO i.e. Anil Agrawal)
- c) Associate Companies : Comfort Securities Ltd
Liquors India Ltd.
Lemonade Share & Securities Pvt. Ltd.
- d) Group Company : Comfort Fincap Ltd.
Luharuka Media & Infra Ltd


B. Transactions during the year with related parties: -

Sr. No.	Particulars	Key Managerial Personnel	Promoter & their Relatives	Associates / Group Companies
1	Loan given			
	Flora Fountain Properties Limited	- -	- -	2,22,50,000 (6,33,00,000)
	Comfort Fincap Limited	- -	- -	13,70,00,000 (11,55,00,000)
	Comfort Securities Limited	- -	- -	- (7,50,00,000)
	Loan received back			
	Flora Fountain Properties Limited	- -	- -	2,22,50,000 (6,33,00,000)
	Comfort Fincap Limited	- -	- -	14,55,00,000 (2,35,00,000)
	Comfort Securities Limited	- -	- -	- (7,50,00,000)
	Loan Taken			
	Luharuka Media & Infra Ltd.	- -	- -	50,00,000 -
	Loan re-paid			
	Luharuka Media & Infra Ltd.	- -	- -	50,00,000 -
2	Business Advance			
	Liquors India Limited	- -	- -	1,20,00,000 (15,88,50,000)
3	Security deposit paid			
	Annu Agrawal	- -	- (10,00,000)	- -
	Anil Agrawal –HUF	- -	- (10,00,000)	- -
	Security deposit received back			
	Annu Agrawal	- -	17,94,000 (2,00,000)	- -
	Anil Agrawal –HUF	- -	8,00,000 (12,00,000)	- -
4	Expenses			
	Brokerage Paid			
	Comfort Securities Limited	- -	35,815 (7,847)	- -

Sr. No.	Particulars	Key Managerial Personnel	Promoter & their Relatives	Associates / Group Companies
	Demat Charges Paid			
	Comfort Securities Limited	- -	1,180 (5,032)	- -
	Interest Paid			
	Luharuka Media & Infra Ltd	- -	- -	52,603 -
	Office Rent Paid			
	Annu Agrawal	- -	6,60,000 (6,60,000)	- -
	Anil Agrawal –HUF	- -	6,60,000 (6,60,000)	- -
	Remuneration			
	Anil Agrawal	56,00,000 (46,96,667)	- -	- -
	Pravin A Naik	6,64,718 (7,36,019)	- -	- -
	Dhaval Shah	4,26,204 (1,28,576)	- -	- -
	Travelling Expenses			
	Luharuka Travels	- -	2,46,082 (5,94,098)	- -
	Director Sitting fee Paid			
	Annu Agrawal	- -	20,000 (40,000)	- -
	Jugal Thacker	20,000 (55,000)	- -	- -
	Devendralal Thakur	95,000 (70,000)	- -	- -
	Ankur Agrawal	55,000 -	- -	- -
	Milin Ramani	65,000 -	- -	- -
	Divya Padhiyar	25,000 -	- -	- -
	Bottling Charges			
	Liquors India Limited	- -	- -	2,18,60,670 -



Sr. No.	Particulars	Key Managerial Personnel	Promoter & their Relatives	Associates / Group Companies
5	Income			
	Office Rent Received			
	Comfort Securities Limited	-	-	-
		-	-	(60,000)
	Interest Income Received			
	Comfort Fincap Ltd.	-	-	69,38,865
		-	-	(39,86,205)
	Comfort Securities Limited	-	-	-
		-	-	(6,64,570)
	Flora Fountain Properties Limited	-	-	1,77,883
		-	-	(14,52,431)
	Amount outstanding as at Balance Sheet date			
	Business Advance			
	Liquors India Limited	-	-	11,05,50,000
	Loan given			
	Comfort Fincap Limited	-	-	8,35,00,000

Figure in bracket relates to previous year.

40. The Previous years figures have been regrouped / rearranged / reclassified wherever necessary. Amounts and other disclosures for the preceding financial year are included as an integral part of current year's financial statements.

As per our report of even date

For A. R. Sodha & CO.
Chartered Accountants
Firm Reg. No.: 110324W

A.R. Sodha
Partner
M.No.-031878

Mumbai, 24th July, 2020

Ankur Agrawal
Director
DIN: 06408167

Pravin Naik
Chief Financial Officer

Mumbai, 24th July, 2020

Milin Ramani
Director
DIN: 07697636

Hiren Gediya
Company Secretary
A62416

CONSOLIDATED FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS,
COMFORT INTECH LIMITED**

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of Comfort Intech Limited (hereinafter referred to as the 'Holding Company') and its associates which comprise the consolidated Balance Sheet as at March 31, 2020, and the consolidated statement of Profit and Loss, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2020, of consolidated loss, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

The Holding Company has not provided for defined benefit obligation in the nature of gratuity based on the requirement of Ind AS 19 i.e. "Employee Benefit", which requires defined benefit obligation to be recognised based on actuarial valuation basis. In absence of valuation we are unable to quantify the impact of above on the net profit for the year and liabilities as on reporting date.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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 qualified opinion on the financial statements.

Emphasis of Matter

- a) We draw attention to Note No 33 to the financial statements regarding the Company not being able to recover a loan from the legal heir of a borrower given against security of shares of a listed entity (Pledge Security), the balance as on 31-03-2020 is Rs.19.63 crores. Consequently, the Company has invoked the said pledge Security. Major quantity of the said invoked pledge security has been freezed by a statutory authority on account of legal disputed matter of the company and hence company is unable to sell the same to recover the loan and interest thereon. Management is confident of freeze getting lifted on pledge security as the said pledge security is not part of the dispute. The Pledge security is infrequently traded on the stock exchanges. The quoted Market value of Pledge Security is Rs 7.65 crores as on 31-03-2020 and as on signing of financial accounts is approx Rs.9.70 Crore. In view of the weak sentiment in the equity markets and the subdued business climate due to Covid 19 pandemic situation, management is of the view that quoted price of pledge security cannot be taken as fair value as even after considering the 50% investment company discount, the Fair Value, based on latest audited Balance Sheet and reviewed results of the listed entity whose shares are pledge as security is sufficient to cover the carrying value of loan, the diminution in the market value being only temporary, the management is fully confident of the intrinsic value getting reflected on the stock exchange in the near future and will be able to recover the carrying value of loan. Management therefore has decided that presently, no impairment loss allowance is required for shortfall in value of pledge security.
- b) We further draw attention to Note 34 to the financial statement wherein it is stated that due to the outbreak of COVID-19 pandemic across the globe and in India there is a significant decline and volatility in the global and Indian financial & commodity markets and slowdown in the economic activities. The management of the Company have, based on current

available information, determined the carrying value of various financial assets after considering the potential macro-economic impact and all available internal and external information up to the date of approval of these financial results. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Our report is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Key Audit Matters	How our audit addressed the key audit matter
A. Impairment of Financial Asset due to Non Recoverability of Loan from the legal heir of one of the borrowers	
The Holding Company is not being able to recover a loan from the legal heir of a borrower given against security of shares of a listed entity (Pledge Security) and the balance as on 31-03-2020 is Rs.19.63 crores. Consequently, the Holding Company has invoked the said pledge Security. Major quantity of the said invoked pledge security has been freeze by a statutory authority on account of legal disputed matter of the holding company and hence the holding company is unable to sell the same to recover the loan and interest thereon. Management is confident of freeze getting lifted on pledge security as the said pledge security is not part of the dispute. The Pledge security is infrequently traded on the stock exchanges. The quoted Market value of Pledge Security is Rs 7.65 crores as on 31-03-2020 and as on signing of financial accounts is approx Rs.9.70 Crore. In view of the weak sentiment in the equity markets and the subdued business climate due to Covid 19 pandemic situation, management is of the view that quoted price of pledge security cannot be taken as fair value as even after considering the 50% investment company discount, the Fair Value, based on latest audited Balance Sheet and reviewed results of the listed entity whose shares are pledge as security is sufficient to cover the carrying value of loan, the diminution in the market value being only temporary, the management is fully confident of the intrinsic value getting reflected on the stock exchange in the near future and will be able to recover the carrying value of loan. Management therefore has decided that presently, no impairment loss allowance is required for shortfall in value of pledge security.	<ol style="list-style-type: none"> 1. We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 2. We evaluated the management's reasonableness for not making provision in the books of accounts for the shortfall in the value of security. 3. We have further assessed the financial statements of the company whose shares are pledged.



