

Registered Office: Second Floor, M E S Building, Kaloor, Kochi, Ernakulam, Kerala, India - 682017
Tel: 0484 6714800, **Fax:** 0484 6714820, **Email:** inditrade@inditrade.com
CIN: L67120KL1994PLC008265

15th July, 2020

Manager
Department of Corporate Services
BSE Limited,
1st Floor, Dept of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001.

Scrip Code: 532745

Dear Sir,

Sub: Regulation 34 of the SEBI (LODR) 2015 - Annual Report for the Financial Year 2019-2020 & Notice of the 26th Annual General Meeting

Please find enclosed herewith the Annual Report for the Financial Year 2019-2020 and the Notice of the 26th Annual General Meeting (AGM), including the Audited Financial Statements for the Financial Year ended 31st March, 2020, sent by email to those Members whose e-mail addresses are registered with the Company or Depositories. The requirements of sending physical copy of the Notice of the AGM and Annual Report to the Members have been dispensed with vide MCA Circular/s and SEBI Circular. Members may also note that the Notice of the 26th AGM and the Annual Report 2019-2020 have been made available on the Company's website www.inditrade.com and can also be accessed from the website of the Stock Exchange, i.e., BSE Limited at www.bseindia.com.

We request that the above information may please be taken on records.

Thanking You,

Yours truly,

For Inditrade Capital Limited



Vinod Mohan
Company Secretary cum Compliance Officer



Encl.: A/a



Inditrade Capital Limited

A Helping Hand. A Friend In Deed.



annual report 2019-20

WHAT'S WHERE...

Corporate Overview

A Friend in Deed	01
We are Inditrade Capital	02
A year of making all round progress	06
Chairman's Message	08
Board of Directors	10
Our Leadership Team	12
Our Business Team	13
A helping hand in Agri-commodity financing	14
A helping hand in Micro-financing	16
A helping hand in MSME-financing	18
A helping hand in Micro-lending	20

Management Reports

Management Discussion & Analysis Report	22
Directors' Report	34
Report on Corporate Governance	58

Financial Statements

Standalone Statements

Independent Auditors' Report	76
Balance sheet	84
Statement of Profit and Loss	85
Statement of Changes in Equity	86
Cash Flow statement	87
Notes to Financial statements	89

Consolidated Statements

Independent Auditors' Report	133
Balance sheet	140
Statement of Profit and Loss	141
Statement of Changes in Equity	142
Cash Flow statement	144
Notes to Financial statements	146

Notice	209
--------------	-----

Forward Looking Statement -

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements written and oral that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



A FRIEND IN DEED

In the last four years, nearly half a million financially under-served and marginalized individuals have turned to Inditrade Capital for adding wings to their entrepreneurial aspirations. Coming mostly from non- metro locations, these valued customers of ours needed a small bout of financing towards adding a livelihood or expanding their businesses.

We, at Inditrade Capital, helped them in their time of need. In turn, the country witnessed many a thousand of MICROPRENEURS adding force to its economic mainstream. Not only did these friends of Inditrade add or expand earnings for themselves but also created earning opportunities for multiple individuals and entities. Practicing utmost integrity and financial discipline towards timely repayments, it has been these friends of Inditrade that have seen our lending book grow from ₹ 57.28 crore to ₹ 455.3 crore in just four years.

In the intervening fortnight of the current financial year and the next one, COVID-19 health crisis forced India and most of the other countries into an unprecedented lockdown. Global socioeconomic landscape came to a grinding halt. When it got enforced, the lockdown acted as the immediate savior of human lives. As it prolonged fortnight over fortnight, the question of livelihood and sustenance started to come to the fore. Soon, it became evident that the world has to learn to live with the crisis, balancing both the critical aspects of lives and livelihoods.

History is replete with examples of how the collective human spirit of perseverance and ingenuity has defeated many a health and economic crises. Together, the world shall prevail over the short-term impact of COVID-19 pandemic on human health and economic progress.

Over the past few weeks, life has started heading back towards normalcy. Though, the normal that we are ushering in is going to be a new normal. Many critical aspects of our socio-economic spectrum would change beyond recognition. Deficit of social interactions would need to be replenished with effective digital interactions.

At a time of such rapid changes all around, one thing that would never change is our commitment, compassionate financing and round the clock accessibility to our customer friends in need. **Giving rise to a friend in deed!**

WE ARE INDITRADE CAPITAL

We, at Inditrade Capital, are a digitally-driven lender that seeks to leverage technology to serve the financially under-served and marginalized. With a mission to 'Finance Progress' at the individual, community and national level, we lend through our four business verticals namely Agri-commodity Finance, Micro Finance, MSME Finance, and Micro Lending.

Adopting a phygital (a combination of digital reach and brick & mortar outlets), we have established a fast growing presence across the country. Inditrade Capital and the other

companies of Inditrade Group are spearheaded by a team of industry frontrunners, who collectively possess sound technological experience in the BFSI and lending space besides a proven track record of launching and scaling up new businesses.

With a sharp focus on Impact Lending – the lending that creates an empowering economic impact, we are a publicly listed company with our shares listed on the Bombay Stock Exchange (BSE: 532745). Headquartered at Mumbai, our business operations span across 21 states of India.

OUR MARKET PRESENCE

Present in 21 States and Growing

- Maharashtra
- Gujarat
- Madhya Pradesh
- Chhattisgarh
- Chandigarh (Union Territory)
- Telangana
- Andhra Pradesh
- Tamil Nadu
- Kerala
- Karnataka
- Goa
- Odisha
- Rajasthan
- Uttar Pradesh
- Delhi (Union Territory)
- Haryana
- Punjab
- Himachal Pradesh
- Bihar
- Jharkhand
- West Bengal



OUR EVOLUTION

2019

- Launched Digital Micro Lending
- Launched Retail Insurance Distribution

2018

- Divested the equity broking business
- Introduces MSME Finance

2017

- Launched Micro Finance operations
- Launched e-Auction platform

2016

- Forayed into Agri-commodity Finance
- Acquired Agri Commodity business in Western India

2015

- Current Management took over from Barings Private Equity

1995-2014

- Name changed to Inditrade Capital Ltd.
- Built up a robust portfolio of investment offerings.

1994

- Founded as JRG Securities Ltd.

OUR BUSINESS ENABLERS

Creating an eco-system that integrates all stakeholders



OUR DIFFERENTIATORS

- ⊙ Establishing a holistic and integrated credit platform, focused on Impact Lending
- ⊙ Phygital approach of technological integration with brick & mortar branches to effectively meet customer demands
- ⊙ Robust and digitized processes and solutions across segments, enabling sustainable growth
- ⊙ Professional management team with rich sector experience coupled with independent Board(s)
- ⊙ Proven track record of success – rapid growth with minimal asset quality pressures

OUR CUSTOMER SEGMENTS AND OFFERINGS



AGRI COMMODITY FINANCE

Agri Traders, Stockists, Processors & Farmers

Loan against non-essential Agri commodities

Up to ₹ 5 crore

Evaluation through exchange accredited warehouses

Price hedged in exchange



MICRO FINANCE

Micro, Women Entrepreneurs

Micro Finance loans

₹ 10,000 to 60,000

Joint liability group-based lending

Diversified product range to suit all requirements



MSME FINANCE

Small Merchants (Shops/ Kirana Stores)

Business Loans

Up to ₹ 50 lakh

Processed within 72 hours

Credit underwriting through alternate means



DIGITAL MICRO LENDING

Salaried, Low to Middle Income Customers

Individual Loan

Up to ₹ 25,000

Processed within 15 minutes, completely online process

Credit underwriting through alternate means

OUR PROGRESS (AS ON MARCH 31, 2020)

MICRO FINANCE

175+

Branches

800 CR+

Disbursement (cumulative)

2.5 LAKH+

Cumulative Loans

1000+

Employees

9 STATES

Across Presence

INCASH - MSME FINANCE

900+

Customers

150 CR

Disbursed over

10+

Present Locations

MICRO LENDING

60,000+

Loan Accounts

35 CR+

Disbursement

INSURANCE DISTRIBUTION

24,000+

Customer Visits

800+

Policies Issued

18+

Presence Across Locations

A YEAR OF MAKING ALL ROUND PROGRESS

STRATEGIC HIGHLIGHTS



FINANCIAL HIGHLIGHTS

Financial Highlights (Consolidated)

(₹ In Crores)

Particulars	FY 20	FY 19	FY 18	FY 17
Revenue	137.40	78.53	49.15	50.21
PBT & Exceptional Items	20.76	14.27	14.78	10.52
PAT	14.44	15.96	11.65	7.91
EPS (₹)	4.01	4.94	3.67	2.37



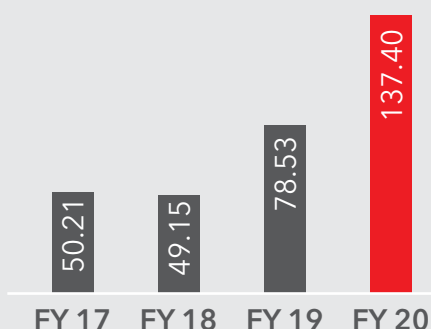
COVID-2019, an unprecedented pandemic, has turned our lives upside down. A careful analysis of world events over the last century clearly reveals the occurrence of significant turmoil at regular intervals, leading to massive economic damage, right upto the late 1950s. The present generation has fortunately not experienced many of these world changing events. By and large, the past 60 years have, in contrast, been a period of peace, harmony and economic development. However, 2020 has brought in a different scenario, bringing us to a state bordering on panic. Clearly, a storm is now brewing over the earth and we are all caught up in it. Together, let us strive to get through this!



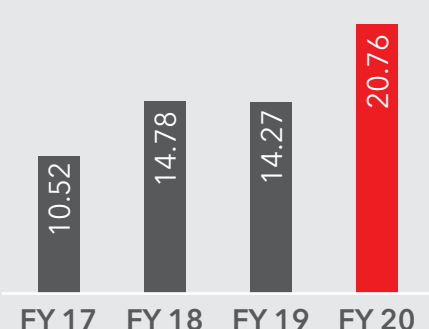
MR. SUDIP BANDYOPADHYAY

Group Chairman of
Inditrade Group of Companies

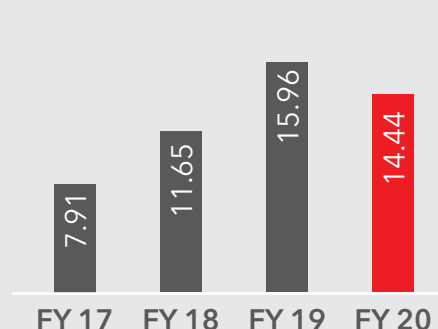
REVENUE (₹ in Crores)



PBT & EXCEPTIONAL ITEMS (₹ in Crores)



PAT (₹ in Crores)



CHAIRMAN'S MESSAGE



Dear Shareholders,

It gives me immense pleasure and honour, to address you and extend a warm welcome at the 26th Annual General Meeting of Inditrade Capital Limited. The Company and its subsidiaries continued their journey of serving the underserved by financing their progress during the financial year under reference. The growth during this fiscal FY20 has been commendable, particularly, considering the onset of the Pandemic COVID 2019 in March 2020.

The world is reeling under the adverse effects of the Pandemic COVID-2019 and the consequences of this pandemic both on our lives and livelihood are yet to be fully ascertained. The gradual ceasing of economic activities across the world and also in India over a prolonged period has shattered economies and led to an unprecedented rise in unemployment across the world. Never ever has any economic

devastation been so severe and wide spread. The great depression in the 1930s, the second World War, the financial crisis of 2008, all had caused significant pain, but the economic consequences of these events were not so wide spread or devastating.

Corporations across the world are gradually working towards restoration of economic activities but are still far from reaching optimum levels. At this stage there is no rule book to advise on the future course of action and there are significant uncertainties even today about the future. In India also after one of the most severe and longest lockdowns, we are still navigating the headwinds and trying to get back to "life as usual", with significant restrictions and constraints. The economy has been significantly damaged and the predictions are of a nil to negative GDP growth during the current fiscal. Amidst of all this gloom and doom, we keep remembering the famous words of Noble Laureate Bishop Desmond Tutu "Hope is being able to see that there is light despite all of the darkness". We will have to now chase away the darkness and restore light. The path to happiness is what we have to strive for.

At Inditrade Capital we have been financing progress. Our long term vision remains to be an active participant in nation building by contributing and strengthening government initiatives at grass root level by financing empowerment through inclusive financing. Our customers continue to remain the weaker segments of the society who by and large have no or negligible access to finance from large Banks and Institutions. The economic devastation caused by COVID-2019 on our customers have been significant and they have still not fully recovered

from this economic shock. Unlike in the other natural disasters, they may not have lost physical assets, but the loss of livelihood for a considerable period of time has resulted in the economic miseries.

Our Microfinance, Agri Finance, MSME Finance and Digital Micro lending businesses have been working with our customers to help them overcome the challenges. We are restoring hope and helping them in rebuilding their lives and livelihood. We will continue to retain our undivided focus on the financing need of the weaker sections of the society and try to cater to their requirements even in these challenging circumstances.

Post the first half of the current fiscal, we expect the economy to gradually pick up pace and start accelerating significantly in the next fiscal. Your Company hopes to emerge much stronger and competitive post the pandemic and seeks to benefit from the opportunities such possible accelerated growth will present. In the interim, we will continue working on strengthening our systems, processes and people to improve our service delivery, offerings and competitiveness for optimum results when the 'new normal' sets in post the pandemic.

The fiscal FY21 will clearly be a year of consolidation and rebuilding. While expansion may not be the top priority for the Company during FY21, we will continue to focus on optimizing the cost and upgrading the skills of our employees. We plan to expand the existing businesses of the company through multiple partnerships, thereby reaching out to a wider range of potential customers and building multiple synergistic verticals. Driven by passionate individuals, we try to make a difference in the lives of the customers



Our Microfinance, Agri Finance, MSME Finance and Digital Micro lending businesses have been working with our customers to help them overcome the challenges. We are restoring hope and helping them in rebuilding their lives and livelihood. We will continue to retain our undivided focus on the financing need of the weaker sections of the society and try to cater to their requirements even in these challenging circumstances.



and our communities. We continue to build by putting our customers first, treating people with respect, collaborating with our partners in progress, creating constructive solutions, leveraging our diversity and maintaining a fully inclusive work force.

The Company promoted Inditrade Community Foundation continues to work closely with various communities in and around our areas of operations across the country providing relief during natural calamities and furthering education amongst students of economically backward segments of the society. We will continue strengthening this Foundation.

On behalf of the Board, I wish to express my gratitude to our shareholders, clients, business partners, financial institutions and regulators for their continued support. I would also like to acknowledge the support and contribution made by our 'human capital' and the management team for their efforts and commitment in making the organisation what it is today - an organisation based on values and empowered through a joint vision for the future.