Key Audit Matters	How our audit addressed the key audit matter
B. Amount advanced to Associate Company	
The Holding Company has entered into sub lease agreement for Production of Indian made foreign Liquor brands owns by the company or for which company has been granted the authority for production and marketing with its associate company on 20th of March, 2020. As per the agreement company has already advanced amount of Rs.11.50 Crore which will be adjusted over period of time against the bottling charges payable to the associate.	<ol style="list-style-type: none"> 1. Examined the agreement entered by the company with the associate company. 2. Discussion with the management for understanding the demand for the company's brand of Indian made foreign liquor and utilization of capacity of associate by the company and other parties by way of sublease 3. Analysed the past year capacity utilization and sales achieved by the company for the said brands 4. Studied the management projection towards the cash flow that would be generated from Bottling contracts of Associate from which advances will adjusted

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, the respective Board of Directors of Holding company and its associates are responsible for assessing the ability of the Holding Company and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Holding company and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 doubt on the ability of the Holding Company and its associates 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 Holding Company and its associates 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 standalone 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 of the Holding Company and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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



Other Matter

The consolidated financial statements also include the Group's share of loss of Rs. 179.03 Lakhs for the year ended 31st March, 2020, as considered in the consolidated financial statements, in respect of two associates, whose financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures in respect of these associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid associates, is solely based on the reports of the other auditors.

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.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements.
- d) In our opinion, the aforesaid financial statements comply with the Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except as described in the Basis for Qualified Opinion paragraph.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate companies, none of the directors of the Holding Company and its associate companies is disqualified a none of the disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure.
- 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 Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Holding Company and its associates. Refer Note 30 to financial statements
- II. According to the information given to us, the company has not entered into any long-term contracts including derivative contracts.
- III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company or its associate companies.

For A.R. Sodha & Co.
Chartered Accountants
FRN 110324W

A.R. Sodha
Partner
M No.031878
Place : Mumbai
Date : 24th July, 2020
UDIN : 20031878AAAABE2310



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF COMFORT INTECH LIMITED

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 March 31, 2020, we have audited the internal financial controls over financial reporting of Comfort Intech Limited (hereinafter referred to as "the Holding Company") and its associate company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies and its 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 (ICAI).] These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's 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") issued by the ICAI 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 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph, the Holding Company and its 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 ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, in so far as it relates to separate financial statements of two associates which are companies incorporated in India, is based on the corresponding reports of the auditors of such associates incorporated in India.

For A.R. Sodha & Co.
Chartered Accountants
FRN 110324W

A.R. Sodha
Partner
M No. 31878
Place : Mumbai
Date : 24th July, 2020
UDIN : 20031878AAAABE2310


CONSOLIDATE BALANCE SHEET AS AT MARCH 31, 2020

(Amount in INR)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
(1) ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	2	59,92,653	75,49,019
(b) Investment Property	3	<u>7,88,18,735</u>	<u>7,91,87,669</u>
		8,48,11,388	8,67,36,688
(c) Financial Assets			
(i) Investments	4	14,99,76,341	20,93,03,869
(ii) Loans		<u>-</u>	<u>-</u>
		14,99,76,341	20,93,03,869
(d) Other non-current assets	5	2,82,91,169	5,27,91,169
(2) CURRENT ASSETS			
(a) Inventories	6	5,42,27,746	4,03,00,509
(b) Financial Assets			
(i) Investments	7	4,55,44,206	4,45,41,593
(ii) Trade receivables	8	23,23,31,763	15,41,14,459
(iii) Cash and cash equivalents	9	8,46,49,523	11,66,77,957
(iv) Loans	10	29,92,27,039	31,02,94,950
(v) Others (to be specified)	11	<u>60,45,419</u>	<u>2,72,15,664</u>
		66,77,97,950	65,28,44,622
(c) Other current assets	12	<u>11,70,10,774</u>	<u>16,71,42,061</u>
TOTAL ASSETS		<u>1,10,21,15,368</u>	<u>1,20,91,18,918</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13	31,99,38,080	31,99,38,080
(b) Other Equity*		<u>65,86,24,197</u>	<u>71,17,98,658</u>
		97,85,62,277	1,03,17,36,738
LIABILITIES			
(a) Deferred tax liabilities (Net)	14	48,67,299	48,67,299
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	2,71,99,567	3,83,84,114
(ii) Trade payables	16	8,14,85,111	12,54,56,705
(iii) Other financial liabilities (other than those specified in item c)	17	<u>60,70,543</u>	<u>42,99,629</u>
		11,47,55,221	16,81,40,448
(b) Provisions	18	16,90,550	16,90,550
(c) Current Tax Liabilities (Net)	19	<u>22,40,020</u>	<u>26,83,882</u>
TOTAL EQUITY AND LIABILITIES		<u>1,10,21,15,368</u>	<u>1,20,91,18,918</u>
See accompanying notes to the financial statements	1		

* Refer Statement of changes in equity

As per our report of even date

For A. R. Sodha & CO.
 Chartered Accountants
 Firm Reg. No.: 110324W

A.R. Sodha
 Partner
 M.No.-031878

 Mumbai, 24th July, 2020

Ankur Agrawal
 Director
 DIN: 06408167

Pravin Naik
 Chief Financial Officer

 Mumbai, 24th July, 2020

Milin Ramani
 Director
 DIN: 07697636

Hiren Gediya
 Company Secretary
 A62416

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

(Amount in INR)

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
I Revenue from Operations	20	83,43,32,581	53,95,11,271
II Other Income	21	3,18,134	31,84,544
III Total Revenue (I + II)		83,46,50,716	54,26,95,815
IV Expenses			
Purchases of Stock-in-Trade	22	54,87,16,423	49,41,71,845
Excise Duty paid		24,17,12,019	-
Changes in inventories of Stock-in-trade	23	(72,11,582)	(1,70,514)
Employee benefits expense	24	1,06,86,035	1,55,36,776
Finance costs	25	10,61,881	20,04,239
Depreciation and amortization expense	2	19,27,043	26,57,286
Other Expenses	26	3,87,86,441	1,99,08,515
Total Expenses (IV)		83,56,78,261	53,41,08,148
V Profit/(loss) before exceptional items and Tax (III-IV)		(10,27,545)	85,87,667
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		(10,27,545)	85,87,667
VIII Tax Expense:			
(a) Current Tax		51,42,790	51,29,460
(b) Deferred Tax		-	(16,41,699)
(c) I.Tax of earlier years w/off		1,29,698	(25,23,483)
		52,72,488	9,64,278
IX Profit (Loss) for the period from continuing operations (VII-VIII)		(63,00,033)	76,23,390
X Add : Share of (Profit)/Loss of Associate		(1,58,72,331)	(64,38,363)
XI Profit for the Period (after adjustment for Associate (IX + X))		(2,21,72,364)	11,85,027
XII Other Comprehensive Income			
A Items that will not be reclassified to profit or loss			
(i) Gain/(Loss) on sale of Investments		(29,36,900)	(7,69,838)
(ii) Fair value changes of equity instruments through other comprehensive income		(2,70,64,500)	(1,92,58,589)
Add : Share of (Profit)/Loss of Associate		(10,00,697)	24,96,426
		(3,10,02,097)	(1,75,32,001)
XIII Total Comprehensive Income for the period (IX+X)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		(5,31,74,461)	(1,63,46,974)
XIV Earnings Per Equity Share (Face Value Rs. 10/- Per Share):	27		
Basic & Diluted (Rs.)		(0.69)	0.04
See accompanying notes to the financial statements	1		

As per our report of even date

For A. R. Sodha & CO.
Chartered Accountants
Firm Reg. No.: 110324W

A.R. Sodha
Partner
M.No.-031878

Mumbai, 24th July, 2020

Ankur Agrawal
Director
DIN: 06408167

Pravin Naik
Chief Financial Officer

Mumbai, 24th July, 2020

Milin Ramani
Director
DIN: 07697636

Hiren Gediya
Company Secretary
A62416



CONSOLIDATE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount in INR)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax for the year	(10,27,545)	85,87,667
Adjustments for :		
Interest Paid	10,61,881	20,04,239
Depreciation	19,25,300	26,57,286
Profit/(loss) from Sale of Equity Instruments held for trading	6,71,549	(5,61,093)
Change in Fair Value of Current Investments	2,85,18,625	63,16,555
Baddebts Written Off	-	-
Rent Received	(33,29,000)	52,50,487
Operating Profit before Working Capital change	2,78,20,809	1,38,38,155
Adjustments for :		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	(1,39,27,237)	(1,70,514)
Trade receivables	(7,82,17,304)	(5,16,35,750)
Short-term loans and advances	1,10,67,911	3,57,45,174
Other financial assets	2,11,70,245	(99,24,122)
Other current assets	5,01,31,287	(16,16,74,071)
Other non-current assets	2,45,00,000	5,55,77,248
	1,47,24,901	(13,20,82,035)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables	(4,39,71,595)	7,79,80,062
Other current liabilities	17,70,914	(20,69,285)
	(4,22,00,681)	7,59,10,776
Cash Generated From Operations	3,45,030	(4,23,33,103)
Income Tax paid/(refund)	57,16,350	63,45,045
NET CASH FROM OPERATING ACTIVITIES Total (A)	(53,71,320)	(4,86,78,149)
CASH FLOW FROM INVESTING ACTIVITIES		
Investments (Purchased)/Sold	(1,77,39,686)	(2,95,73,706)
Fixed Assets (Purchased)/Sold	-	(11,30,297)
Rent Received	33,29,000	51,66,500
NET CASH USED IN INVESTING ACTIVITIES Total (B)	(1,44,10,686)	(2,55,37,503)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid (including Dividend Tax)	-	(1,15,52,126)
Loan taken / (Repaid) in Secured Loan	(1,11,84,546)	2,11,54,076
Interest paid	(10,61,881)	(20,04,239)
NET CASH FROM FINANCING ACTIVITIES Total (C)	(1,22,46,428)	75,97,710
Net Increase/(Decrease) in Cash and Cash Equivalents	(3,20,28,434)	(6,66,17,941)
Total (A+B+C)		
Cash and Cash Equivalents -- Opening Balance	11,66,77,957	18,32,95,898
Cash and Cash Equivalents -- Closing Balance	8,46,49,522	11,66,77,957
	(0)	0

As per our report of even date

For A. R. Sodha & CO.
Chartered Accountants
Firm Reg. No.: 110324W

A.R. Sodha
Partner
M.No.-031878

Mumbai, 24th July, 2020

Ankur Agrawal
Director
DIN: 06408167

Pravin Naik
Chief Financial Officer

Mumbai, 24th July, 2020

Milin Ramani
Director
DIN: 07697636

Hiren Gediya
Company Secretary
A62416

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020**A. EQUITY SHARE CAPITAL**

Particulars	Amount(Rs.)
As at 31 March, 2019.	31,99,71,540
Changes in equity share capital	-
As at 31 March, 2020	31,99,71,540

B. OTHER EQUITY

Particulars	Other Equity				
	Reserve and Surplus			Other Comprehensive Income	Total other Equity
	Special Reserve	Share Premium	Retained Earnings		
As at 1 April, 2018	5,52,62,730	52,25,83,850	15,00,89,584	1,17,61,595	73,96,97,759
Total Comprehensive Income for the year	-	-	11,85,027	-1,75,32,001	-1,63,46,974
Transfer from Profit and Loss	15,24,678	-	-	-	15,24,678
Transfer to Special Reserve	-	-	(15,24,678)	-	(15,24,678)
Dividend on Equity Shares	-	-	(95,98,170)	-	(95,98,170)
Tax on Dividend on Equity Shares	-	-	(19,53,956)	-	(19,53,956)
As at 31st March, 2019	5,67,87,408	52,25,83,850	13,81,97,807	-57,70,406	71,17,98,658
Total Comprehensive Income for the year	-	-	-2,21,72,364	-3,10,02,097	-5,31,74,461
Transfer from Profit and Loss	-	-	-	-	0
As at 31st March, 2020	5,67,87,408	52,25,83,850	11,60,25,443	-3,67,72,504	65,86,24,197

As per our report of even date

For A. R. Sodha & CO.
Chartered Accountants
Firm Reg. No.: 110324W

A.R. Sodha
Partner
M.No.-031878

Mumbai, 24th July, 2020

Ankur Agrawal
Director
DIN: 06408167

Pravin Naik
Chief Financial Officer

Mumbai, 24th July, 2020

Milin Ramani
Director
DIN: 07697636

Hiren Gediya
Company Secretary
A62416



Notes to consolidated financial statements for the year ended March 31, 2020

1. The consolidated financial statements include results of the Associates, consolidated in accordance with Ind AS 28 'Investment in Associates and Joint Ventures'.

Name of the Company	% Shareholding of Comfort Intech Ltd.	% Shareholding of Non-controlling interest	Consolidated as
Comfort Securities Ltd	48.94	51.06	Associate
Liquors India Ltd.	47.96	52.04	Associate
Lemonade Share & Securities Pvt. Ltd.	46.81	53.19	Associate

1.1. SIGNIFICANT ACCOUNTING POLICIES:

- I. These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle

- II. Accounting policies applicable in consolidated financial statements:

Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method of accounting, the investments are adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income.

1.2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation:

The consolidated financial statements of the Group comprising of Balance Sheet, Statement of Profit and Loss, Statement of changes in Equity and Cash Flow Statement together with the notes have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") as amended.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below.

B. Principles of Consolidation

The consolidated financial statements relate to Comfort Intech Limited and its associates. The Consolidated financial statements have been prepared on the following basis:

Investments in associates are accounted for using the equity method of accounting in accordance with Ind AS 28 'Investment in Associates and Joint Venture', after initially being recognised at cost. Under the equity method of accounting, the investments are adjusted thereafter to recognise the Company's share of the post-acquisition

profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income.

The consolidated financial statements include results of the Associates stated below, consolidated in accordance with Ind AS 28 'Investment in Associates and Joint Ventures'.