Thank you,

Brij Gopal Daga

BOARD OF DIRECTORS



MR. BRIJ GOPAL DAGA

Independent Director

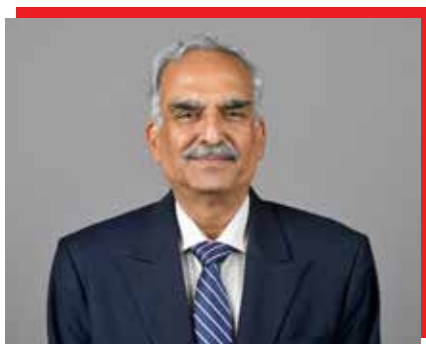
Mr. Brij Gopal Daga is a Master of Commerce and has professional diplomas in Banking, Accountancy, Co-operation, and Secretarial Practice. In a career spanning over more than four decades, Mr. Daga has acquired extensive knowledge in diverse fields like Finance, Investment, Capital and Securities Markets, Regulatory Compliances, etc. He has served premier institutions like Reserve Bank of India (as Asst. Gen. Manager), Unit Trust of India (as Executive Director), and Central Depository Services (India) Ltd. (as Managing Director). Mr. Daga has also served as Institutional Nominee on the Boards of several leading companies and has also been a member on committees appointed by the Securities & Exchange Board of India.



MR. K A SOMASEKHARAN

Independent Director

Mr. K A Somasekharan is a Commerce and Law graduate holding AllI from the Federation of Insurance Institute, Mumbai. He has a rich experience of over 52 years in the General Insurance sector. He was the Regional Manager of United India Insurance and the Executive Director and CEO of Reliance General Insurance Co. Under his leadership, Reliance General Insurance became the third-largest private General Insurance Company. He also acted as the principal Consultant of India First Life Insurance Company.



MR. D SIVANANDHAN

Independent Director

Mr. Sivanandhan is a retired Director General of Police, Maharashtra. He also served as Commissioner of Police, Mumbai after the 26/11 attacks and was responsible for building up a world-class anti-terrorism mechanism. He is a recipient of the president's Distinguished Service Medal.

Most recently, he has been a member of the special task force in the National security Council secretariat (prime Minister's Office) for revamping India's internal and external national security measures. He was also the security advisor to the Reserve Bank of India for three years from 2012 to 2015. He has also co-authored a National bestseller titled "Chanakya's seven secrets of leadership" translated into five national languages.



MRS. JHUMA GUHA

Non-Executive Director

Mrs. Jhuma Guha is a qualified Chartered Accountant and a qualified Company Secretary having a rich experience of over 28 years in the field of financial services. She has worked with various reputed companies like ITC Limited, Reliance Securities Limited, Destimoney Securities Private Limited, etc., and brings along with her varied experience and expertise in the field of Corporate and Legal Affairs, Compliance, Financial Management, Mergers and Acquisitions, Strategic Management and Planning.



MR. ANAND KAMALKISHORE MALI WAL

Non-Executive Director

Mr. Anand Maliwal is a business technologist with more than 16 years of experience in business and financial services. His experience is spread across a wide spectrum of technology functions across multiple geographies including India, UK and Japan. Mr. Maliwal has significant experience in managing core technology functions, deploying and rolling out programs, vendor management, technology outsourcing, multi location team management and process consulting. He also has a sound understanding of newer programs in the field of Mobility, Analytics and Cloud. His previous assignments include Destimoney Securities Private Limited, Network Stock broking, Cognizant Technology Solutions, Polaris Software labs and India Infoline Ltd. In his present role as Chief Digital Officer in Inditrade Capital Ltd, Anand is leading the digital transformation initiatives across the various group businesses.

OUR LEADERSHIP TEAM



Mr. Sudip
Bandyopadhyay



Mr. Brij Gopal Daga



Mr. Radhakrishna
Nair



Mr. Vijay Chugh



Mr. K. A.
Somasekharan



Mr. Subroto
Chattopadhyay



Mr. Sivanandhan
Dhanushkodi



Mrs. Jhuma Guha



Mr. Anand
Kamalkishore
Maliwal



Mr. Naveen Kumar
Jain



Mr. Vinod Mohan

OUR BUSINESS TEAM



Mr. Abhishek
Mehra



Mr. Arun Ajmera



Mr. Harish
Galipelli



Mr. Rajib Kumar De



Mr. Rajiv Sinha



Mr. Vignesh R



A helping hand in

AGRI-COMMODITY FINANCING

Valued at about ₹ 4 lakh crores annually, the Agri-commodity financing market is a critical link of India's agricultural value chain. With the banking sector serving a mere 12%-18% of this opportunity, a large portion of the market has traditionally remained in the stranglehold of unorganised sector, marked with opportunistic money lenders.



DIGITALLY ENABLED INTEGRATED PROCESS

- ⊙ **Collateral Manager appointment**
Appoint Collateral Management Agencies for stock evaluation and management
- ⊙ **Application**
Apply for loan against commodity
- ⊙ **Evaluation & Validation**
Evaluation commodity, risk factors, volatility and liquidity by internal risk team.
Validation of quantity and quality by warehouse as well as third party assessors appointed by lender.
- ⊙ **Eligibility & Disbursement**
Determining the loan amount eligibility and margin, completion of documentation, pledge process and loan disbursement
- ⊙ **Stock checking**
Stock, Price, MTM Monitoring and periodic Audits by Collateral Managers as well as internal risk team
- ⊙ **Partial withdrawals & loan extension**
Allowed on case basis on repayment track record
- ⊙ **Closure**
Loan payment and pledge release



Having ventured into this segment in 2016, we felicitate post-harvest finance of non-essential, exchange-traded commodities. Till date, we have lent against 24 commodities with the cumulative disbursal of ₹ 901 crore.

Our digitally enabled integrated process has a unique risk elimination capability, which serves as a competitive edge over Banks. Our penchant for technological breakthroughs has yielded another digital marvel in form of a seamless e-Auction platform. The platform facilitates both buyers and sellers with clearance auctions for banks and government agencies and also procurement auctions. Leveraging this digital platform, we have conducted 300+ e-Auctions till date. Our e-Auction platform was recognized at the **Finnoviti Awards'2019**.

THE APPETITE FOR SUCCESS KEEPS GROWING

Pramod, the owner of Arohan Agritech, is a promising Soybean Seeds supplier from Indore, Madhya Pradesh. He procures seed variety Soybean from the market during Kharif harvest (October-December) and grades and stores it till the onset of next monsoon season (June).



Realising that his company's existing bank limits were not enough to fund his potential of procuring, storing and selling multiplier volumes of Soybean seeds, Pramod approached Inditrade Group, for supplementary funding post exhausting his sanctioned limits with bank.

After a thorough assessment of credit risk as per our risk policy and appointment of third party professional warehouse service provider as the collateral manager, a loan of ₹ 2.5 crore was sanctioned to Arohan Agritech, keeping the commodity (Soybean Seed) as primary collateral. Deploying the Group's credit line, the company could procure a higher volume of Soybean at reasonably lower prices during peak arrival season.

Post processing and storing the inventory for requisite period, the company sold the high quality seeds at optimally higher prices, making profitable growth in the process. Arohan Agritech was quite appreciative of the digitally enabled integrated lending process – seamless progress, quick disbursement, faster delivery orders and invoicing.

Treating their maiden Inditrade experience as a pilot, Arohan Agritech has now approached Inditrade for doubling of its credit facility. It is ready to add one more warehouse to store more seeds.



A helping hand in

MICRO-FINANCING

Having grown at a compounded annual growth rate of 48% in the last 5 years, Micro-finance is the fastest growing segment of the financial services sector. Keeping pace with the rapid technological advancements and increasing digitalization, the fintech companies are expected to fast penetrate the addressable market, a vast majority of which remains unaddressed with just 25% of it being catered to till now.



OUR MICRO-FINANCE PRODUCT

Ujwal:

- Income generation loan to new customer
- ₹ 10,000 to 30,000
- 25 fortnightly instalments

Sulabh:

- Consumption loan for home & business appliances
- ₹ 5,000
- 25 fortnightly instalments

Vikas:

- Top up loan to the existing customers
- ₹ 5,000 to 15,000
- 53 fortnightly instalments

Shiksha:

- Education loan for family upbringing
- ₹ 5,000
- 25 fortnightly instalments

Pragati:

- 2nd cycle income generation loan for existing customers with good track record
- ₹ 20,000 to 60,000
- 53 fortnightly instalments



Micro-finance enables low-income individuals, self-employed, and micro-entrepreneurs to initiate business, expand their business, or avail educational loans. Micro-financing is a major source of women empowerment, as 98% of the women-owned businesses are micro enterprises and remain underserved.

Launched in 2017, Inditrade Microfinance Limited (IML) has empowered over 1.25 lakh women entrepreneurs through its various micro-financing schemes. Using its completely digitized platform for identification, verification, loan disbursement and recovery, IML has expanded its footprints in Madhya Pradesh, Gujarat, and Bihar during FY20.

With the registered customer base of over 2.43 lakh spanning 9 states, cumulative loan disbursal of ₹ 885.65 crore till 31.03.2020 and collection efficiency of 98.16%, IML has established a robust foundation of sustained growth. It got recognized as the 'fastest-growing mid-size Micro-Finance Institution' by Microfinance Institutions Network. At India NBFC Awards, 2019, it bagged the coveted award of **'Rising Star MFI of the Year'**.

A BEEDI-MAKER TURNED BUSINESSWOMAN

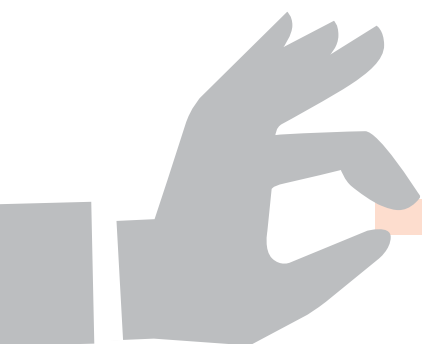
Anuradha's life was full of hardships till a few months ago. Based at Solapur, her struggle to make the both ends meet by working as a beedi-maker was getting tougher by the day. She rose to her innate entrepreneurial urge one fine day and ventured into selling sarees in



the neighbourhood. To boost her income growth, she even tried to offer instalment based payment options to her largely known and reliable customers. Her determination, hard work and ingenuity started yielding good results in no time.

Having lost on quite a lot of time, she now aspired to grow her business fast. Lack of capital was a big impediment. Knowing little that her fortunes are about to change, she approached Inditrade Microfinance for help. The helping hand and the friend in deed that Inditrade brand has always been to the lakhs of women entrepreneurs like her, a micro loan of ₹ 25,000 was approved and disbursed to aid her entrepreneurial take-off. Knowing the value of every single Rupee, Anuradha prudently deployed the newly infused capital. From the local purchase of few sarees, the procurement shifted to a large scale and that too from the wholesale markets of neighbouring Hyderabad. Within weeks, the scale multiplied. The range of options to choose from too expanded significantly. Wooden racks and other display accessories transformed the customer experience.

What also grew alongside, most importantly, is the smile on Anuradha's face and the confidence in her eyes. At Inditrade, we wish Anuradha a greater success in the future!



A helping hand in

MSME-FINANCING

Contributing about 37.5% to the country's GDP, Micro, Small and Medium Enterprises (MSMEs) segment is indeed an extremely important pivot of the Indian economy. The segment gains additional significance as an employment generator for a disproportionately large workforce. Despite their key contribution, a large portion of India's 63.4 million MSMEs stands deprived of organized financial services, particularly from the banking sector.



OUR PRODUCT OFFERING

Merchant Cash Advance

- ₹ 5 lakh to 50 lakh
- Unsecured Loan
- Credit analysis based on card/ digital sales & cash flow analysis
- Up to 24 months
- Daily/ Weekly/ Fortnightly repayment through POS/ACH

Business Income Loan

- ₹ 5 lakh to ₹ 50 lakh
- Unsecured Loan
- Credit analysis based on audited financials & banking data
- Up to 36 months, Monthly repayment

Secured Business Loan

- ₹ 30 lakh to ₹ 1.5 crore
- Secured Loan
- Credit analysis based on audited financials & banking data plus due diligence on residential/ commercial property
- Up to 180 months
- Monthly repayment



Many small businesses do not have a credit line or adequate limits. Constrained for working as well as growth capital, MSMEs growth potential often gets compromised. Having ventured into MSME financing in the year 2018, Inditrade Capital has been lending a helping hand to entrepreneurial dreams of hundreds of small, micro and medium scale entrepreneurs. With 'InCash' digitally equipped service, we offer hassle-free, collateral-free, loans in a quick and flexible manner. With over 972 customers and cumulative loan disbursement of about ₹ 153.36 crore, our MSME financing business has expanded to five Indian states, catered effectively by a strong network of 10 branches.

Credit assessment and Risk mitigation

Credit assessment remains a huge challenge in the segment. We deploy unique credit assessment tools based on data of electronic transactions (GST, PoS, e-commerce transactions) to assess the borrowers' 'capability to pay' while their 'intent to pay' gets evaluated through alternate credit and social scoring methodologies. Our robust five-tier filtering and digitally advanced Credit and Risk management system helps mitigate/minimise the credit risk.

SMALL ENTERPRISE, BIG DREAMS

Shantilal L Devasi is an affable provision store owner from Bhandup, Mumbai. Earnestness to serve his customers with more of their daily need items and replenishments helped him build a loyal and frequenting customer base. Happy with the way his business picked up, Shantilal wanted to expand the range of items at his shop, but for the lack of requisite funds. When other sources of structured borrowings didn't materialize, a friendly Inditrade stepped in with his first ever working capital loan of ₹ 7.5 Lakh. The everyday items on the shelves multiplied in no time. Subsequent pick up in customer base and also daily sales led to about 25-30% increase daily PoS (point of sale) transactions.



Shantilal was happier so was his friend in deed, Inditrade Capital. He now wanted to add distribution of Amul Milk as another layer to his core business of provision store. Another fund seeking application with Inditrade smoothly translated into a top-up loan of ₹ 10 Lakh. With earnings moving northwards, Shantilal's smile grew wider. Sharing the rewards of his good fortune with others, he employed four more workers. When coronavirus inflicted lockdown forced the neighbourhood home, Shantilal's hard working team continued to keep the essential supply chain of milk and grocery items alive for hundreds of his loyal customers. At Inditrade Capital, we wish more power to his dreams!



A helping hand in

MICRO-LENDING

Micro-digital lending in India is expected to reach US\$ 1 trillion by 2023 driven by the five-fold rise in digital disbursement. The stringent lending guidelines enforced by the banks, keep a large segment of individuals out of the organized financing sector, thus leaving their financing needs unserved. To fill this vacuum, Inditrade partnered with Robocash and launched the digital micro-lending service in 2019. The entire lending to recovery, takes place digitally without any human intervention.

Robo in Action

- ⊙ Completely digital automated process - no physical interaction with customer
- ⊙ Credit Bureau assessment to check customer history
- ⊙ Intent to pay' assessed through alternate credit & social scoring methodology (social platform & mobile usage patterns)
- ⊙ Over 100 data points analysed for early detection of fraud such as facial match, IP address screening etc.
- ⊙ Instantaneous 24x7 disbursement and repayment option



The five-step Robo action covers the entire process from application to identification, verification, and disbursement of the loan amount up to ₹ 25,000 takes in matter of a few minutes.

The salaried individuals, self-employed, and small entrepreneurs seeking short-term loans of small amounts are catered through this service. Launched in January 2019, Robocash powered Inditrade has already touched peak monthly disbursement loan amount of ₹ 13.43 crore in February 2020. Robocash already has crossed the customer base of 29,600 customers, of which nearly 60 % of customers are repeat customers. By the next financial year, ICL is projecting to cross 1 lakh customer base through its Robocash service.