Name of the Company	% Shareholding of Comfort Intech Ltd.	
	FY 19-20	FY 18-19
Comfort Securities Limited	48.94	48.94
Liquors India Limited	47.96	47.96
Lemonade Share & Securities Private Limited	46.81	46.81

C. Use of Estimates

The preparation of financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

D. Revenue Recognition:

- a) Revenue from sale of goods is recognised when the following conditions are satisfied.
 - i) the Company has transferred the significant risks and rewards of ownership of the goods to the buyer which generally coincides when the goods are dispatched in accordance with the terms of sale.
 - ii) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
 - iii) the amount of revenue can be measured reliably
 - iv) it is probable the economic benefits associated with the transaction will flow to the Company.
 - v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.
- b) As per prudential norms prescribed by Reserve Bank of India, interest income has been recognized only on standard advances given by the Company
- c) Dividend income & interest receivable from government on tax refunds are accounted as and when received.
- d) Rental income from investment property is recognized on accrual basis.

E. Property, Plant and Equipment:

- i) Property, plant and equipment are shown at historical cost inclusive of incidental expenses less accumulated depreciation.

- ii) Depreciation on fixed assets is calculated on a straight- line basis over the estimated useful lives of the assets as follows:

No.	Category	Estimated Useful Lives
1	Office Premises	60 years
2	Furniture and Fixtures	10 years
3	Motor Vehicles	10 years
4	Electrical Installations and Equipments	10 years
5	Computer and Data Processing Units	3 years
6	Plant and Machinery	15 Years

- iii) Depreciation on Property, plant and equipment are added or sold during the year, is provided on pro-rata basis with reference to the date of addition/deletion.

F. Impairment of assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

G. Foreign Exchange Transactions:

Foreign Currency transactions are accounted for at the exchange rates prevailing at the time of recognition of income/expenditure. Foreign currency monetary items are reported using the closing rates. Exchange difference arising on reporting them at closing rate i.e. at the rate different from those at which they were initially recorded are recognized as income or expenses as the case may be. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

H. Investment Property

Investment Properties are measured using the cost model. Investment properties are measured initially at cost including transaction cost. Under Ind AS, investment properties are required to be separately presented on the face of the Balance Sheet. There is no impact on the total equity or profit as a result of this adjustment.

I. Employee Benefits :

- Short terms employee benefits are charged to the profit and loss account as and when incurred
- Payments to defined contribution plan are charged to profit & loss account when contributions to respective funds are due.
- Gratuity and Leave encashment payments are accounted for on Payment basis.

J. Segment Reporting:

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision making body, in deciding how to allocate resources and assessing performance.

The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segments revenue is accounted on the basis of transactions which are primarily determine based on market/fare value factors. Revenue, expenses, assets and liabilities which relates to the Company as a whole and are not allocable to segments on a reasonable basis have been included under “unallocated revenues/expenses/assets/liabilities”.

K. Inventories:

Stock of Goods, raw material, packing material and under construction property are measured at lower of cost or net realizable value

L. Financial instruments:**i) Financial Assets****a. Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

b. Subsequent Measurement**1. Financial assets carried at amortised cost (AC)**

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

2. Financial assets at fair value through other comprehensive income (FVTOCI)

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

3. Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.



c. Investment in subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost.

d. Other Equity Investments

The Company subsequently measures all equity investments at fair value. There are two measurement categories into which the Company classifies its equity instruments:

- i) **Investments in equity instruments at FVTPL:** Investments in equity instruments are classified as at FVTPL, unless the Company irrevocable elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.
- ii) **Investments in equity instruments at FVTOCI:** On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

e. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- iii) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- iv) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

f. De-recognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is de-recognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

ii) Financial Liabilities**a) Initial Recognition and Measurement**

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost, Fee of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

b) Subsequent measurement

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

M. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether :

- i) the contract involves the use of an identified asset
- ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- iii) the Company has the right to direct the use of the asset

The Company applies a single recognition and measurement approach for all leases, except for short term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below :-

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets (i.e. 30 and 60 years)

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

“Lease liability” and “Right of Use” asset are separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

N. Borrowing Costs:

- (a) Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.
- (b) All other borrowing costs are recognized as expense in the period in which they are incurred.

O. Taxation:

Provision for income tax has been made in accordance with normal provisions of Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using tax rates and laws that have been substantively enacted as of the balance sheet date. Current and Deferred tax is recognised in Statement of Profit and Loss, except when it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

P. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculation diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Q. Contingent Liability and Contingent Assets

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote. Contingent assets are neither recognised nor disclosed.

R. Fair Value Measurement

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into Level I, Level II and Level III based on the lowest level input that is significant to the fair value measurement as a whole. For a detailed information on the fair value hierarchy, refer note no. 28 and 29

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

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

Note - 2 :- Property, Plant and Equipment

(Amount in INR)

Particulars	Gross block			Accumulated depreciation and impairment				Net block	
	Balance as at 1 April, 2019	Additions	Disposals	Balance as at 31 March, 2020	Balance as at 1 April, 2019	Depreciation / amortisation expense for the year	Other adjustments	Balance as at 31 March, 2020	Balance as at 31 March, 2019
	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)
a Office Premises	7,71,090	-	-	7,71,090	2,96,465	13,088	-	4,61,537	4,74,625
b Furniture and fittings	68,61,164	-	-	68,61,164	59,99,427	1,48,306	-	7,13,431	8,61,737
c Motor Vehicles	1,16,19,531	-	-	1,16,19,531	64,53,402	12,14,070	-	39,52,059	51,66,129
d Electrical Installations and Equipment	13,92,624	-	-	13,92,624	8,58,206	78,302	-	4,56,116	5,34,418
e Computers and data processing units	9,28,756	-	-	9,28,756	8,32,552	51,930	-	44,274	96,204
f Plant and Machinery	9,82,493	-	-	9,82,493	5,66,586	52,413	(1,743)	3,65,237	4,15,907
Total	2,25,55,658	-	-	2,25,55,658	1,50,06,639	15,58,109	(1,743)	59,92,653	75,49,019

Note 3 - Investment in Property

(Amount in INR)

Particulars	As at March 31, 2020		As at March 31, 2019	
Investment Property*	8,02,93,459		8,02,93,459	
Less: Provision for depreciation	<u>14,74,724</u>	7,88,18,735	<u>11,05,790</u>	7,91,87,669
		<u>7,88,18,735</u>		<u>7,91,87,669</u>

* The company is in the process of ascertaining the fair value of the properties.