A STITCH IN TIME SAVES NINE

'A small but timely help is what makes the big difference'. This adage proved true for the Pune based Sanjay, a linen supplier to various city hospitals. Sanjay often faces cash-crunch due to the delay from hospitals in clearing the bills. This forces him to make a temporary cash arrangement to keep the business rolling.



In one such instance, Sanjay availed a small loan of ₹ 5,000 through Inditrade, and got it sanctioned the very next morning. Prompt and hassle-free digital micro lending from the friendly Inditrade helped Sanjay to bridge his urgent cash need effortlessly and his business kept rolling.

From his very first micro borrowing from Inditrade in 2019, Sanjay has turned to them for such micro loans many a time in a year. Always diligent and punctual in repayment, he has closed all the loans. His friend in deed, Robocash, an Inditrade initiative has happily and steadily increased his credit limit to ₹ 23,000 now.

MANAGEMENT DISCUSSION AND ANALYSIS



Economic Overview:

COVID-19, an unprecedented pandemic, has turned our lives upside down. However, careful analysis of the world, over the last 100 years clearly shows significant turmoil leading to a massive economic damage at regular intervals upto the late 1950s. The present generation hasn't fortunately seen many of those world changing turmoils. By and large, the last 60 years have been a period of unprecedented peace, harmony and economic development. In 1914, the First World War started and the same ended in 1918 with 22 million perishing. Spanish Flu epidemic started in 1918 and ended in 1920 which affected almost 50 million people. Great Depression started in 1929 led to a 25% plus unemployment rate and a 27% drop in global GDP. This ended in 1933. World War II started in 1939 and ended in 1945 resulting in 75 million deaths. The Korean War and Vietnam War in the 1950s led to around 10 million deaths.

Now in 2020, thousands have died, being affected by COVID-19 and almost the entire world is in a state of panic. However, when you put things in perspective and look at the history of the world over the last 120 years, the scenario becomes quite enlightening. A storm is blowing over the world. We all are caught in it together. Let's help one another and we will get through it. This too shall pass!

While debate around the effectiveness of the lock down to prevent the spread of COVID-19, will continue, for economies like India with suboptimal health infrastructure, the lockdown provided the authorities the much needed window to create and strengthen the existing health care facilities and infrastructure, which otherwise would have been overwhelmed, if the virus had spread rapidly.

Attempting to forecast the economic effect of the lockdown is absolutely

impossible. Never before we have seen a disease related recession of this scale, nor have we seen policy responses of such magnitude to cushion the impact of the same on people's livelihood. On the balance, it seems that, still we are heading towards the biggest peace time recession in almost 100 years.

The collapse in economic activities appears to be slowly coming to an end. However, the biggest risk could be a flare up of new infections and a further round of lock downs. Economic data is frightful now and growth engines are sputtering. Current predictions regarding domestic growth in India during the current fiscal is not at all encouraging, with the first two quarters being almost a wash out. Government sources predict around 4% GDP growth in the next fiscal. A lot will depend on timely and appropriate intervention by the Government to support the economy and along with that, there being no further escalation in the pandemic. The Government rightly has been focused on supporting the weaker sections of the society as well as removing bottlenecks in different sectors for increased economic activity in the post COVID-19 days. Long awaited structural reforms, particularly

in the area of agriculture and related infrastructure have been announced. Economists estimate that the supply side of the economy has been encouraged through these as well as other monetary measures announced by the Reserve Bank of India (RBI). However, there is a significant need to take measures for boosting demand and the same is still awaited. In the coming days, the need for demand stimulation will become critical as India gets back to work. The fiscal constraints are well known, but without adequate demand, the supply side measures may fall flat.

Capital Market Review

COVID-19 pandemic has caused a massive upheaval in the global and Indian capital markets. The sharp fall in March 2020 had set alarm bells ringing world over. The rapid spread of the virus coupled with rigorous implementations of lockdowns across the world has led to panic like situations, and the markets have sharply corrected. The governments world over, particularly in the developed countries acted promptly and along with the respective Central Banks, came out with massive fiscal and monetary support for their economies, leading to a significant surge in liquidity and improvement in the investors' sentiment. USA, Europe, China, Japan, Germany, UK, all saw injection of massive doses of liquidity. Gradually, this liquidity and the resultant sharp decline in the cost of funds has led to 'risk on' mood returning to the markets. This eventually led to a massive rally in the capital markets world over from end April 2020. This rally and 'risk on' mood continues to create a positive bias in the global and domestic markets.

Amidst this divergence, between plunging economy and soaring capital markets, pundits are advising caution in the markets. As far as Indian markets are concerned, the fundamentals have definitely a long way to go before catching up with the valuations. While this is an alarming situation, the positive



bias in Indian market may continue on the back of continuous inflow of liquidity through FPI investments. The foreign investors flush with funds, will definitely look at the emerging markets like India, which over the next 2 -3 years do look poised for returning to a rapid phase of growth.

At macro and micro level, Indian markets will be requiring the entire current financial year to rebuild and re-emerge from the adverse effects of COVID-19. Barring few select sectors like Pharma, Healthcare, Telecom, etc., all other sectors have been devastated. We believe that due to the continuous concern of the widening gap between valuations and fundamentals, Indian markets will remain volatile for the foreseeable future with a mild positive bias.

NBFCs and its Transforming Capacity to Solve Credit Deficit & Role of Regulatory Bodies

The Non-Banking Financial Companies (NBFC) sector has played a crucial role in driving India's growth in recent times. In fact, due to their immense contribution to the economy, NBFCs have emerged as an alternative to mainstream banking.

Yet, their role goes beyond that of a bank. They facilitate inclusive economic growth by extending credit to even unbanked enterprises in the informal sector and to smaller MSMEs (micro, small and medium enterprises). This is due to a combination of various characteristics, such as their agile structures, partnerships that enable reach to the hinterlands, financial technology which helps them to create proxies, where credit histories are unavailable and overall, their differentiated models which result in tailor made solutions for those who have hitherto been financially marginalised.

With their deep understanding of local markets, many NBFCs have built niche,

differentiated business models that are specific to certain sectors or products or even geographic areas. In the process, they have not only encouraged entrepreneurship, but have helped in creation of new markets for lending activities by building credit histories beyond those available through the banking channels. While customising products, they have been able to match the needs of their customers and build long lasting customer relationships in the credit space.

Some NBFCs have promoted consumption by offering quick and convenient loans for various end uses - automobiles, consumer durable, homes, etc., to individuals, especially those in financially weaker segments of the society with aspirations to progress. Needless to say, this sunrise sector has also resulted in employment and wealth creation, by making credit available to those in the smaller towns and rural areas.

Until 2018, the NBFC sector was responsible for nearly 17% of the total credit disbursed in the country and was growing at a stellar rate of around 20% per annum. However, post the melt-down of Infrastructure Leasing and Financial Services (IL&FS) in September 2018, due to redemptions and tight liquidity conditions, the asset-liability mismatch of some companies in the sector that had gone unnoticed until then, made repayments a challenge. This, in turn, made it difficult for most NBFCs to raise funds and they became temporarily averse to lending, as maintaining robust capital reserves became a priority. Consequently, CRISIL forecast that Asset Under Management (AUM) as well as growth of disbursements for non-banks for FY2020 would rise at a much slower rate. As per estimates in an RBI report on the flow of resources to the commercial sector in 2018-19, the non-bank share in credit was at 26.6% of the aggregate domestic sources, down from 39.1% in 2017-18.



All this culminated in a somewhat 'chicken and egg' situation wherein the NBFCs cut back their activities, which were acknowledged to be driving the economic growth; at the same time, economic growth was flagging and demand for NBFC funds seemed to have slowed down.

Nevertheless, the RBI reiterated that NBFCs continued to be "an important part" of the financial sector, with over one-fourth of the credit flow still coming from nonbanks. This prompted both the RBI and the Government to take a number of measures to revive the levels of activity of NBFCs. As documented by a PWC Report (October 2019), 'Fit-for-future NBFCs: A key pillar of the USD 5 trillion economy' there have been a number of initiatives launched by the RBI and Government to restore NBFCs. These include:

- **Raising the exposure limit of NBFCs:** To encourage banks to lend more to NBFCs, the RBI raised the counterparty exposure limit of banks to a single NBFC to 20% of Tier 1 capital from 15%. Unfortunately, banks have not reacted as expected and have broadly refrained from making the most of the higher limits. In fact, a number of banks still maintain exposures that are well below even the former limit.
- **Classification as Priority Sector:** In a two-pronged measure to help NBFCs get access to more funds and banks to offload their priority sector lending quotas, the RBI has allowed loans given by banks to NBFCs for on-lending to agriculture, micro and small enterprises and housing to be classified as priority sector lending (PSL). The measure could benefit larger NBFCs and specialised NBFCs that disburse credit to these sectors. But overall, it will not directly address the challenges of the NBFC sector.

- **Making risk-weightage norms for banks less stringent:** The RBI has allowed banks to risk-weight their exposures to NBFCs based on the respective credit rating. The move is likely to expand the flow of credit to better-rated NBFCs.
- **Partial credit guarantee allowed for certain NBFC assets:** The government has created a mechanism where partial credit guarantee is allowed for the purchase of high-rated pooled assets of NBFCs, amounting to ₹ 1 trillion during the current fiscal. The guarantee will be provided on a one-time basis for six months for a public-sector banks' first loss of up to 10%. This measure should be adequate to cover typical losses and could help some large and mid-sized NBFCs with their liquidity needs for about six months.
- **Co-origination model:** According to the RBI guidelines on co-origination of loans by banks and non-deposit taking NBFCs in the priority sector, the latter must take a minimum exposure of at least 20% with the remaining contribution by the participating bank. Benefits from this arrangement could accrue to NBFCs in terms of liquidity support. They are also likely to benefit from the risk-sharing model and will be able to target a new customer base.
- **Securitisation of loans:** RBI has allowed NBFCs to securitise loans originated by them with an original maturity of more than 5 years. They would address the ALM mismatch issues to some extent and enable NBFCs to benefit from the liquidity generated by the securitisation of assets.

There are many other initiatives being contemplated by various institutions and organisations. The Ministry



of Corporate Affairs is looking at bringing NBFCs under the ambit of the Insolvency and Bankruptcy Code. Leading domestic financial institutions, like NABARD and SIDBI are also coming forward to refinance NBFCs. Even the RBI, who is a lender of the last resort for the banking system, is being pressurised to step in with some support to the NBFCs.

All this attention being showered on NBFCs is due to the consensus amongst a range of entities from the World Bank, Government and RBI to MSMEs and consumers that, if India has to meet its aspiration of becoming a USD 5 trillion economy by 2024, this segment of the financial sector will have to play a crucial role in mobilising entrepreneurship and creating employment (more indirectly than directly), by bridging the gaping credit gap that exists in those segments of the economy that require it the most, and have been largely outside the reach of the banking industry, until now.

Company Review

Inditrade Capital Limited along with its subsidiaries is currently engaged mainly, in the business of Microfinance, MSME Finance, Digital Micro Lending and Agri Commodity Finance. These lending verticals are all focused on financing progress for the underserved and under privileged sections of the society. After establishing presence in southern India, we have now expanded into newer geographies in Central, Western and Eastern India and are on our way to become a pan India player. The Company adopted state-of-art technology for strengthening its credit and risk management systems. In most of the businesses, the processes are end to end technology driven. We are continuously striving for creating new products and strengthening client relationships with service focus. The Company strives hard to ensure strict compliance of all statutory and regulatory requirements.

The Company is listed on BSE Limited. with a diversified set of public shareholders. During the financial year under review, the Company through its Insurance Broking subsidiary has been expanding its insurance distribution business and is currently in the process of becoming a pan India player providing a complete insurance solution.

Operational Review

Micro Finance :

The Company offers credit in rural and semi-urban areas through its subsidiary, Inditrade Microfinance Limited. It offers credit support to women entrepreneurs, looking to start businesses and for their working capital requirements. Rating agencies, namely, Equifax, High Mark Ratings, etc., enable the ascertaining of the credit worthiness of the borrowers. To minimize the risk arising from client default, the company restricts its exposure to a single client to up to ₹ 30,000 over a period of one year.





It undertakes collection of the loan repayments on a fortnightly basis. The entire process from collecting KYC information to disbursement of the loans is digitalized.

The Company has a strong presence in the states of Tamil Nadu, Kerala and Karnataka. This is apart from its presence in the Solapur region of Maharashtra where it commenced operations. During the financial year under review, the Company also expanded its business in the states of Orissa, Bihar, Madhya Pradesh and Gujarat. The Company has so far provided close to 2,50,000 loans and disbursed an aggregate amount of more than ₹ 850 crs. across these states.

MSME Financing:

The loans are provided in the range of ₹ 5 lakhs to ₹ 50 lakhs to small and medium enterprises for a period of 12-24 months. This business started in Mumbai and has since been expanded to include Pune, Bangalore, Hyderabad and few other smaller cities and towns in southern India during the financial year under reference. Use of technology enables optimum credit decisions. Technology facilitates disbursements and collections. The repayments are

collected in this business on a daily / weekly / fortnightly and in some cases monthly basis. The average loan size is around ₹ 15 lakhs and average tenure is around 18 months. The total disbursement under this vertical has been close to ₹ 170 crs. to about 800 clients.

Agri Commodity Finance:

The Company, through its subsidiary is involved in the business of providing funding against primarily exchange traded non-essential commodities, such as soya, pepper, cardamom, rubber, etc. The Company generally provides funding for short durations, ranging from one month to six months. Its clientele includes commodity buyers, traders and those involved in processing. It is ensured that credit risk is minimized by adhering to strict norms wherein the commodities held as security are needed to be placed in recognised warehouses. Funds are provided against the electronic or physical receipt from the warehouse. Also, it may be required of the borrower to sell the goods in the futures market, with a time frame that mirrors the term of the funding. To minimize the default risk, exposure is restricted to a single client. Despite strict norms of lending, the offerings are well received due to various attractive features like providing funds to the extent of around 95% against goods as compared to bank funding of 70-80%, faster processing of funds at attractive rates, etc. The Company's stronghold in agri-commodity financing remains the Southern and Central India, though it has successfully touched customers across all major commodity centers in the country.

Digital Micro Lending :

The Digital Micro Lending platform gained traction during the current year and became fully operational in the 3rd Quarter of the financial year under review. The organisation has developed a completely online digital process which facilitates loan disbursement and repayment collection. These are very short term loans for bridging temporary financing needs

of the customers. Credit decisions are made using algorithms and have been near perfected over the period of time through machine learning. Operations were launched initially with focus only on Mumbai, Pune, Bangalore and Hyderabad. However, gradually the business has expanded and reached out to customers across the length and breadth of the country. While this was the first year of operation for the business under reference, rapid scale up in this space is being anticipated.

Insurance Broking :

The Insurance Broking business is steadily progressing with a strong base in Kochi and Delhi primarily catering to corporate customers. During the financial year under reference, the Company has expanded its operations and is now seeking to reach out to retail customers across the country for providing insurance solutions. Offices have been opened in multiple locations covering the northern, western and eastern parts of India.

Financial Review

In FY20, the Company's total consolidated income (including other income) stood at ₹137.40 Crs as against ₹ 78.53 Crs in FY 19. The Company posted an increase of 74% in revenues from operations, aggregating to

₹ 132.37 Crs in FY 20 as compared to ₹ 76.00 Crs in FY 19. The profit before tax and exceptional items during the year grew by 45% to ₹ 20.80 Crs as compared to ₹14.30 Crs in the previous year. The PAT stood at ₹ 14.44 Crs in FY 20 as compared to ₹15.96 Crs in FY 19.

The performance highlights of the major subsidiaries of the Company for FY 20 were as follows:

- Inditrade Fincorp Limited (earlier known as JRG Fincorp Limited), recorded total revenue growth of 76% to ₹ 54.36 Crs as compared to ₹30.92 Crs in the previous year. The profit after tax grew by 11.58% to ₹ 10.63 Crs as compared to ₹ 9.53 Crs in the previous year.
- Inditrade Microfinance Limited recorded total revenue growth of 107% to ₹ 62.42 Crs as compared to ₹ 30.15 Crs in the previous year. The EBITDA during the year grew by 103% to ₹ 31.26 Crs as compared to ₹ 15.38 Crs in the previous year. The profit after tax grew by 209% to ₹ 4.32 Crs as compared to ₹ 1.40 Crs in the previous year.

The key financial ratios where there is a change of 25% or more when compared to previous year on a consolidated level are as follows:

Sl no	Particulars	2019-2020	2018-2019	Variation	Reason
1	Debtors Turnover	23.37	13.97	67%	A decrease of more than 98% in the trade receivables resulted in an increase in the Debtors Turnover Ratio
2	Net Profit margin	10.91%	17.18%	(37%)	There was an exceptional income of ₹ 7.04 cr in FY 18-19 on account of profit on sale of broking business.



Opportunities and Threats

Opportunities

COVID-19 pandemic is an unprecedented event which has challenged the whole world. Over the next few months, hopefully, the world will move into a 'new normal' with health, hygiene and social restrictions being a part of normal life. Economies around the world including India have been devastated. Lives and livelihood have been severely affected. The recession in the post COVID-19 world is likely to be the worst recession the world has seen in the last 100 years with global GDP shrinking sharply and even emerging markets like India expecting a negative GDP growth in the range of 3-5%.

While the scenario is alarming, it does present significant opportunities

when impetus shifts on creating demand growth for rejuvenating the economy. The fiscal and monetary authorities are working very hard to stimulate both supply and demand. Under the circumstances, it is expected that towards the end of the current fiscal, both consumption and investments should bounce back leading to rapid credit growth. Thus, the first two quarters of fiscal FY21 may be extremely challenging, but the third quarter onwards there may be significant increase in demand for our products and services. Significant increase in the overall liquidity in the system facilitated by the monetary and fiscal authorities should surely help. Inditrade being a lender to the weaker sections of the society and the underserved, we are expected to play an appropriate role in rebuilding the livelihood of our customers.

Threats

The pandemic has severely affected lives and livelihood across the world and the economies have been shattered. While governments around the world along with Central Banks have taken proactive measures to help their respective economies, revival will depend upon the control of the virus and development of an effective cure. Most of the countries have moved away from the dreaded lockdowns and are gradually opening up their economies. However, the threat of the virus continues to loom large. Any repeat of the lockdown consequent upon worsening of the pandemic situation, may lead to complete panic and break out of economies.

We as lenders to the weaker sections of the society, need to manage the expectations for fresh loans to rebuild livelihood along with severe liquidity crunch due to moratorium demand by our borrowers. Navigating through the current period of uncertainties is an extremely challenging task. However, an effective handling of the current situation should open the doors of greater opportunities in the rebuilding phase of economy.

Outlook

The Company continues to remain upbeat on the future growth potential of all its business segments. The Company is committed to sustain its growth momentum through expansion of its footprint, addition of customers and service excellence.

In addition to consolidation of its presence in Microfinance, MSME lending and Digital Micro Lending, the Company through its subsidiaries also plan to look at other segments of the market for expanding its lending book to the targeted clientele. Expansion of the Company's financial products distribution business, (both Insurance & Non Insurance) is also expected to get a further fillip.

The Company is focused on its long term objective of being actively participating in nation building by furthering initiatives of finance inclusion. The Company will continue to look forward for expansion of its existing line of businesses and introducing other segments which benefits the financial segments of vast underserved population in the rural and semi urban areas.

Microfinance

Microfinance continues to be a relatively underpenetrated sector in India with an immense potential. Inditrade Micro Finance started its journey in April 2017 and has now presence in nine states covering sixty one districts with one hundred and eighty two branches.

COVID-19 and the consequent lockdown have posed severe challenges for the business due to complete stoppage of physical customer interaction during the lockdown period. There are also challenges in recovering installments from the borrowers due to implementation of moratorium and transport restrictions. However, we





believe that our business and the overall Microfinance industry should bounce back and continue its march forward. Inditrade Microfinance will seek to consolidate its presence in the nine states it operates in and explore its growth opportunities only towards the end of FY21.

MSME Finance

The MSME sector in India employ 150 million or around 40% of India's workforce and have been growing at CAGR of 10%, contributing around 6.5% manufacturing GDP and 25% of service sector GDP. Unfortunately, finance continues to be the single largest challenge faced by MSME sector. Inditrade through its subsidiary, Inditrade Fincorp Ltd. have been servicing MSMEs by offering quick, customized and collateral free loans with flexible repayment options at transparent finance charges.

COVID-19 has affected MSME sector severely. The repercussion of this pandemic on MSME is yet to be fully unfolded. Considering the entrepreneurial culture and also the need for restoring livelihood of a large part of India's population, we believe that MSME sector needs to and will bounce back. The process of recovery may be painful but it will happen. Our MSME finance vertical will be supporting our customers in this journey of recovery.

Digital Micro Lending

The semi organized (gig economy) sector of the economy now employs a very large number of persons and this sector has rapidly expanded over the last few years. The finance requirement of the employees of this sector is not generally catered to by banks and large financial institutions. The Company through its subsidiary, Inditrade Fincorp Limited (earlier known as JRG Fincorp Limited) has been providing micro loans to this section of the population in a fully digital environment. This short term loan plays a significant role in the lives of the borrowers. Rapid expansion of this segment of the business has proven the existence of unsatiated demand in this space.

While the pandemic has definitely affected the gig economy, it is expected that post lockdown recovery will also be rapid in this space. Notwithstanding the challenges and recovery in some cases, Inditrade will continue to engage with these customers and provide them with critical financial support for rebuilding their lives and livelihood in a post Covid world.

Agri Commodity Finance

COVID-19 has not really affected this space. While other challenges like uneven rainfall and crop pattern do remain, it is expected that this segment will also continue its calibrated growth. India is among the top producing and consuming countries of almost all agri commodities. Yet, just about 12-18% of the ₹ 4 lakhs crs. agri commodity market is served by banks and financial institutions presenting a colossal untapped opportunity. There is immense scope for a non-banking financial company such as ours, to effectively professionalise this space. Inditrade's vision is to become a leading agri commodity financing player, largely facilitating post-harvest financing of non-essential, exchange traded commodities.

Distribution of Financial Products

Insurance penetration in India, both Life and General, continues to be abysmally low. In spite of significant efforts put in by the insurance companies and also the Regulator, a lot more needs to be done to attain the desirable level of penetration. Inditrade through its subsidiary, Inditrade Insurance Broking Ltd., has started expanding its presence across the country and hopes to play a meaningful role over the years in this space. Opportunities for distribution of other financial products in a synergistic and calibrated manner are also being explored.

In a post COVID-19 world, the 'new normal' should facilitate the growth in this segment. The need for insurance and healthcare is now being felt more urgently. Also the need for savings either through Insurance products or otherwise is being prioritized. Digital means of delivering these products are also being appreciated. Inditrade will explore opportunities in these areas through its ever expanding distribution reach.

Risk Review

Risk assessment and management is critical to ensure long term sustainability of our business. The organisation has in place a strong risk management framework with continuous appraisal by the top management. It is vigilant about the risks and has invested in the latest state of the art technologies to strengthen and support the various credit and risk management systems. Senior management closely reviews the framework and ensures timely modifications based on the changing environment.

The key risk areas such as economic risk, credit risk, market risk and attrition risk are identified periodically and addressed and suitable mitigation measures, as may be appropriate, are initiated for resolving such matters.



Internal Control Systems and their adequacy

Pursuant to the provisions of section 134(5)(e) Companies Act, 2013, every listed company has to lay down Internal Financial Controls and ensure that these are adequate and are operating effectively. Internal Finance Controls means the policies and procedures adopted by the company for ensuring the following :

- Orderly and efficient conduct of its business
- Adherence to company's policies
- Safeguarding of its assets
- Prevention and detection of frauds and errors
- Accuracy and completeness of the accounting records and timely preparation of reliable financial information

Inditade has adequate and suitable internal control systems that are continuously monitored and updated to ensure that its assets are safeguarded. These systems also ensure that established regulations are complied with and pending issues are addressed promptly. The adequacy of the internal control systems are audited by the internal auditors and the reports are reviewed quarterly by the Audit Committee.

Based on the report of Internal Audit, the Committee makes note of the audit observations and undertakes corrective actions, where necessary. It maintains a constant dialogue with the statutory and internal auditors to ensure that internal control systems are operating effectively.

Human Capital

The organisation believes that an excellent talent pool is the key to excellent business results. There exists a diverse employee base with unique creative skills, technical knowledge and functional proficiency. This helps to deliver 'more with less'. 'Performance Excellence' is considered an essential tool so as to effectively accomplish business vision, mission and other long term objectives.

There are well-defined HR Policies relating to recruitment, training, recognition reward, retention, etc. The HR team relentlessly works towards "Creating People Advantage" organization and periodically embarks on several human resource initiatives to enhance the productivity of the organization. Deployment of key resources to tactfully execute the defined strategy, results in achieving desired results.

In order to stay pertinent in the evolving area of business the Company combats

the VUCA factors (Volatility, Uncertainty, Complexity and Ambiguity) with Versatility, Unprecedented, Creativity and Adaptability.

The Company's Human Capital headcount, including its group companies, stands at 1259 as on 31 March, 2020.

Information Technology

Information technology (IT) is an integral part of the financial industry. The organisation works on the principle of providing best possible technological platforms to the end user for enabling seamless transactions. This approach in turn drives sustained business growth in an ever evolving environment. The Company strives to provide best service to its customers.

The Company ensures prompt enhancement of its core applications. This enables it to satisfy business needs as well as customer expectation beforehand. The Company's concerted efforts have secured the future growth of the business with improved systems speed, performance and response time, which in turn has resulted in directly enhancing productivity, efficiency and scalability.

Cautionary Statement

Certain statements in the Management Discussion and Analysis describing the Company's objectives, predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward-looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates new regulations and Government policies that may impact the Company's business as well as its ability to implement the strategy.



DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 26th Annual Report of your Company and the Audited Financial Statements for the Financial Year ended 31st March, 2020.

FINANCIAL RESULTS

(Rupees in Crores)

Particulars	Standalone		Consolidated	
	For the Year ended March 31, 2020	For the Year ended March 31, 2019	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Revenue from Continuing Operations	-	-	132.37	76.00
Other Income	2.89	4.31	5.03	2.52
Profit/ (Loss) before Depreciation, Finance costs, Exceptional items and Tax expense from continuing operations	1.64	4.31	56.82	39.59
Less: Depreciation	0.06	-	2.25	0.34
Profit / (Loss) before Finance costs, Exceptional items and Tax expense from continuing operations	1.57	4.31	54.57	39.25
Less : Finance Cost	0.55	-	34.09	21.42
Profit / (Loss) before Exceptional items and Tax expense from continuing operations	1.03	4.31	20.48	17.83
Add/(Less): Exceptional items	-	-	-	-
Profit / (Loss) before Tax expense from continuing operations	1.03	4.31	20.48	17.83
Less: Tax expense	0.46	-	6.28	5.22
Profit /(Loss) for the period from continuing operations	0.56	4.31	14.20	12.61
Revenue from discontinued operations	-	16.91	-	16.88
Other Income	0.28	1.25	0.28	1.25
Profit/ (Loss) before Depreciation, Finance costs, Exceptional items and Tax expense from discontinued operations	0.28	(2.74)	0.28	(2.88)
Less: Depreciation	-	0.42	-	0.42
Profit/ (Loss) before Finance costs, Exceptional items and Tax expense from discontinued operations	0.28	(3.16)	0.28	(3.30)
Less: Finance Cost	-	0.44	-	0.27
Profit/ (Loss) before Exceptional items and Tax expense from discontinued operations	0.28	(3.60)	0.28	(3.57)
Add/(Less): Exceptional items	-	7.05	-	7.05
Profit / (Loss) before Tax expense from discontinued operations	0.28	3.45	0.28	3.48
Less: Tax Expense	0.05	0.44	0.05	*0.13
Profit /(Loss) after tax for the period from discontinued operations	0.23	3.01	0.23	3.35
Net Profit for the period (before minority interest in case of Consolidated)	0.80	7.32	14.44	15.96
Less:Minority Interest (in case of consolidated)	-	-	5.10	4.46
Net Profit for the period (after minority interest in case of Consolidated)	0.80	7.32	9.34	11.50

* Deferred Tax

RESULTS OF OPERATIONS

During the year under review, the Company along with its subsidiaries provided a bouquet of services to its clients.

The Company on a standalone basis has recorded profit before exceptional items and tax from continuing operations of ₹ 1.03 Crores for the Financial Year 2019-2020 as against ₹ 4.31 Crores in the corresponding previous year. Profit after exceptional items and tax from continuing operations was ₹ 0.56 Crores for the Financial Year 2019-2020 as against ₹ 4.31 Crores in the previous corresponding year. Total revenue from discontinued operations for the Financial Year 2019-2020 was ₹ 0.28 Crores as against ₹ 18.16 Crores for the corresponding previous year. The total expenses from discontinued operations was ₹ Nil for the Financial Year 2019-2020 as against ₹ 21.76 Crores for the corresponding previous year. The profit after tax from discontinued operations was ₹ 0.23 Crores as against profit of ₹ 3.01 Crores during the corresponding previous year.

The total net profit from continued and discontinued operations was ₹ 0.80 Crores as against ₹ 7.32 Crores for the corresponding previous year.

SUBSIDIARY COMPANIES

At the date of the report, the Company has 7 (Seven) Direct Subsidiaries and 1(One) step down subsidiary. They are as follows:

Direct Subsidiaries:

1. Inditrade Fincorp Limited (Formerly known as: JRG Fincorp Limited)
2. Inditrade Derivatives and Commodities Limited
3. Inditrade Business Consultants Limited
4. Inditrade Insurance Broking Private Limited
5. Inditrade Microfinance Limited
6. Inditrade Housing Finance Limited
7. Inditrade Community Foundation-a Section 8 Company incorporated to primarily undertake CSR activities of the Group.

Step Down Subsidiary:

1. Inditrade Commodities Trading Limited

During the year, the Company sold 15,30,129 Equity Shares of Robocash Private Limited (formerly known as Inditrade Robocash Private Limited), consequent upon which the erstwhile subsidiary of the Company has ceased to be the subsidiary of the Company with effect from 30th September,

2019. Your Company now holds 19.40% of the paid up equity share capital of Robocash Private Limited (formerly known as Inditrade Robocash Private Limited).

ACCOUNTS OF SUBSIDIARIES

The Board of Directors (including Audit Committee) have reviewed the affairs of the Subsidiaries and the salient features of the financials of the Subsidiary Companies which are provided in the prescribed format **Form AOC-1** attached as **Annexure-I**.