Note - 4 :- Investments

(Amount in INR)

Particulars	As on 31.03.2020		As on 31.03.2019	
	Nos. / Units	Amount	Nos. / Units	Amount
Investment at Fair Value through Other Comprehensive Income				
In Equity Shares of Associate Companies - Unquoted Fully paid-up				
Comfort Securities Ltd. (F.V. Rs. 10/- each)	57,50,000	5,60,00,000	57,50,000	5,60,00,000
Add: Share in accumulated Total comprehensive income	-	5,02,64,197	-	4,92,34,371
	57,50,000	10,62,64,197	57,50,000	10,52,34,371
Lemonade Share & Securities Pvt. Ltd. (F.V. Rs. 10/- each)	2,20,000	2,20,00,000	2,20,000	2,20,00,000
Add: Share in accumulated Total comprehensive income	-	3,03,574	-	3,03,291
	2,20,000	2,23,03,574	2,20,000	2,23,03,291
Liquors India Limited (F.V. Rs. 10/- each)	42,00,000	5,46,00,000	42,00,000	5,46,00,000
Add: Share in accumulated Total comprehensive income	-	(4,74,61,931)	-	(2,95,58,794)
	42,00,000	71,38,069	42,00,000	2,50,41,206
In Equity Shares of Others- Unquoted Fully paid-up				
The Malad Sahakari Bank Ltd (F.V. Rs. 10/- each)	100	1,000	100	1,000
Total [A]	1,01,70,100	13,57,06,841	1,01,70,100	15,25,79,869
In Equity Shares of Others- Quoted Fully paid-up				
Comfort Commotrade Ltd. (F.V. Rs. 10/- each)	12,00,000	14,16,000	12,00,000	45,12,000
Himachal Futuristic Communications Ltd (F.V. Re. 1/- each)	14,25,000	1,28,53,500	22,90,000	5,22,12,000
Total [B]	26,25,000	1,42,69,500	34,90,000	5,67,24,000
TOTAL [A+B]	1,27,95,100	14,99,76,341	1,36,60,100	20,93,03,869


Note 5 - Other non-current assets

Particulars	(Amount in INR)	
	As at March 31, 2020	As at March 31, 2019
a) Balances with Statutory/Government Authorities	59,79,969	59,79,969
b) Capital Advances	2,23,11,200	4,68,11,200
TOTAL	2,82,91,169	5,27,91,169

Note 6 - Inventories

Particulars	(Amount in INR)	
	As at March 31, 2020	As at March 31, 2019
Property under development	4,03,00,509	4,03,00,509
Stock (Liquor - Finished Good)	72,11,582	-
Stock (Liquor - Raw Material & Packing Material)	67,15,655	-
TOTAL	5,42,27,746	4,03,00,509

Note 7 - Investments

(Amount in INR)

Particulars	As at March 31, 2020		As at March 31, 2019	
Investment at Fair Value through Profit and Loss				
In Equity Shares of :(Quoted fully paid up)				
Name of The Scrip	No of shares	Amount	No of shares	Amount
ACC Ltd	200	1,93,500	200	3,32,200
Luharuka Media & Infra Ltd.*	56,42,660	20,87,784	56,42,660	47,96,261
Ravi Kumar Distilleries Ltd.*	23,66,000	1,07,88,960	23,66,000	2,09,15,440
Vedanta Limited	14,250	9,22,688	14,250	26,18,438
Reliance Industries Ltd.	2,500	27,81,125	4,000	54,52,200
Grasim Industries Ltd.	825	3,92,205	825	7,08,015
Aditya Birla Capital Ltd	1,155	48,741	1,155	1,12,786
Ambuja Cements Ltd.	3,000	4,67,100	20,000	47,01,000
Ultraeech Cement Ltd.	160	5,20,680	160	6,39,848
Duncans Industries Ltd.*	105	956	105	956
Balrampur Chini Mills Ltd	5,000	5,19,750	20,000	27,32,000
Hindustan Copper Ltd.	10,000	2,13,000	10,000	4,89,500
JK Lakshmi Cement Ltd.	3,000	5,87,100	3,000	10,42,950
Arihant Superstructures Ltd.	2,00,000	42,90,000	-	-
MTNL	1,49,900	9,05,396	-	-
Vikas EcoTech Ltd	7,45,000	8,26,950	-	-
Vikas Multicorp Ltd	7,45,000	8,49,300	-	-
Pilani Investment and Industries Corporation Ltd	17,041	1,91,48,972	-	-
TOTAL	99,05,796	4,55,44,206	80,82,355	4,45,41,593

* Demat account in which these Investments are held is freeze and company has applied to H'able High Court at Hyderabad for Unfreeze of Demat account as company is not party to the matter with respect to which account has been frozen.

Note 8 - Trade Receivables

(Amount in INR)

Particulars	As at March 31, 2020		As at March 31, 2019	
a) Due for a period exceeding six months				
- Unsecured, considered good	39,51,496		33,56,412	
- Doubtful	77,49,428		77,49,428	
Less: Provision for Doubtful Debts	(15,49,900)	1,01,51,025	(15,49,900)	95,55,940
		1,01,51,025		95,55,940
b) Others				
- Unsecured, considered good	22,21,80,738		14,45,58,519	
- Doubtful	-		-	
Less: Provision for Doubtful Debts	-	22,21,80,738	-	14,45,58,519
		22,21,80,738		14,45,58,519
TOTAL		23,23,31,763		15,41,14,459

Note 9 - Cash & Bank Balances

(Amount in INR)

Particulars	As at March 31, 2020		As at March 31, 2019	
Cash & Bank Balances				
a) Balances with Banks :				
- Current Accounts	12,98,212		22,93,241	
- Deposit Accounts (Under lien with Banks)	8,31,24,499	8,44,22,711	11,43,14,499	11,66,07,740
b) Cash-in-hand		2,26,811		70,216
TOTAL		8,46,49,523		11,66,77,957

Note 10 - Loans

(Amount in INR)

Particulars	As at March 31, 2020		As at March 31, 2019	
a) Advances recoverable in cash or in kind for value to be received				
i) Advances Considered good & in respect of which Company is fully secured	20,91,64,439		20,96,97,900	
ii) Advances Considered good for which Company holds no Security other than personal security	8,97,07,100	29,88,71,539	10,01,70,550	30,98,68,450
iii) Sub-Standard Advances in respect of which Company is:				
(a) Secured	-		-	
(b) Unsecured	-		-	
Doubtful (Secured)	3,25,500	3,25,500	4,00,500	4,00,500
b) Other Advances		30,000		26,000
TOTAL		29,92,27,039		31,02,94,950


Note 11 - Financial Current Assets : - Others

Particulars	(Amount in INR)	
	As at March 31, 2020	As at March 31, 2019
a) Security deposits	35,21,500	51,12,500
b) Advance to Suppliers	25,23,919	2,21,03,164
TOTAL	60,45,419	2,72,15,664

Note 12 - Other Current Assets

Particulars	(Amount in INR)	
	As at March 31, 2020	As at March 31, 2019
a) FDR Interest Receivable	5,24,936	38,61,004
b) Prepaid Expenses	13,41,760	32,058
c) Business Advance	11,51,17,610	16,32,49,000
d) GST Input	26,469	-
TOTAL	11,70,10,774	16,71,42,061

Note 13 - Share Capital

Particulars	(Amount in INR)	
	As at March 31, 2020	As at March 31, 2019
Authorised :		
400,00,000 Equity Shares (Previous Year 400,00,000) of Rs. 10/- each	40,00,00,000	40,00,00,000
TOTAL	40,00,00,000	40,00,00,000
Issued and Subscribed :		
3,19,97,154 Equity Shares (Previous Year 3,19,97,154) of Rs. 10/- each	31,99,71,540	31,99,71,540
TOTAL	31,99,71,540	31,99,71,540
Paid-up share capital :		
3,19,93,808 Equity Shares (Previous Year 3,19,93,808) of Rs. 10/- each	31,99,38,080	31,99,38,080
TOTAL	31,99,38,080	31,99,38,080

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

Particulars	(Amount in INR)	
	As at March 31, 2020	As at March 31, 2019
Number of shares at the beginning of the year	31,99,38,080	31,99,38,080
Add: Number of Shares allotted fully paid up during the year	-	-
Less: Number of Shares bought back during the year	-	-
Number of shares outstanding as at the end of the year	31,99,38,080	31,99,38,080

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of Equity Share is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

(c) The details of shareholders holding more than 5% shares.