The Annual Audited Accounts of the Subsidiary Companies and the related detailed information will be made available to the Shareholders of the Company at the Registered Office of the Company and on the Company website www.inditrade.com under the section Investor Relations.

RESERVES

The Board of Directors of your Company have decided not to transfer any amount for the year under review to the Reserves.

DIVIDEND

Owing to COVID-19 pandemic, there has been complete stoppage of economic activities across the world and the management has been cautiously managing the available liquidity to meet only urgent and unavoidable obligations in a calibrated manner. Considering the significant pressure on the liquidity and complete stoppage of business, and keeping in mind the principle of shared prosperity and sacrifice, it was decided by the Board of Directors that it would be prudent, not to recommend any Dividend for the year under review.

MAJOR EVENTS OCCURRED DURING THE YEAR

Following major events have occurred during the year:

a) State of the Company's Affairs

(i) Cessation of Robocash Private Limited (formerly known as: Inditrade Robocash Private Limited) as the Subsidiary of the Company:

The Company has sold 15,30,129 Equity Shares of Robocash Private Limited (Formerly known as: Inditrade Robocash Private Limited)-(CIN: U65100MH2017PTC293986), consequent upon which Robocash Private Limited has ceased to be the subsidiary of the Company with effect from 30th September, 2019. Your Company now holds 19.40% of the paid up equity share capital of Robocash Private Limited.

(ii) Allotment of Equity Shares by the Subsidiary Company - Inditrade Microfinance Limited:

One of the subsidiaries of your Company, namely Inditrade Microfinance Limited (CIN: U67190MH2016PLC306585) has allotted 1,00,00,000 (One Crore) Equity Shares at a face value of ₹ 10/- (Rupees Ten only) each, to your Company on 5th August, 2019. As on 31st March 2020, Inditrade Capital Limited held 3,45,55,758 Equity Shares constituting 70.52% of the paid up equity share capital of Inditrade Microfinance Limited.

(iii) Surrender of memberships:

Necessary approvals have been received from CDSL, NSDL, NSE and MSEI for the surrender of their respective membership.

(iv) Change of name of the subsidiary:

One of the key subsidiaries of the Company, viz. JRG Fincorp Limited has changed its name to Inditrade Fincorp Limited with effect from 24th September, 2019.

b) Change in nature of business by the subsidiaries:

There are no significant changes in the nature of business carried on by the subsidiaries of the Company wherein the impact of such changes is 10% or more of the consolidated turnover or consolidated net worth of Inditrade Capital Limited.

c) Material changes and commitments, if any, affecting the financial position of the Company having occurred since the end of the Year and till the date of the Report

There are no material changes affecting the financial position of the Company which have occurred since the end of the year and till the date of the report.

The Company is taking all the recommended precautions and safeguard measures as per the directives/guidelines/circulars issued by the Central Government and the respective State Government(s) from time to time as far as prevention and spreading of COVID-19 pandemic is concerned.

Your Company is continuously monitoring and assessing the impact of COVID-19 pandemic on the business, turnover, profitability and liquidity position particularly at subsidiary levels and will be taking all the necessary steps in future in line with the various directives issued by the Regulatory authorities, from time to time.

ISSUE OF SWEAT EQUITY SHARES

The Company has not issued Sweat Equity Shares during the year under review and hence the disclosure as required under

Section 54 read with rule 8(13) of Companies (Share Capital and Debentures) Rules, 2014 is not required to be made.

EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS

The Company has not issued Equity Shares with differential voting rights and hence the disclosure as required under Section 43 read with rule 4(4) of Companies (Share Capital and Debentures) Rules, 2014 is not required to be made.

CAPITAL STRUCTURE

As on date of the Report, the Authorized Capital of the Company was ₹ 40,00,00,000/- (Rupees Forty Crore only) divided into 4,00,00,000 (Four Crore) Equity Shares of ₹ 10/- each and the issued, subscribed and paid-up share capital of the Company was ₹ 23,35,36,260 (Rupees Twenty Three Crores Thirty Five Lakhs Thirty Six Thousand Two Hundred And Sixty only) divided into 2,33,53,626 (Two Crores Thirty Three Lakhs Fifty Three Thousand Six Hundred And Twenty Six) Equity Shares of ₹ 10/- each.

There was no change in the Capital Structure of the Company during the Financial Year under review.

ANNUAL RETURN

As required under Section 134(3)(a) of the Companies Act, 2013, the Annual Return for the Financial Year 2019-2020 is put up on Company's Website and can be accessed at www.inditrade.com.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adherence to the corporate governance requirements set out by Securities and Exchange Board of India (SEBI). The Company strives to achieve fairness for all stakeholders and to enhance long term Shareholders value.

As per Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance practices followed by the Company together with the certificate from M/s. BVR & Associates Company Secretaries LLP forms an integral part of the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

As on 31st March, 2020, Corporate Social Responsibility Committee (CSR Committee) consisted of the following Directors as members:

1. Mrs. Jhuma Guha
2. Mr. K.A Somasekharan
3. Mr. B G Daga

During the year under review, since the Company has fallen out of the purview of the prescribed criteria as laid down in Section 135(1) of the Companies Act, 2013 read with Rule 3(2) of Companies (CSR) Rules, 2014, CSR Provisions are not applicable.

Hence, the CSR Committee accordingly stands dissolved and the requirement to disclose the Corporate Social Responsibility policy in the Company's Website has also been dispensed with.

However, during the relevant Financial Year, an amount of ₹ 1,00,000/- (Rupees One Lakh only) was provided as donation to Inditrade Community Foundation - a group Company which has been incorporated under Section 8 of the Companies Act, 2013 mainly to carry out the CSR related activities.

BOARD MEETINGS

The Board Meetings of the Company were held with requisite notice and with a valid quorum. The Board met 5 times during the Financial Year 2019-2020 on 10th May, 2019, 25th July, 2019, 30th September, 2019, 11th November, 2019 and 28th January, 2020.

The maximum interval between any two meetings did not exceed 120 days.

Details of the composition of the Board Meetings held, attendance of the Directors at such Meetings and other relevant details are provided in the Corporate Governance Report.

AUDIT COMMITTEE

The Audit Committee of the Board consists of the following members:

- a) Mr. B G Daga- Independent Director
- b) Mr. K A Somasekharan- Independent Director
- c) Mrs. Jhuma Guha- Non- Executive Director

During the year, all the recommendations made by the Audit Committee were accepted by the Board.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of your Company as on 31st March, 2020 consisted of six Directors namely, Mr. Brij Gopal Daga (Non-Executive Independent Director), Mr. K A Somasekharan (Non-Executive Independent Director), Mr. Sivanandhan Dhanushkodi (Non-Executive Independent Director), Mrs. Jhuma Guha (Non-Executive Director), Mr. Gurmeet Mohan Singh (Non-Executive Director), and Mr. Anand Kamalkishore Maliwal (Additional and Non Executive Director).

On 28th January, 2020, Mr. Anand Kamalkishore Maliwal (DIN: 07474039) was appointed as Additional and Non Executive Director of the Company liable to retire by rotation subject to the approval of Shareholders in the ensuing Annual General Meeting. In the last Annual General Meeting, the appointment of Mr. Sivanandhan Dhanushkodi was confirmed by the Shareholders.

The following are the Key Managerial Personnel of the Company:

- Mr. Vinod Mohan -Manager and Company Secretary cum Compliance Officer
- Mr. Naveen Kumar Jain - Chief Financial Officer

EVALUATION BY BOARD OF ITS PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of the Committees of the Board. The Board performance was evaluated based on inputs received from all the Directors after considering criteria such as Board composition and structure, effectiveness of Board/ Committees processes, and information provided to the Board etc. The Board and the individual Directors have also evaluated the performance of Independent and Non-Independent Directors, fulfillment of their independence criteria and their independence from the management, performance of the Board as a whole and that of the Chairman of the Meetings.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS INCLUDING INDEPENDENT DIRECTORS, KEY MANAGERIAL PERSONS AND SENIOR MANAGEMENT

The Company has a Nomination and Remuneration policy for the performance evaluation of the Chairman, individual Directors, Board and its Committees. The Nomination and Remuneration Committee is responsible for identifying persons who are qualified to become Directors and who may be appointed on Senior Management in accordance with the criteria laid down in the Nomination and Remuneration Policy. The Committee also reviews the policy regarding the criteria for appointment and remuneration of Directors including Independent Directors, Key Managerial Persons and Senior Management. The Committee also recommends to the Board, the appointment of any new Directors/Key Managerial Personnel or removal of the existing Directors/Key Managerial Personnel. The Committee recommends to the Board as to whether to extend or continue the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of Independent Directors. After carefully evaluating and analyzing the recommendations of the Nomination and Remuneration

Committee, the Board of Directors of the Company decide whether to appoint a new Director/Key Managerial Personnel or remove an existing Director/ Key Managerial Personnel, as the case may be. The Nomination and Remuneration Committee of the Company oversees the implementation of the Nomination and Remuneration policy of the Company. The composition of the Nomination and Remuneration Committee and other relevant details are provided in the Corporate Governance Report. The Nomination and Remuneration policy of the Company is available on the Company's website at the below mentioned link:

<http://www.inditrade.com/policies>

The salient features of the Nomination and Remuneration policy are as follows:

- a. The policy has been framed in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b. The policy spells out the criteria for determining qualifications, positive attributes, independence of a Director and the remuneration of Directors, Key Managerial Personnel and Senior Management including functional heads.
- c. The Committee has the discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.
- d. No Independent Director shall hold office for more than two consecutive terms of maximum 5 years each. In the event the same person is to be appointed as an Independent Director after two consecutive terms of five years, a cooling period of 3 years is required to be fulfilled.
- e. The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.
- f. The remuneration/ commission shall be in accordance with the statutory provisions of the Companies Act, 2013 and the rules made thereunder for the time being in force.
- g. Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.
- h. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and the Nomination and Remuneration Committee shall amend this Policy accordingly.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. They have also given a declaration affirming compliance with the code of conduct of the Company.

EMPLOYEE STOCK OPTION PLAN (ESOP)

In order to attract and retain talent, the Company has put in place- Inditrade Employee Stock Option Plan 2016, which is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014.

Disclosure as required under Employee Benefits Regulations read with SEBI circular no. CIR/CFD/POLICYCELL/2/2015 dated June 16, 2015 has been made available at the Company website at www.inditrade.com.

DEPOSITS

During the year, your Company does not hold/ has not accepted any deposits within the meaning of Chapter V of the Companies Act, 2013 and the rules made there under.

PARTICULARS OF EMPLOYEES

Disclosure as stipulated under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure-II**.

DISCLOSURE UNDER SECTION 197(14) AND RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Shareholders approval is being sought in the ensuing Annual General Meeting to pay an amount of ₹ 2 lakhs as Commission to Mr. Sivanandhan Dhanushkodi - Non Executive Independent Director of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Investments, Loans or Guarantees covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Note 8 and 35 to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/ transactions entered by the Company during the Financial Year were in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interests of the Company at large.

All Related Party Transactions were placed before the Audit Committee and also before the Board for their approval. Prior omnibus approval of the Audit Committee was obtained for the transactions which were of a repetitive nature. The transactions entered into pursuant to the omnibus approval so granted were reviewed and statements giving details of all related party transactions were placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

The Company has framed a Related Party Transactions Policy which is available at the below link

<http://www.inditrade.com/policies>

Particulars of contracts or arrangements with related parties referred to in subsection (1) of Section 188 in **Form No. AOC-2** of the Companies (Accounts) Rules, 2014 is attached as **Annexure- III**.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As stipulated under Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis, is presented in a separate section forming part of the Annual Report.

STATUTORY AUDITORS AND AUDITOR'S REPORT

Pursuant to provisions of Section 139 of the Companies Act read with the Companies (Audit & Auditors) Rules, 2014, M/s. Haribhakti & Co. LLP, Chartered Accountants, Chennai (holding Registration No. 100332W) were reappointed as Statutory Auditors of the Company to hold office from the conclusion of 24th Annual General Meeting until the conclusion of 28th Annual General Meeting. The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Report given by M/s. Haribhakti & Co. LLP, Chartered Accountants for the Financial Year 2019-2020 forms part

of the Annual Report. The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. There are no audit qualifications, reservations or adverse remarks from the Statutory Auditors during the year under review.

SECRETARIAL AUDIT AND SECRETARIAL COMPLIANCE REPORT

M/s. SVJS & Associates, Practicing Company Secretaries, Kochi were appointed to conduct the Secretarial Audit of the Company for the Financial Year 2019-2020 as required under Section 204 of the Companies Act, 2013 and the rules made thereunder.

There are no audit qualifications, reservations or adverse remarks by the Company Secretary in Practice in his Secretarial Audit Report

The Secretarial Audit Report for the Financial Year 2019-2020 forms a part of the Annual Report.

Three subsidiaries of the Company, namely Inditrade Fincorp Limited (Formerly known as: JRG Fincorp Limited), Inditrade Microfinance Limited and Inditrade Business Consultants Limited are coming within the ambit of "Material Subsidiary" as per the amended Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year 2019-2020.

The Secretarial Audit Reports of Inditrade Fincorp Limited (Formerly known as: JRG Fincorp Limited), Inditrade Microfinance Limited and Inditrade Business Consultants Limited for the Financial Year 2019-2020 are enclosed separately and forms part of the Annual Report of the Company.

Pursuant to SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019, the Company will be submitting the Secretarial Compliance Report from Practicing Company Secretaries on compliance of all applicable SEBI Regulations and circulars/guidelines issued there under with the Stock Exchange within the prescribed due date.

The observations and comments given by the Secretarial Auditors in their Report are self-explanatory and hence do not call for any further comments under Section 134 of the Companies Act, 2013.

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

Considering the nature of activities of the Company, the information required under Section 134(3)(m) of the

Companies Act, 2013 read with Companies (Accounts), Rules 2014 relating to Energy Conservation, Technology Absorption is not applicable to the Company. However, the effort made by the Company towards technology absorption includes the following:

- I. Adoption of the latest state of-the-art Data centre, software and hardware tools available in the market for rendering lending and other services more efficiently and effectively.
- II. Implemented server virtualization to reduce the Server, Power and Management foot prints.
- III. Implemented the Log management to identify detailed server, network and application issues and proactively clear them so that they do not affect the business operations.

The Company had no foreign exchange earnings or outgo during the Financial Year under review.

INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Company has an effective internal control and risk mitigation system, which is reviewed and constantly updated. The internal controls including the internal financial control of the Company are managed and reviewed by the Audit Committee and apart from the staff employed by the Company, the Company has also appointed Internal Auditors from outside the Company to review and monitor the internal financial controls and their adequacy. The Internal Financial Controls of the Company are adequate and commensurate with the size and nature of business of the Company.

RISK MANAGEMENT

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

REPORTING OF FRAUDS

There was no instance of fraud during the Financial Year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Companies Act 2013 and Rules framed thereunder.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

In order to address the genuine concerns and grievances of the Directors and Employees of the Company, the Company has established a Vigil Mechanism/ Whistle Blower Policy for Directors and employees pursuant to Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Vigil Mechanism provides adequate safeguards

against victimization of Director(s) or employee(s) or any other person who avails the mechanism and also provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The Vigil Mechanism is available in the website of the Company at the below mentioned link:

<http://www.inditrade.com/policies>

MATERIAL ORDERS OF JUDICIAL BODIES /REGULATORS

No significant or material orders were passed by the regulators or courts or tribunals, which are likely to impact the going concern status and Company's operation in future.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The following is a summary of sexual harassment complaints received and disposed off during the Financial Year 2019-2020:

- No. of complaints at the beginning of the year 2019-2020: NIL
- No. of complaints received during the year 2019-2020 : NIL
- No. of complaints disposed off during the year 2019-2020: NA
- No. of complaints at the end of the year 2019-2020 : NIL

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134 (5) of the Companies Act, 2013, the Board of Directors affirm:

- (a) that in the preparation of the annual accounts for the Financial Year ended 31st March, 2020, the applicable Accounting Standards have been followed and there were no material departures,
- (b) that the Directors have selected such accounting policies and have 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 as on 31st March, 2020 and of the profit of the Company for the Financial Year ended on that date,

- (c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities,
- (d) that the Directors have prepared annual accounts for the Financial Year ended 31st March, 2020 on a 'going concern' basis,
- (e) that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- (f) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGMENTS

Your Directors place on record their sincere appreciation for the assistance and guidance provided by the Regulators, Stock Exchanges, other statutory bodies and the Company's bankers for the assistance, cooperation and encouragement extended to the Company. Your Directors wish to place on record their appreciation for the contributions made by the employees of Inditrade group at all levels for their efforts, hard work and support, which are indispensable for smooth functioning of the Company. Your involvement as Shareholders is also greatly valued and your Directors look forward to your continued support.

**For and on behalf of the Board
of Directors of Inditrade Capital Limited**

Sd/-
Jhuma Guha
Director
DIN: 00007454

Sd/-
Anand Kamalkishore Maliwal
Director
DIN: 07474039

Date: 28th May, 2020

Place: Mumbai

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014
 Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Subsidiaries

Sr. No	Name of the Subsidiary	Inditrade Fincorp Limited (Formerly known as: JRG Fincorp Limited)	Inditrade Derivatives and Commodities Limited	Inditrade Business Consultants Limited	Inditrade Insurance Broking Private Limited	Inditrade Microfinance Limited	Inditrade Commodities Trading Limited*	Inditrade Housing Finance Limited
		31st March, 2020	31st March, 2020	31st March, 2020	31st March, 2020	31st March, 2020	31st March, 2020	31st March, 2020
1.	Reporting period for the subsidiary concerned	06th September, 2007	29th February, 1996	27th August, 2008	22nd February, 2000	09th May, 2016	17th November 2016	27th March, 2018
2.	Date of acquisition	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees
3.	Reporting currency	54,82,45,610	11,06,24,270	6,11,00,000	6,50,00,000	49,00,00,000	17,00,000	11,00,00,000
4.	Share Capital	71,63,56,340	-7,36,58,913	69,64,251	-5,62,33,600	5,29,02,576	62,51,288	-51,90,072
5.	Reserves & Surplus	1,92,91,05,249	4,59,69,308	58,13,29,926	3,64,49,857	2,19,40,47,628	32,15,143	10,58,55,663
6.	Total Assets	66,45,03,299	90,03,951	51,32,65,675	2,76,83,457	1,65,11,45,052	3,21,55,143	10,45,735
7.	Total Liabilities	14,79,44,170	Nil	8,33,01,598	Nil	20,000	2,42,03,855	Nil
8.	Investments	54,35,93,894	62,19,807	19,83,24,483	4,83,35,491	62,42,05,110	41,67,178	62,49,114
9.	Turnover	14,45,83,997	-34,90,069	61,34,673	69,99,001	62,51,43,955	-1,94,627	-32,31,360
10.	Profit/(Loss) before taxation		Nil	6,68,350	-1,17,607	1,92,97,566	60,492	Nil
11.	Provision for taxation/Deferred Tax		Nil					
12.	Profit/(Loss) after taxation	10,63,19,921	-34,90,069	54,66,323	-68,81,394	4,32,16,388	-2,55,119	-32,31,360
13.	Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil
14.	% of shareholding	57	95.75	99.84#	100	70.52	0*	100

Note:

* Inditrade Commodities Trading Limited is a Wholly Owned Subsidiary of Inditrade Business Consultants Limited.

Inditrade Microfinance Limited (CIN: U67190MH2016PLC306585) has allotted 1,00,00,000 (One Crore) Equity Shares at a face value of ₹. 10/- (Rupees Ten only) each, to the Company on 5th August, 2019. As on 31st March 2020, Inditrade Capital Limited holds 3,45,55,758 Equity Shares -70.52% of the paid up equity share capital of Inditrade Microfinance Limited.

Inditrade Community Foundation is a Section 8 Company incorporated by Inditrade Capital Limited along with its subsidiaries to primarily undertake CSR activities of the Group. The Accounts of Inditrade Community Foundation are not consolidated with the Holding Company.

1.	Names of subsidiaries which are yet to commence operations	1. Inditrade Housing Finance Limited was incorporated on 27th March, 2018.
2.	Names of subsidiaries which have been liquidated or sold during the year	Robocash Private Limited (Formerly known as: Inditrade Robocash Private Limited) has ceased to be the subsidiary of the Company with effect from 30th September, 2019. The Company now holds 19.40% of the paid up equity share capital of Robocash Private Limited.

Part "B": Associates and Joint Ventures**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

1.	Names of Associates or Joint Ventures which are yet to commence operations	: N.A.
2.	Names of Associates or Joint Ventures which have been liquidated or sold during the year	: N.A.

For and on behalf of the Board
of Directors of Inditrade Capital Limited

Sd/-

Jhuma Guha

Director

DIN: 00007454

Sd/-

Anand Kamalkishore Maliwal

Director

DIN: 07474039

Date: 28th May, 2020

Place: Mumbai

ANNEXURE - II
A. Disclosure of Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:	NA (None of the Directors of the Company received any remuneration from the Company in the financial year apart from sitting fees received by the Independent Directors)	
(ii) The percentage increase in remuneration of each Director#, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year: #Since Directors received no remuneration, except sitting fees for attending Board / Committee meetings by the Independent Directors, the required details are not applicable	Mr. Vinod Mohan (CS & Manager):	10%
	Mr. Naveen Kumar Jain (CFO):	10% (salary was paid only for April and May 2019)
(iii) The percentage increase in the median remuneration of employees in the financial year:	10%	
(iv) The number of permanent employees on the rolls of the Company (as on 31st March, 2020):	1	
(v) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:	10% for all	
(vi) Affirmation that the remuneration paid is as per the remuneration policy of the company:	Remuneration paid is as per the remuneration policy of the Company.	

B. Disclosure of Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- I. The Details of Top Ten Employees of the Company if employed throughout the financial year or a part of the financial year, drawing remuneration exceeding the limits as laid down under Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the Financial Year 2019-20 :

i.	Name of the Employee: Mr. Anand Kamalkishore Maliwal
ii.	Designation: Chief Digital Officer
iii.	Remuneration received: ₹. 18,88,131/- during the Financial Year 2019-20 (employed till May, 2019)
iv.	Nature of Employment: Permanent
v.	Qualification: Bachelor of Engineering and Post Graduate Diploma on Business Administration
vi.	Experience of the Employee: Business Technologist with more than 16 years of experience in Banking and Financial Services spread across wide spectrum of Technology functions across multiple locations like India, Japan and UK
vii.	Date of commencement of employment: 01st April, 2016
viii.	Age(in years): 43 Years
ix.	Last employment held: Destimoney Securities Private Limited
x.	% of equity shares held: Negligible(500 Equity Shares)
xi.	Whether the employee is a relative of any director or manager of the Company and if so, name of such director or manager: Not related to any Director/Manager of the Company

**For and on behalf of the Board
of Directors of Inditrade Capital Limited**

Sd/-
Jhuma Guha
Director

Sd/-
Anand Kamalkishore Maliwal
Director

DIN: 00007454

DIN: 07474039

Date: 28th May, 2020

Place: Mumbai

Form No. AOC-2

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

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

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

(a) Name(s) of the related party and nature of relationship	
(b) Nature of contracts/ arrangements/ transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	Not Applicable
(f) Date(s) of approval by the Board	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at arm's length basis:

The transactions entered into by the Company during the year with related parties on an arm's length basis were not material in nature.

Date: 28th May, 2020
Place: Mumbai

For and on behalf of the Board
of Directors of Inditrade Capital Limited

Sd/- Jhuma Guha Director DIN: 00007454	Sd/- Anand Kamalkishore Maliwal Director DIN: 07474039
--	--

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2020

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

To

The Members

Inditrade Capital Limited

Second Floor, M E S Building, Kaloor,

Kochi, Ernakulam, Kerala - 682017

We, SVJS & Associates, Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Inditrade Capital Limited [CIN: L67120KL1994PLC008265]** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 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, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (g) The Securities and Exchange Board of India (Stock Brokers and Sub-brokers) Regulations, 1992;
 - (h) Securities and Exchange Board of India (Intermediaries) Regulations, 2008;
 - (i) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003;
 - (j) Securities and Exchange Board of India (KYC (Know Your Client) Registration Agency) Regulations, 2011;
- (vi) As informed to us, the following other laws are specifically applicable to the Company:

1. The Prevention of Money Laundering Act, 2002;
2. SEBI's master circular on AML/CFT and AML rules and regulation and Bye-Law and Circulars issued by said regulators from time to time.

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

- (i) Secretarial Standards relating to Meetings of the Board of Directors (SS 1) and General Meetings (SS 2) issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreement entered into by the Company with BSE Limited;

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

We report that:

The Board of directors of the Company is duly constituted. All the directors of the Company are Non-Executive Directors.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions of the Board were unanimous and the same was captured and recorded as part of the minutes.

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

We further report that the Company has surrendered its Trading Membership in various segments of the National Stock Exchange of India Limited, BSE Limited and Metropolitan Stock Exchange of India Limited.

We further report that during the audit period there were no instances of:

- (i) Public / Right/ Preferential issue of shares / debentures / sweat equity etc;
- (ii) Redemption / buy-back of securities;
- (iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013;
- (iv) Merger / amalgamation / reconstruction etc.;
- (v) Foreign technical collaborations.

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

**For SVJS & Associates
Company Secretaries**

**Kochi
10 June 2020**

**Jayan K.
Partner
CP. No. : 7363, FCS: 8154
UDIN: F008154B000332401**

ANNEXURE - A

To
The Members
Inditrade Capital Limited
Second Floor, M E S Building, Kaloor,
Kochi, Ernakulam, Kerala - 682017

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

1. Maintenance of the Secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.
2. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.
3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been considered.
4. Wherever required, we have obtained the Management representation about the

Compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2020 but before issue of the Report.
7. We have considered actions carried out by the Company based on independent legal / professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

For SVJS & Associates
Company Secretaries

Kochi
10 June 2020

Jayan K.
Partner
CP. No. : 7363, FCS: 8154

UDIN: F008154B000332401

INDITRADE FINCORP LIMITED

(formerly JRG Fincorp Limited)

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

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

To,
The Members,
INDITRADE FINCORP LIMITED
(formerly JRG Fincorp Limited) Second Floor, M E S Building,
Kaloor, Kochi, Ernakulam,
Kerala-682017

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. INDITRADE FINCORP LIMITED (formerly JRG Fincorp Limited) (CIN: U65923KL2007PLC021180)** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under **(not applicable to the Company during the audit period);**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct

Investment (ODI) and External Commercial Borrowings (ECB);

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (applicable to the Company to the extent of being subsidiary of a listed company);
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (not applicable to the Company during the audit period);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (not applicable to the Company during the audit period);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable to the Company during the audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 (not applicable to the Company during the audit period);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulation, 2018 (not applicable to the Company during the audit period);
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015 (not applicable to the Company during the audit period).

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

- i. Secretarial Standards 1 issued by the Institute of Company Secretaries of India
- ii. Secretarial Standards 2 issued by the Institute of Company Secretaries of India
- iii. Tripartite Agreement between the Company, Registrar & Transfer Agent and Depositories

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

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the Chapter III B of The Reserve Bank of India Act, 1934 and Non Banking Financial Company Directions issued by the Reserve Bank of India, applicable specifically to the Company.

I further report that during the audit period the Company has entered into the following major transactions:

Sl. No.	Date of Event	Particulars	Approved by
1	30.04.2019	Alteration in the Objects Clause of the Memorandum of Association of the Company	Shareholders
2	23.07.2019	Change of place of keeping the books of account and other relevant papers and financial statements of the Company to Unit No. T-7 C, 5th Floor, C Wing, Phoenix House, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra - 400013 which is a place other than the Registered Office of the Company	Board of Directors
3	24.09.2019	Change of name of the Company from JRG FINCORP LIMITED to INDITRADE FINCORP LIMITED	Shareholders and the Registrar of Companies

Place: Trivandrum
Date :25.06.2020

For Krishna Prasad R S & Co.

Ramachandran Santa Krishnaprasad
FCS 7080, CP 7379
UDIN: F007080B000379914

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report

To,

The Members,

Inditrade Fincorp Limited

(formerly JRG Fincorp Limited)

Second Floor, M E S Building, Kaloor,

Kochi, Ernakulam, Kerala 682017, India

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and 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.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Trivandrum

Date :25.06.2020

For Krishna Prasad R S & Co.

Ramachandran Santa Krishnaprasad
FCS 7080,
CP 7379

Inditrade Microfinance Limited
Form No. MR-3
SECRETARIAL AUDIT REPORT
 FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies

To,
 The Members,
M/s. Inditrade Microfinance Limited
 Regd. Off.: Unit No. T1-B, 5th Floor, C-Wing,
 Phoenix House, Senapati Bapat Marg, Lower Parel,
 Mumbai - 400013.

Dear Sir/Madam,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Inditrade Microfinance Limited, CIN: U67190MH2016PLC306585** ("the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment

and External Commercial Borrowings- **(not applicable to the company during the audit period);**

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(not applicable to the company during the audit period);**
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(not applicable to the company during the audit period);**
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(not applicable to the company during the audit period);**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(not applicable to the company during the audit period);**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(not applicable to the company during the audit period);**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(not applicable to the company during the audit period);**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **(not applicable to the company during the audit period); and**

- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **(not applicable to the company during the audit period).**

vi. Reserve Bank of India Act, 1934

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

- Reserve Bank of India (RBI) Directions, Guidelines and Circulars applicable to Non-Systemically Important Non-Deposit Accepting NBFCs.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board Meetings and General Meetings.

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

I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-executive Directors and Independent Directors. There is No change in the composition of the Board of Directors during the period under review.

2. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and at a shorter notice consent in presence of Independent Director; and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. During the year under review, all the decisions at the meetings of the Board and Committees thereof, were carried out unanimously as the Minutes of these Meetings did not reveal any dissenting member's view.

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

I further report that no specific event having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. has taken place during the year under review.

Kavita Raju Joshi
Practicing Company Secretary
Membership No: 9074
CP No: 8893

Place: Mumbai
Date: May 28, 2020

UDIN: F009074B000333013

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

'Annexure A'

To,
The Members
M/s. Inditrade Microfinance Limited
Regd. Off.: Unit No. T1-B, 5th Floor, C-Wing,
Phoenix House, Senapati Bapat Marg, Lower Parel,
Mumbai - 400013.