Name of the Shareholders	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% held	No. of Shares	% held
Luharuka Investment & Consultants Pvt Ltd	7,84,49,224	24.52%	7,84,49,224	24.52%
Luharuka Exports Private Limited	7,73,85,444	24.19%	7,73,85,444	24.19%

Note 14 - Deferred Tax Liabilities

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liabilities	48,67,299	65,08,999
Add / Less: During the Year	-	(16,41,699)
TOTAL	48,67,299	48,67,299
Components of Deferred Tax liabilities		
Deferred Tax Liabilities/(Assets) in relation to:		
a) Property, plant and Equipment	-	(1,69,144)
b) Current Investments	-	50,36,443
TOTAL	-	48,67,299

Note 15 - Short Term Borrowings

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
Loans repayable on demand		
From banks		
Secured *	2,71,99,567	3,83,84,114
Unsecured	-	-
	2,71,99,567	3,83,84,114
TOTAL	2,71,99,567	3,83,84,114

* Secured loans are lien on FDR kept with bank.
The interest rate on this facility is FD Interest Rate+1%


Note 16 - Trade Payables

Particulars	(Amount in INR)	
	As at March 31, 2020	As at March 31, 2019
Current payables (including acceptances) outstanding for less than 12 months	8,14,85,111	12,54,56,705
TOTAL	8,14,85,111	12,54,56,705

Note 17 - Other financial liabilities

Particulars	(Amount in INR)	
	As at March 31, 2020	As at March 31, 2019
a) Security Deposits from Tenants	26,26,122	5,87,000
b) Outstanding Liabilities for Expenses	23,49,621	26,17,828
c) Un-paid dividend	10,94,801	10,94,801
TOTAL	60,70,543	42,99,629

Note 18 - Provisions

Particulars	(Amount in INR)	
	As at March 31, 2020	As at March 31, 2019
a) Contingent provision for Standard Advances	14,80,550	14,80,550
b) Provision for doubtful debts	2,10,000	2,10,000
TOTAL	16,90,550	16,90,550

Note 19 - Current Tax Liabilities

Particulars	(Amount in INR)	
	As at March 31, 2020	As at March 31, 2019
Provision for Taxation (net of Advance tax & TDS)	22,40,020	26,83,882
TOTAL	22,40,020	26,83,882

Note 20 - Revenue from Operations

Particulars	(Amount in INR)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Income from Operation		
Sales of Goods	35,03,84,181	48,56,14,169
Sales of Liquor	45,63,15,277	-
Interest Received		
From Loans & Advances	1,46,65,102	1,05,48,388
From Term deposits	65,34,183	2,10,40,961
Rent Received	33,29,000	51,66,500
Commission & Marketing Services	3,04,43,059	-
(A)	86,16,70,802	51,18,21,630
(b) Other operating Income		
Dividend Received	6,50,540	5,26,784
Income from Investment in Mutual Fund	87,797	-
Port Charges	-	45,65,965
Terminal handling Charges	-	2,00,93,310
Wharfage Charges	-	26,17,496
Profit / (loss) from FO Trading (net)	11,07,366	-
Profit/(loss)from Sale of Equity Instruments held for trading	(6,65,300)	2,43,121
Change in Fair Value of Equity Instruments held for trading	(2,85,18,625)	(3,57,035)
(B)	(2,73,38,221)	2,76,89,641
TOTAL (A+B)	83,43,32,581	53,95,11,271

Note 21 - Other Income

Particulars	(Amount in INR)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Misc Income	14,362	2,65,230
Profit on exchange fluctuation	3,03,772	-
Compensation for delay in work	-	85,60,862
Profit/(loss)from Sale of Current Investments (upto 30th Sept., 2018)	-	3,17,972
Change in Fair Value of Current Investments (upto 30th Sept., 2018)	-	(59,59,520)
TOTAL	3,18,134	31,84,544


Note 22 - Purchases

	(Amount in INR)	
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Goods	32,22,36,751	44,81,80,124
Port Charges	-	44,17,465
Terminal handling Charges	55,229	1,95,60,158
Wharfage Charges	-	23,03,396
Custom Clearing & Forwarding Charges	9,57,181	59,90,676
Transport Charges	67,35,822	1,37,18,155
Loss on exchange fluctuation	-	1,871
Commission & Marketing Charges	2,54,28,917	-
Purchase Raw & Packing Materials of Liquor	17,62,91,930	-
Less: Closing Stock	(67,15,655)	-
Job Work charges	2,18,60,670	-
Licences and Fees	18,65,578	-
TOTAL	54,87,16,423	49,41,71,845

Note 23 - Changes in Inventories of Stock-in-trade

	(Amount in INR)	
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventories at the end of the year		
Goods (Liquor)	72,11,582	-
Properties (under development)	4,03,00,509	4,03,00,509
Inventories at the beginning of the year		
Goods (Liquor)	-	-
Properties (under development)	4,03,00,509	4,01,29,995
Net (Increase) / Decrease in Inventories	(72,11,582)	(1,70,514)

Note 24 - Employment Benefit Expenses

	(Amount in INR)	
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries , Bonus & Allowances	97,98,250	1,45,14,346
Staff Welfare Expenses	5,98,519	6,41,892
Staff Insurance Expenses	1,06,800	96,540
Staff PF Expenses	1,82,466	2,83,998
TOTAL	1,06,86,035	1,55,36,776

Note 25 - Financial Costs

Particulars	(Amount in INR)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Expenses	10,61,881	20,04,239
TOTAL	10,61,881	20,04,239

Note 26 - Other Expenses

Particulars	(Amount in INR)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Advertisement Expenses	42,848	47,352
Annual Listing Fees	3,00,000	2,50,000
Business Pomotion Expenses	71,115	9,08,765
Bank Charges	16,32,726	15,54,276
Charities & Donation	-	25,000
Custodial Fees	1,55,240	1,32,362
Conveyance Expenses	3,23,976	2,69,160
Commission & processing fee paid	26,67,588	13,04,451
Corporate Social Responsibility	14,00,000	5,01,000
Director's Sitting fees	2,80,000	2,20,000
Electricity Expenses	26,71,264	11,91,247
Freight Expenses	72,73,797	-
Legal & Professional Fees	50,67,269	23,94,630
Insurance Expenses	58,515	1,64,870
Motor Car Expenses	6,36,605	15,20,302
Marketing Expenses	46,70,469	-
Rates & Taxes	6,37,501	1,73,014
Payments to Auditors :		
- Audit & Tax Audit fees	3,00,000	2,50,000
- For Other Services	-	-
Repairs & Maintenance to Other Assets	12,41,673	3,56,576
Rent Expense	13,20,000	13,20,000
Share Trading Expenses	1,65,187	1,84,700
Telephone , Telex and Postage	4,99,598	3,74,015
Travelling Expenses	12,37,894	24,91,643
Tradening Fee	20,22,108	-
Printing & Stationery	2,35,638	2,93,020
Provision on debtors	-	15,49,900
Other Expenses	38,75,430	24,32,234
TOTAL	3,87,86,441	1,99,08,515



Note 27 - Earnings Per Equity Share

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Net profit after tax attributable to equity shareholders for		
Basic EPS	(2,21,72,364)	11,85,027
Add/Less: Adjustment relating to potential equity shares	-	-
Net profit after tax attributable to equity shareholders for	(2,21,72,364)	11,85,027
Diluted EPS		
(b) Weighted average no. of equity shares outstanding during the		
year		
For Basic EPS	3,19,93,808	3,19,93,808
(c) Face Value per Equity Share (Rs.)	10.00	10.00
Basic EPS	-0.69	0.04

Note 28- Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction 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.