Dear Sir/Madam,

My report of even date is to be read along with this letter:

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

Place: Mumbai
Date: May 28, 2020

Kavita Raju Joshi
Practicing Company Secretary
Membership No: 9074
CP No: 8893
UDIN: F009074B000333013

INDITRADE BUSINESS CONSULTANTS LIMITED

UDIN : F010085B000328139

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2020

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

To
The Members
INDITRADE BUSINESS CONSULTANTS LIMITED
Second Floor, M E S Building, Kaloor,
Kochi Ernakulam KL 682017 IN

I, CS E P Madhusudhanan, Company Secretary in Practice, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. INDITRADE BUSINESS CONSULTANTS LIMITED [CIN: U74140KL2008PLC023055]** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2020 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, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) Securities Contract Regulation Act, 1956, (SCRA) and the rules made thereunder:

As informed to us, the following other laws are specifically applicable to the Company:

- (i) Legal Metrology Act, 2000
- (ii) Laws relating to issuance of Mandi License under various local authorities and for license under Food Safety and Standards Act, 2006, The Warehousing (Development and Regulation) Act, 2007

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

- (i) Secretarial Standard relating to Board (SS 1) and General Meetings (SS 2) issued by the Institute of Company Secretaries of India.
- (ii) Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 applicable to Material subsidiary of the listed entity

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, etc., mentioned above, to the extent applicable.

In respect of other laws specifically applicable to the Company, I have relied on information/records produced by the Company during the course of our audit and the reporting is limited to that extent.

We further report that:

The Board of Directors of the Company is duly constituted. 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 and in compliance with orders issued by the Central Government.

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period there were no public/right/preferential issue of shares/debentures/

sweat equity, buy back of securities, merger / amalgamation / reconstruction etc. or foreign technical collaborations.

Kochi
17.06.2020

CS E P Madhusudhanan
Practicing Company Secretary
CP. No. 21874 M. No. 10085

ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF EVEN DATE

To
The Members
INDITRADE BUSINESS CONSULTANTS LIMITED
Second Floor, M E S Building, Kaloor,
Kochi Ernakulam KL 682017 IN

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

1. Maintenance of the Secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.
2. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.

3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
4. We have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc., wherever required.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of the management. Our examination was limited to the verification of the procedures and compliances on test basis.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2020 but before issue of the Report.

Kochi
17.06.2020

CS E P Madhusudhanan
Practicing Company Secretary
CP. No. 21874 M. No. 10085

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Corporate Governance:

Your Company is committed to follow the best Corporate Governance practices not only to ensure success in business, but also for maximizing value for all the stakeholders, be it Members, investors, clients or employees. The trust of the stakeholders is built by maintaining the highest ethical standards, transparency and accountability.

At 'Inditrade', emphasis is given to four key building blocks – Trust, Transparency, Technology and Talent. The Directors and Management of your Company continue to be committed to adhering to the best governance standards and to comply with the regulatory requirements in the true spirit and beyond the letter of law.

2. Board of Directors:

The Board of Directors of the Company meets regularly to discuss the operational and financial performance of the Company and that of its Subsidiary Companies. The Board periodically reviews the compliance reports pertaining to all laws and regulations applicable to the Company as well as takes steps to get instances of non-compliances, if any, rectified.

i. Composition and Category of Directors:

As on 31st March, 2020, the Company's Board comprised of 6 (six) Directors, of which 3 (three) are Independent Non-Executive Directors. The Company has complied with the requirement of Woman Director pursuant to the provisions of Section 149 of the Companies Act 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Directors possess expertise in the financial services sector. The composition of the Board and category of Directors as on 31st March, 2020 was as follows:

Name of the Directors	DIN	Category
Mr. Brij Gopal Daga	00004858	Independent Non- Executive Director
Mr. K A Somasekharan	01573721	Independent Non- Executive Director
Mrs. Jhuma Guha	00007454	Non- Executive Director
Mr. Gurmeet Mohan Singh*	03294406	Non- Executive Director
Mr. D. Sivanandhan	03607203	Independent Non- Executive Director
Mr. Anand Kamalkishore Maliwal**	07474039	Additional and Non- Executive Director

*Mr. Gurmeet Mohan Singh has resigned from the Directorship, which was accepted by the Board of Directors on 28th May, 2020.

**The Nomination and Remuneration Committee of the Company had recommended to the Board the appointment of Mr. Anand Kamalkishore Maliwal as an Additional and Non- Executive Director of the Company on 28th January, 2020 and the same was approved by the Board at the Board Meeting held on the same day. The appointment is proposed to be regularized subject to the approval of the Members at the ensuing Annual General Meeting.

ii. List of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board and the names of directors who have such skills / expertise / competence:

Core skills/expertise/competencies	Mr. Brij Gopal Daga	Mr. K A Somasekharan	Mrs. Jhuma Guha	Mr. Gurmeet Mohan Singh	Mr. D. Sivanandhan	Mr. Anand Kamalkishore Maliwal
Leadership/Operational Experience	✓	✓	✓	✓	✓	✓
Strategic Planning	✓	✓	✓	✓	✓	✓
Sector/Industry Knowledge & Experience, Development and Innovation	✓	✓	✓	✓	✓	✓

Core skills/expertise/competencies	Mr. Brij Gopal Daga	Mr. K A Somasekharan	Mrs. Jhuma Guha	Mr. Gurmeet Mohan Singh	Mr. D. Sivanandhan	Mr. Anand Kamalkishore Maliwal
Technology	✓	✓	✓	✓	✓	✓
Financial, Regulatory/ Legal Risk Management & Compliance	✓	✓	✓	✓	✓	✓
Corporate Governance	✓	✓	✓	✓	✓	✓
Culture Building/People Management	✓	✓	✓	✓	✓	✓

iii. Attendance of each Directors at the Board Meetings and last Annual General Meeting (AGM) and number of other Directorships and Committees in which a Director is a Member or Chairperson as on 31st March, 2020:

Name of the Director	No of Board Meetings which Director was entitled to attend	Attendance at meetings held during 2019-2020		No. of other Directorship	Committees in which a Director is a Member or Chairperson	Listed Entities where the person is a Director and the category of directorship
		Board Meetings	Last AGM held on 25th July, 2019			
Mr. Brij Gopal Daga	5	3	Yes	7	As Member-9 As Chairman-3	Wall Street Finance Limited- Non Executive Independent Director
Mr. K A Somasekharan	5	5	Yes	5	As Member-3 As Chairman-5	Nil
Mrs. Jhuma Guha	5	5	Yes	5	As Member- 1 As Chairman-NIL	Nil
Mr. Gurmeet Mohan Singh	5	4	Yes	7	As Member- 1 As Chairman-NIL	Nil
Mr. D. Sivanandhan	5	3	Yes	14	As Member- 7 As Chairman-2	i) Kirloskar Industries Limited- Non Executive Independent Director ii) RBL Bank Limited- Non Executive Independent Director iii) Forbes & Company Limited- Non Executive Independent Director iv) United Spirits Limited- Non Executive Independent Director
Mr. Anand Kamalkishore Maliwal	1	1	NA	Inditrade Commodities Trading Limited	As Member-NIL As Chairman-NIL	Nil

Notes:

- Number of Board Meetings held during the Financial Year 2019-2020: 5 (Five)
- The Directorships, held by Directors as mentioned above, do not include Alternate Directorships, and Directorships in Private Limited Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

- There is no relationship between the Directors inter se.
- In accordance with Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships/Chairmanships of only Audit Committees and Stakeholders' Relationship Committee in all public limited companies (excluding Inditrade Capital Limited) have been considered.
- The meetings of the Board of Directors and the above committees have been conducted in the manner as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013.
- As required under SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, there is a requirement to mention separately the names of the listed entities where the person is a Director and the category of such directorship.
- Mr. Gurmeet Mohan Singh has resigned with effect from 28th May, 2020,

iv. Number of Board Meetings held with dates:

During the Financial Year 2019-2020, 5 (five) Board Meetings were held and the details of Board Meetings held are given below:

Date of Board Meeting	Board Strength	Number of Directors Present	% of attendance
10th May, 2019	4	4	100
25th July, 2019	5	5	100
30th September, 2019	5	3	60
11th November, 2019	5	3	60
28th January, 2020	5	4	80

v. Details of Shares/Convertible Instruments held by the Directors

Name of Director	Category	No of Shares/Convertible instruments held
Mr. Brij Gopal Daga	Independent Non Executive Director	Nil
Mr. K A Somasekharan	Independent Non Executive Director	Nil
Mr. D. Sivanandhan	Independent Non Executive Director	Nil
Mrs. Jhuma Guha	Non Executive Director	*5,00,000 Options
Mr. Gurmeet Mohan Singh	Non Executive Director	*1,92,500 Options
Mr. Anand Kamalkishore Maliwal	Non Executive Director	*2,90,000 Options 500 shares

*Note: Employee Stock Options issued to Non-Executive Directors

vi. Code of Conduct of the Board

The Board of Directors has laid down a code of conduct for all the Members of the Board and senior management. The Independent Directors are made aware of their duties and responsibilities and their performance is evaluated by the entire Board apart from the Director, who is subject to evaluation.

vii Independent Directors

During the Financial Year 2019-2020, the Company had three Independent Directors, Mr. Brij Gopal Daga, Mr. K A Somasekharan and Mr D. Sivanandhan. The Company has received declarations from the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has conducted familiarisation programs for its Independent Directors to make them aware of the nature of the industry and their roles, rights, responsibilities. The details of the familiarisation programme and the terms of appointment of the Independent Directors are available on the Company Website-www.inditrade.com.

It is hereby confirmed that in the opinion of the Board of Directors, the Independent Directors fulfill the conditions specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and are independent of the management.

viii. Disclosure of Accounting Treatment

The Company has adopted Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 from April 1, 2019. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

ix. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). Not Applicable

x. A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

The Certificate from a Company Secretary in practice to this effect forms part of the Annual Report. .

xi. Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant Financial Year. Not Applicable

xii. Commodity price risk and Commodity hedging activities. Not Applicable

Board Committees:

Composition of Committees of the Board			
1) Audit Committee		2) Nomination and Remuneration Committee	
<ul style="list-style-type: none"> Mr. Brij Gopal Daga (Independent Non-Executive Director) Mr. K A Somasekharan (Independent Non-Executive Director) Mrs. Jhuma Guha (Non- Executive Director) 		<ul style="list-style-type: none"> Mr. Brij Gopal Daga (Independent Non-Executive Director) Mr. K A Somasekharan (Independent Non-Executive Director) Mrs. Jhuma Guha (Non- Executive Director) 	
3) Stakeholders Relationship Committee		4) Corporate Social Responsibility Committee	
<ul style="list-style-type: none"> Mr. Brij Gopal Daga (Independent Non-Executive Director) Mr. K A Somasekharan (Independent Non-Executive Director) Mrs. Jhuma Guha (Non- Executive Director) 		<ul style="list-style-type: none"> Mr. Brij Gopal Daga (Independent Non-Executive Director) Mr. K A Somasekharan (Independent Non-Executive Director) Mrs. Jhuma Guha (Non- Executive Director) 	

Meetings of Board Committees held during the Financial Year 2019-2020 and attendance:				
Board Committees	Audit Committee	Stakeholders Relationship Committee	Nomination and Remuneration Committee	CSR Committee
Meetings held	4	1	5	2
Number of Meeting and Directors' Attendance				
1. Mr. Brij Gopal Daga	4	1	5	2
2. Mr. K A Somasekharan	4	1	4	2
3. Mrs. Jhuma Guha	4	1	5	2

A. Audit Committee:

i. Brief Description of Terms of Reference

The Audit Committee of the Company analyses the financial position and results of the operations of the Company. It also reviews the significant Related Party Transactions, internal audit reports, internal audit plan and performance

of the internal auditors and statutory auditors. The terms of reference of the Audit Committee, inter alia, includes the following :

- a) Making recommendations for the appointment, remuneration and terms of appointment of auditors of the Company;
- b) Review and monitor the auditor's independence and performance and effectiveness of the audit process;
- c) Examination of the Financial Statement (including of the subsidiaries) and the Limited Review Report/ Auditors' Report thereon;
- d) Ratification of modification, if any, of the related party transactions ;
- e) Valuation of undertakings or assets of the Company, wherever it is necessary;
- f) Evaluation of internal financial controls and risk management systems;
- g) Monitoring the end use of funds raised through public offers and related matters.

ii. Composition, Name of Members and Chairperson of the Committee:

The Audit Committee comprises of Mr. Brij Gopal Daga, Mr. K A Somasekharan and Mrs. Jhuma Guha as Members. The details of the composition of the Audit Committee have been provided earlier. Mr. Brij Gopal Daga (Non-Executive Independent Director) is the Chairman of the Committee. Mr. Vinod Mohan, Company Secretary cum Compliance Officer and Manager of the Company acts as the Secretary to the Audit Committee.

iii. Meetings and Attendance during the Financial Year:

During the Financial Year 2019-2020, 4(four) meetings of the Audit Committee were held and the details of meetings and attendance are given below.

Audit Committee				
Sr. No.	Date of Meeting	Total number of Members as on the date of meeting	Attendance	
			Number of Members attended	% of total members
1.	10th May, 2019	3	3	100
2.	25th July, 2019	3	3	100
3.	11th November, 2020	3	3	100
4.	27th January, 2020	3	3	100
Total No of Meetings : 4			Percentage of Attendance -100	

B. Nomination and Remuneration Committee:

i. Brief Description of Terms Of Reference

The terms of reference of the Nomination and Remuneration Committee, inter alia, includes the following:

- 1) to review the overall compensation policy, service agreements and other employment conditions of Managing/ Whole-time Director(s) and Senior Management (one level below the Board);
- 2) to help in determining the appropriate size, diversity and composition of the Board;
- 3) to recommend to the Board appointments/reappointment and removal of Directors/ KMP;
- 4) to frame a criteria for determining qualifications, positive attributes and independence of Directors;
- 5) to recommend to the Board the remuneration payable to the Directors;
- 6) to create an evaluation framework for Independent Directors and the Board;
- 7) to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- 8) to assist in developing a succession plan for the Board;

- 9) to assist the Board in fulfilling responsibilities entrusted from time-to-time
- 10) to issue options under the Employee Stock Option Scheme
- 11) to delegate any of its powers to any Member of the Committee or the Compliance Officer.

ii. Composition, Name of Members and Chairperson of the Committee:

Nomination and Remuneration Committee comprises of Mr. Brij Gopal Daga, Mr. K A Somasekharan and Mrs. Jhuma Guha as Members. Mr. K A Somasekharan, (Non-Executive Independent Director) is the Chairman of the Committee. All the Members in the Nomination and Remuneration Committee are Non-Executive Directors.

iii. Meetings and Attendance during the Financial Year:

During the year under review, 5 (five) meetings of the Nomination and Remuneration Committee were held and the details of meetings and attendance have been provided below:

Nomination and Remuneration Committee				
Sr. No.	Date of Meeting	Total number of Members as on the date of meeting	Attendance	
			Number of Members attended	% of total members
1.	10th May, 2019	3	3	100
2.	25th July, 2019	3	3	100
3.	11th November, 2019	3	3	100
4.	27th January, 2020	3	3	100
5.	12th March, 2020	3	2	66.67
Total No of Meetings : 5			Percentage of Attendance -93.3	

iv. Nomination and Remuneration Policy:

Your Company is having a well structured Nomination and Remuneration policy which is readily available on the website of the Company. You could refer the same by following the link: <http://www.inditrade.com/policies>

v. Criteria for the evaluation of the performance of the Non Executive Directors and Independent Directors:

The Company has framed a Nomination and Remuneration Policy in accordance with Section 178(3) of the Companies Act, 2013 which provides for the evaluation of the performance of the Directors. The evaluation of the performance of the Directors is made by a rating method, the criteria of which includes, inter alia, the following:

1. Possession of the requisite expertise, experience, industry knowledge etc.
2. Time spent on discussions on strategic and general issues.
3. Monitoring the Company's internal controls.
4. Independence in true letter and spirit in the case of Independent Directors.
5. Demonstration of the highest levels of integrity.

vi. Details of Directors' Remuneration including sitting fees:

The Independent Non-Executive Directors are paid sitting fees for attending the Board and Audit Committee meetings of the Company.