This note describes the fair value measurement of both financial and non-financial instruments.

Valuation Framework

The Group has an internal fair value assessment team which assesses the fair values for assets qualifying for fair valuation.

The Group's valuation framework includes:

Benchmarking prices against observable market prices or other independent sources;
Development and validation of fair valuation models using model logic, inputs, outputs and adjustments.

These valuation models are subject to a process of due diligence and validation before they become operational and are continuously calibrated. These models are subject to approvals by various functions including risk, treasury and finance functions. Finance function is responsible for establishing procedures, governing valuation and ensuring fair values are in compliance with accounting standards.

Valuation Framework

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

Fair values of other investments under FVOCI have been determined under level 1 using quoted market prices of the underlying instruments;

Fair value of loans held under a business model that is achieved by both collecting contractual cash flows and partially selling the loans through partial assignment to willing buyers and which contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest are measured at FVOCI. The fair value of these loans have been determined under level 3.

The Group has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, short term loans, floating rate loans, trade payables, short term debts, borrowings, bank overdrafts and other current liabilities are a reasonable approximation of their fair value and hence their carrying value are deemed to be fair value.

Note 29- Fair Value Hierarchy

The Company determines fair values of its financial instruments according to the following hierarchy:

Level 1: valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2: valuation based on using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3: valuation technique with significant unobservable inputs: – financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2020

Particulars	Date of Valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held for trading under FVTPL	31/03/2020	4,55,44,206	-	-	4,55,44,206
Equity instrument classified under FVOCI	31/03/2020	1,42,69,500	-	-	1,42,69,500

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2019

Particulars	Date of Valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held for trading under FVTPL	31/03/2019	4,45,41,593	-	-	4,45,41,593
Equity instrument classified under FVOCI	31/03/2019	5,67,24,000	-	-	5,67,24,000



Fair Value of Financial Instruments not measured at fair value as at 31 March 2020

Particulars	Carrying Value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Non Current Assets					
Investments	13,57,06,841	-	-	13,57,06,841	13,57,06,841
Current Assets					
Trade receivables	23,23,31,763	-	-	23,23,31,763	23,23,31,763
Cash and cash equivalents	8,46,49,523	8,46,49,523			8,46,49,523
Loans	29,92,27,039	-	-	29,92,27,039	29,92,27,039
Others	60,45,419	-	-	60,45,419	60,45,419
Current Liabilities					
Borrowings	2,71,99,567	-	-	2,71,99,567	2,71,99,567
Trade payables	8,14,85,111	-	-	8,14,85,111	8,14,85,111
Other financial liabilities	60,70,543	-	-	60,70,543	60,70,543

Fair Value of Financial Instruments not measured at fair value as at 31 March 2019

Particulars	Carrying Value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Non Current Assets					
Investments	15,25,79,869	-	-	15,25,79,869	15,25,79,869
Current Assets					
Trade receivables	15,41,14,459	-	-	15,41,14,459	15,41,14,459
Cash and cash equivalents	11,66,77,957	11,66,77,957	-	11,66,77,957	23,33,55,913
Loans	31,02,94,950	-	-	31,02,94,950	31,02,94,950
Others	2,72,15,664	-	-	2,72,15,664	2,72,15,664
Current Liabilities					
Borrowings	3,83,84,114	-	-	3,83,84,114	3,83,84,114
Trade payables	12,54,56,705	-	-	12,54,56,705	12,54,56,705
Other financial liabilities	42,99,629	-	-	42,99,629	42,99,629

30. Contingent liabilities & Commitments:

Particulars	2019-2020 (Rs.)	2018-2019 (Rs.)
i) Contingent Liabilities		
a) Claims against the Company /		
Disputed Liabilities, not acknowledged as Debt	*22,52,550	*22,52,550
b) Corporate Guarantee and Security given for loans availed by related party (Sanctioned limit Rs. 10,00,00,000/-)	50,51,595	6,25,29,552
c) Income Tax demand **		
(Appeal has been filed against the order)	2,32,46,422	2,75,89,100
ii) Commitments :		
Estimated amount of contracts remaining to be executed on capital account	-	-

*The Company has made security deposit of Rs. 25,12,500/- in favour of "The Registrar City Civil & Session Court" as per pay order no. 757810 dated 20.01.2017

**In addition to the above:

- a. There is a demand of Rs. 3,21,460 for AY 2016-17 pertaining to TDS Credit claimed which is not yet paid by the parties who had deducted the TDS. The Company is in the process of filing the rectification and is following up with the respective parties and is confident that the amount will be paid by them and the said demand will be reversed.
- b. There is a demand of Rs. 20,85,350 for AY 2018-19 for which scrutiny assessment is under process with the Assessing Officer.

31. Auditors' Remuneration

For Statutory and Tax Audit

2019-2020	2018-2019
Rs. 3,00,000	Rs. 2,50,000
Rs. 3,00,000	Rs. 2,50,000

32. Earnings per Share:

Basic & Diluted

2019-2020	2018-2019
Rs. -0.20	Rs. 0.24

33. Advances recoverable in cash or in kind or for value to be received in respect of which company is fully secured includes:-

Particulars	2019-2020 (Rs.)	2018-2019 (Rs.)
Secured against Immovable Property	3,25,500	4,00,500
Secured against Shares*	20,91,64,439	20,96,97,900

*Legal heir of a borrower has defaulted on payment of interest and Principal on loan against shares of a listed company (Pledge Security), balance as on 31-03-2020, Rs.19.63 crores. Consequently, the Company has invoked the said pledge Security. Major quantity of the said invoked pledge security has been freezed by a statutory authority on account of legal disputed matter of our company and hence company is unable to sell the same to recover the loan and interest thereon. Management is confident of freeze getting lifted on pledge security as the said pledge security is not part of the



dispute. The Pledge security is infrequently traded on the stock exchanges. The quoted Market value of Pledge Security is Rs 7.65 crores as on 31-03-2020 and as on signing of financial accounts is approx Rs.9.70 Crore. In view of the weak sentiment in the equity market and the subdued business climate due to Covid 19 pandemic situation, management is of the view that quoted price of pledge security cannot be taken as fair value as even after considering the 50% investment company discount, the Fair Value, based on latest audited Balance Sheet and reviewed results of the listed company whose shares are pledge as security is sufficient to cover the carrying value of loan, the diminution in the market value being only temporary, the management is fully confident of the intrinsic value getting reflected on the stock exchange in the near future and will be able to recover the carrying value of loan. Management therefore has decided that presently, no impairment loss allowance is required for shortfall in pledge security value.

34. The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial & commodity markets and slowdown in the economic activities. The management of the Company have, based on current available information, determined the carrying value of various financial assets after considering the potential macro-economic impact and all available internal and external information up to the date of approval of these financial results. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

35. Foreign Currency Transactions:

Particulars	2019-2020 (Rs.)	2018-2019 (Rs.)
Outgo:		
Purchase of Goods (Import)	1,24,82,410	8,00,16,340
Earnings:	Nil	Nil

36. There are no dues to Micro and Small Enterprises as at 31st March, 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

37. Balances of the Sundry Debtors, Loans and Advances and Sundry Creditors are subject to confirmation and resultant reconciliation, if any.

38. Disclosure pursuant to Ind AS – 108: OPERATING SEGMENTS
BUSINESS SEGMENTS

(Rs. In Lakhs)

Sr. No.	Particulars	Year ended	
		31-Mar-20	31-Mar-19
		Audited	Audited
1	Segment Revenue		
	a) Trading in Goods	3506.88	5128.91
	b) Manufacturing of Liquor	4563.15	-
	c) Trading in Shares /Mutual Funds	-273.38	-52.29
	d) Financing	211.99	210.41
	e)Leasing of Immmovable Properties	33.29	51.67
	f)Commission	304.43	-
	Less: Inter Segment Revenue		
	Total Income from Operations	8346.36	5338.70

Sr. No.	Particulars	Year ended	
		31-Mar-20	31-Mar-19
		Audited	Audited
2	Segment Results:		
	[Profit before Depreciation, Tax and Finance Costs from each segment]		
	a) Trading in Goods	207.03	171.69
	b) Manufacturing of Liquor	117.02	-
	c) Trading in Shares	-275.03	-54.13
	d) Financing	211.99	210.41
	e)Leasing of Immmovable Properties	24.38	51.67
	f) Commission	50.14	0.00
	Total	335.54	379.63
	Less:(i) Finance Costs	10.62	20.04
	(ii) Depreciation	19.27	26.57
	(iii) Other un-allocable expenditure net off Un-allocable Income	315.92	247.14
	Profit from ordinary activities before tax	-10.28	85.88
3	Segment Assets		
	a) Trading in Goods	1186.39	1,777.61
	b) Trading in Liquor	1249.65	-
	c) Trading in Shares	494.96	445.42
	d) Financing	2992.27	3,102.95
	e)Leasing of Immmovable Properties	790.72	791.95
	f) Unallocable	4307.16	5973.27
	Total Segment Assets	11021.15	12091.19
4	Segment Liabilities		
	a) Trading in Goods	564.42	1254.57
	b) Trading in Liquor	199.17	-
	c) Trading in Shares	-	-
	d) Financing	16.91	16.91
	e)Leasing of Immmovable Properties	0.10	0.10
	f) Unallocable	10240.57	10819.62
	Total Segment Liabilities	11021.15	11891.40



39. In accordance with Accounting standard 'Ind AS-24' relating to Related Party Disclosures, informationn pertinent to related party transaction is given as under:-

Parties Where Control Exists: None

Parties with whom transaction have taken place.

A. Name of the related parties & description of relationship

- a) Key Managerial Personnel : Mr. Anil Agrawal (CEO)
Mr. Pravin A Naik (CFO)
Mr. Dhaval Shah (CS) (resigned w.e.f Januray 18, 2020)
Mr. Ankur Agrawal (Director)
Mr. Devendra Lal Thakur (Director)
Mr. Milin Ramani (Director)
Ms. Divya Padhiyar (Director) (appointed w.e.f. October 30, 2019)
- b) Promoters and their relatives : Mrs. Annu Agrawal (Promoter)
Anil Agrawal –HUF (Promoter)
Mr. Anil Agrawal(Promoter)
Mr. Bharat Shiroya(Promoter)
Luharuka Exports Pvt. Ltd. (Promoter)
Luharuka Investment & Consultants Pvt. Ltd. (Promoter)
M/s Luharuka Travels & M/s Luharuka Enterprises
(Proprietorship concerns of Mr. Pradeep Agrawal, brother of CEO
i.e. Anil Agrawal)
- c) Associate Companies : Comfort Securities Ltd
Liquors India Ltd.
Lemonade Share & Securities Pvt. Ltd.
- d) Group Company : Comfort Fincap Ltd.
Luharuka Media & Infra Ltd

B. Transactions during the year with related parties: -

Sr. No.	Particulars	Key Managerial Personnel	Promoter & their Relatives	Associates / Group Companies
1	Loan given			
	Flora Fountain Properties Limited	-	-	2,22,50,000 (6,33,00,000)
	Comfort Fincap Limited	-	-	13,70,00,000 (11,55,00,000)
	Comfort Securities Limited	-	-	- (7,50,00,000)

Sr. No.	Particulars	Key Managerial Personnel	Promoter & their Relatives	Associates / Group Companies
	Loan received back			
	Flora Fountain Properties Limited	- -	- -	2,22,50,000 (6,33,00,000)
	Comfort Fincap Limited	- -	- -	14,55,00,000 (2,35,00,000)
	Comfort Securities Limited	- -	- -	- (7,50,00,000)
	Loan Taken			
	Luharuka Media & Infra Ltd.	- -	- -	50,00,000 -
	Loan re-paid			
	Luharuka Media & Infra Ltd.	- -	- -	50,00,000 -
2	Business Advance			
	Liquors India Limited	- -	- -	1,20,00,000 (15,88,50,000)
3	Security deposit paid			
	Annu Agrawal	- -	- (10,00,000)	- -
	Anil Agrawal –HUF	- -	- (10,00,000)	- -
	Security deposit received back			
	Annu Agrawal	- -	17,94,000 (2,00,000)	- -
	Anil Agrawal –HUF	- -	8,00,000 (12,00,000)	- -
4	Expenses			
	Brokerage Paid			
	Comfort Securities Limited	- -	35,815 (7,847)	- -
	Demat Charges Paid			
	Comfort Securities Limited	- -	1,180 (5,032)	- -
	Interest Paid			
	Luharuka Media & Infra Ltd	- -	- -	52,603 -



Comfort Intech Limited

Sr. No.	Particulars	Key Managerial Personnel	Promoter & their Relatives	Associates / Group Companies
	Office Rent Paid			
	Annu Agrawal	- -	6,60,000 (6,60,000)	- -
	Anil Agrawal –HUF	- -	6,60,000 (6,60,000)	- -
	Remuneration			
	Anil Agrawal	56,00,000 (46,96,667)	- -	- -
	Pravin A Naik	6,64,718 (7,36,019)	- -	- -
	Dhaval Shah	4,26,204 (1,28,576)		
	Swapnil Dafle	- (5,11,869)	- -	- -
	Travelling Expenses			
	Luharuka Travels	- -	2,46,082 (5,94,098)	- -
	Director Sitting fee Paid			
	Annu Agrawal	- -	20,000 (40,000)	- -
	Jugal Thacker	20,000 (55,000)	- -	- -
	Devendralal Thakur	95,000 (70,000)	- -	- -
	Ankur Agrawal	55,000 -	- -	- -
	Milin Ramani	65,000 -	- -	- -
	Divya Padhiyar	25,000 -	- -	- -
	Bottling Charges			
	Liquors India Limited	- -	- -	2,18,60,670 -
5	Income			
	Office Rent Received			
	Comfort Securities Limited	- -	- -	- (60,000)

Sr. No.	Particulars	Key Managerial Personnel	Promoter & their Relatives	Associates / Group Companies
	Interest Income Received			
	Comfort Fincap Ltd.	-	-	69,38,865 (39,86,205)
	Comfort Securities Limited	-	-	- (6,64,570)
	Flora Fountain Properties Limited	-	-	1,77,883 (14,52,431)

Figure in bracket relates to previous year.

40. The Previous years figures have been regrouped / rearranged / reclassified wherever necessary. Amounts and other disclosures for the preceding financial year are included as an integral part of current year's financial statements.

As per our report of even date

For A. R. Sodha & CO.

Chartered Accountants
Firm Reg. No.: 110324W

A.R. Sodha

Partner
M.No.-031878

Mumbai, 24th July, 2020

Ankur Agrawal

Director
DIN: 06408167

Pravin Naik

Chief Financial Officer

Mumbai, 24th July, 2020

Milin Ramani

Director
DIN: 07697636

Hiren Gediya

Company Secretary
A62416



If undelivered, please return to:

COMFORT INTECH LIMITED

Corporate Office: A-301, Hetal Arch, S.V. Road,
Malad (West) Mumbai - 400 064.