The Non-Executive Directors including the Independent Directors do not have any material pecuniary relationship or transactions with the Company.

Payments, if any, to the Non Executive Directors will be made in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of remuneration including sitting fees paid to Directors during the Financial Year 2019-2020:

Name of the Director	Basic Pay	Perquisites	Sitting Fees	Stock Options granted
Mr. Brij Gopal Daga	Nil	Nil	₹ 1,70,000/-	Nil
Mr. K A Somasekharan	Nil	Nil	₹ 2,50,000/-	Nil
Mr. D. Sivanandhan*	Nil	Nil	₹100,000/-	Nil
Mrs. Jhuma Guha	Nil	Nil	Nil	5,00,000 Options
Mr. Gurmeet Mohan Singh	Nil	Nil	Nil	1,92,500 Options
Mr. Anand Kamalkishore Maliwal	Nil	₹ 18.88 Lakhs (in April and May 2019)	Nil	2,90,000 Options

*Members approval is being sought in the ensuing Annual General Meeting to pay an amount of ₹ 2 lakhs as commission payable to Mr. D. Sivanandhan- Non Executive Independent Director

C. Stakeholders' Relationship Committee:

i. Composition of the Committee:

Stakeholders' Relationship Committee comprises of Mr. Brij Gopal Daga, Mr. K A Somasekharan and Mrs. Jhuma Guha as Members. All the Members of the Committee are Non Executive Directors and Mr. K A Somasekharan, (Non-executive Independent Director) acts as the Chairman of the Committee. Mr. Vinod Mohan, Company Secretary is the Compliance Officer.

ii. Meetings and Attendance during the Financial Year:

During the Financial Year under review, one meeting of the Stakeholders' Relationship Committee was held. The details of the meeting and attendance is given below:

Stakeholders' Relationship Committee				
Sr. No.	Date of Meeting	Total number of Members as on the date of meeting	Attendance	
			Number of Members attended	% of total members
1.	10th May, 2019	3	3	100
Total No of Meetings : 1			Percentage of Attendance -100	

iii. Details of queries and grievances received from the Members and attended by the Company during the Financial Year 2019-2020 are given below:

Pending as on 1st April, 2019	Received during the year	Not solved to the satisfaction of the shareholders during the year	Pending as on 31st March, 2020
Nil	Nil	Nil	Nil

D. Corporate Social Responsibility (CSR) Committee:

The Company as a part of its social commitment and responsibility towards the society has constituted a Corporate Social Responsibility Committee with Mr. Brij Gopal Daga, Mr. K A Somasekharan and Mrs. Jhuma Guha as the Members of the Committee. The details of meetings and attendance are given below:

Corporate Social Responsibility Committee				
Sr. No.	Date of Meeting	Total number of Members as on the date of meeting	Attendance	
			Number of Members attended	% of total members
1.	10th May, 2019	3	3	100
2.	27th January, 2020	3	3	100
Total No of Meetings : 2			Percentage of Attendance -100	

Terms of Reference of Corporate Social Responsibility Committee:

The terms of reference of the Corporate Social Responsibility Committee includes the following:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company.
2. To recommend the amount of expenditure to be incurred on the activities to be undertaken.
3. To monitor the Corporate Social Responsibility Policy of the Company.
4. To consider the Annual Report on CSR activities of the Company forming a part of the Annual Report.

3. General Body Meetings:**i. Details of General Meetings:**

Details of the last three Annual General Meetings are given below:

Details of last three Annual General Meetings (AGM)				
Meeting	Financial Year to which AGM relates	Date & Time	Venue	No of Special Resolution passed
25th	2018-2019	25.07.2019 at 10.30 a.m.	The Renai Cochin, Kochi - 682 025	NIL
24th	2017-2018	03.08.2018 at 10.30 a.m.	The Renai Cochin, Kochi - 682 025	5
23rd	2016-2017	10.08.2017 at 10.30 . a.m	The Renai Cochin, Kochi - 682 025	2

ii. Special Resolutions passed in the last three AGMs, with requisite majority:

Financial Year to which AGM relates	Date of AGM	Particulars
2018-2019	25.07.2019	No Special Resolutions (SR) were passed at this AGM
2017-2018	03.08.2018	<ol style="list-style-type: none"> 1. Amendment of Inditrade Employees Stock Option Plan 2016 (ESOP 2016). 2. Approval for granting Employee Stock Options to the Employees of Subsidiary Companies under ESOP 2016. 3. Approval for granting Employee Stock Options to the Employees of Holding Company under ESOP 2016. 4. Approval for giving loans/ guarantees or providing securities and/or making investments in terms of the provisions of Section 186 of the Companies Act, 2013. 5. Approval for borrowing money, over and above the paid up capital, free reserves and securities premium of the Company.
2016-2017	10.08.2017	<ol style="list-style-type: none"> 1. Approval for amendments in the Employee Stock Option Plan. 2. Approval for granting Employee Stock Options to the employees of Holding Company of the Company under ESOP 2016.

iii. Special Resolutions passed through postal ballot in the Financial Year 2019-2020 with requisite majority:

The Company had not conducted any business through Postal Ballot during the Financial Year 2019-2020.

iv. Special Resolutions proposed to be passed through postal ballot:

After the close of the year and prior to the ensuing Annual General Meeting, the Company does not propose to pass any Special Resolutions through postal ballot.

v. Procedure for Postal Ballot:

Members have the option to vote either by Postal Ballot or through e-voting. Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the enclosed Postal Ballot Form and return the same, duly completed and signed, in the attached self-addressed, postage pre-paid envelope (postage borne by the Company). The duly completed Postal Ballot Form shall reach the Scrutinizer within the prescribed time and the Postal Ballot Form, if any, is received after the aforementioned time period, the same shall not be considered.

In compliance with the provisions of Section 108 and other applicable provisions of the Act read with the related Rules (including any statutory modification thereof, for the time being in force), the Company will also be providing e-voting facility to all its Members to enable them to cast their votes electronically, instead of the Members dispatching the Postal Ballot Form by post. The Company has engaged the services of Central Depository Services Limited (CDSL) for the purpose of providing e-voting facility to all its Members.

M/s. SVJS & Associates, Company Secretaries will be the Scrutinizer for scrutinizing the Postal Ballot and e-voting process. The Scrutinizer will submit his report to the Chairman or any other authorized Director of the Company after the completion of the scrutiny of the Postal Ballots, including e-voting.

The result of the Postal Ballot will be announced at the Registered Office of the Company and will be displayed at the said address and will be available on the Company's website at www.inditrade.com and on website of CDSL at www.evotingindia.com. Such results will also be communicated to the Registrar and Share Transfer Agents of the Company and to the Stock Exchange i.e, BSE Limited.

4. Means of Communication

The Quarterly and Half-yearly/ Annual financial results were forthwith communicated to BSE Limited, where the shares of the Company are listed, as soon as they were approved and taken on record by the Board of Directors. Public notices and financial results were published in leading newspapers. The financial results, Shareholding pattern of the Company and Information pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are also put up on the Company's website www.inditrade.com. Official news releases, if any, and Investor/ Analysts presentations are also uploaded on the Company website, www.inditrade.com.

i. Publication of the financial results in the Financial Year 2019-2020:

Quarter/Annual	Date of Board Meeting to approve the result	Date of Publication	English News Paper	Malayalam Newspaper
Quarter (I)	25.07.2019	27.07.2020	Business Standard	Mangalam
Quarter(II) & Half year	11.11.2019	13.11.2020	Business Standard	Mangalam
Quarter(III)	28.01.2020	30.01.2020	Business Standard	Mangalam
Quarter(IV) & Annual	28.05.2020	NIL*	NA	NA

* SEBI has exempted the publication of advertisements in newspapers as required under the LODR, for information such as notice of the Board Meeting, financial results etc., for all events scheduled till 30th June, 2020 vide SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020.

ii. Website:

The Company's website (www.inditrade.com) contains a separate dedicated section 'Investor Relations' where Members' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

5. General Shareholders Information:

i. Basic Information:

Incorporation Details	The Company is registered in the State of Kerala, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L67120KL1994PLC008265 .		
AGM Date	06th August, 2020		
Time & Venue	10.30 A.M. via Video Conferencing (VC) or Other Audio Visual Means (OAVM)		
Dividend	Not recommended by the Board for the Financial Year 2019-2020		
Dividend Payment Date	NA		
Date of Book Closure	NIL		
Financial Year	1st April, 2019 to 31st March, 2020		
Approval of financial results proposed	QE	30 June, 2020	1st week of August 2020
	QE	30 Sep, 2020	1st or 2nd week of November 2020
	QE	31 Dec, 2020	1st or 2nd week of February 2020
	YE	31 Mar, 2021	3rd or 4th week of May 2021
Listing on Stock Exchanges	BSE Limited		
	The listing fees for the Financial Year 2019-2020 were duly paid to BSE Limited within time.		

ii. Details of Listing with Exchange & Stock Code:

Name and address of the Stock Exchange	Date of Board Meeting to approve the result
BSE Ltd, Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001	532745
ISIN allotted by depositories	INE347H01012

iii. Stock Market Price Data during the Financial Year 2019-2020:

Month	High Price (₹)	Low Price (₹)	Total Turnover (₹)
Apr-2019	46.80	37.05	39,94,928
May-2019	44.00	34.50	32,17,344
Jun-2019	39.75	29.60	35,17,642
Jul-2019	36.20	26.35	37,68,086
Aug-2019	36.90	23.15	26,33,179
Sep-2019	43.35	28.35	24,92,187
Oct-2019	38.00	26.10	14,79,366
Nov-2019	48.00	31.00	49,13,804
Dec-2019	44.00	33.70	28,94,715
Jan-2020	59.50	37.55	1,27,09,013
Feb-2020	48.00	38.60	61,66,055
Mar-2020	40.15	21.40	39,47,096

(Source: This information is compiled from the data available on the website of BSE)

iv. Distribution of Shareholding as on 31st March, 2020:

No. of shares	No. of Shareholders	In percentage	No. of shares	In percentage
001-500	3796	78.3003	563736	2.4139
501-1000	439	9.0553	349793	1.4978
1001-2000	249	5.1361	376653	1.6128
2001-3000	103	2.1246	264605	1.133
3001-4000	53	1.0932	189284	0.8105
4001-5000	30	0.6188	140109	0.5999
5001-10000	81	1.6708	565970	2.4235
10001 & Above	97	2.0008	20903476	89.5085
Total	4848	100.00	2,33,53,626	100

v. Shareholding Pattern as on 31st March, 2020:

Category Code	Category of Shareholder	Number of Shareholders	Total number of shares	As a percentage of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group			
(1)	Indian	3	1,67,60,440	71.77
(2)	Foreign	0	0	0
	Total Shareholding of Promoter and Promoter Group	3	1,67,60,440	71.77
(B)	Public Shareholding			
(1)	Institutions	2	43,294	0.19
(2)	Non-institutions	4745	64,82,767	27.76
	Total Public Shareholding	4747	65,26,061	27.94
(C)	Shareholding Pattern of the Non Promoter- Non Public shareholder			
(1)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	1	67125	0.29
	Grand Total(A)+(B)+(C)	4751	2,33,53,626	100.00

vi. Share transfer system:

The Company has appointed M/s. Big Share Services (P) Ltd as its Registrar & Transfer Agents. Share transfers, if any, are processed and approved, subject to the receipt of all requisite documents.

The Company seeks to ensure that transfers, if any, are approved for registration within the stipulated period. The transfer of shares in physical form, if any, is processed and completed by the Registrar & Transfer Agent within a period of seven days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants.

Pursuant to Regulation 40 (9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificates on half-yearly basis have been issued by a Practicing Company Secretary for due compliance of share transfer formalities by the Company.

Pursuant to SEBI (Depositories and Participants) Regulations, 2018, certificates have also been received from a Practicing Company Secretary for timely dematerialization of the shares of the Company and for conducting a Reconciliation of Share Capital Audit on a quarterly basis for reconciliation of the share capital of the Company.

vii. Dematerialization of Shares:

The Company has admitted its shares to the depository system of NSDL and CDSL for dematerialization. As on 31st March, 2020, 99.93% of shares of the Company have been dematerialized.

Shares held in demat and physical mode as on 31st March, 2020 are as below:

Mode of holding	Shareholding	% to total paid up share capital
NSDL	2,15,80,299	92.41
CDSL	1,756,634	7.52
Physical	16,693	0.07
Total	2,33,53,626	100

viii. Equity Shares in the Suspense Account:

In terms of disclosure to be made under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company reports the following details in respect of equity shares lying in the suspense account which was issued in demat form and physical form, respectively:

Particulars	Number of Shareholders	Number of Equity shares
Aggregate Number of Shareholders and the outstanding shares in the suspense account lying as on 1st April, 2018	1	450
Number of Shareholders who approached the Company for transfer of shares from suspense account during the Financial Year	0	0
Number of Shareholders to whom shares were transferred from the suspense account during the Financial Year	0	0
Aggregate Number of Shareholders and the outstanding shares in the suspense account lying as on 31st March, 2019	1	450

Note: The voting right on these shares lying in the Demat Suspense Account shall remain frozen till the rightful owners of such shares claim the shares.

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

During the year, the Company did not enter into any transaction of material nature with its promoters, the Directors or their relatives or the management except with its subsidiaries, which had omnibus approval from the Audit Committee and the previous approval of the Members. The details of Related Party Transactions are set out in Notes to Financial Statement,

As required under Regulation 23(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz., <http://www.inditrade.com/policies>

ii. Subsidiary Companies:

The following are the particulars of the Subsidiary Companies of the Company:

Sl. No	NAME OF THE COMPANY	CIN/ GLN	HOLDING / SUBSIDIARY/ ASSOCIATE	% SHARES HELD	APPLICABLE SECTION
1.	Inditrade Fincorp Limited(Formerly known as JRG Fincorp Limited)	U65923KL2007PLC021180	Subsidiary	57 %	2(87)
2.	Inditrade Derivatives and Commodities Limited	U66010KL1996PLC010093	Subsidiary	95.75 %	2(87)
3.	Inditrade Business Consultants Limited	U74140KL2008PLC023055	Subsidiary	99.84 %	2(87)
4.	Inditrade Insurance Broking Private Limited	U67190KL2000PTC013701	Subsidiary	100 %	2(87)
5.	Inditrade Microfinance Limited	U67190MH2016PLC306585	Subsidiary	70.52 %	2(87)
6.	Inditrade Commodities Trading Limited*	U67190TG2011PLC077783	*Step down Subsidiary	0 %	2(87)
7.	Inditrade Housing Finance Limited **	U65999MH2018PLC307208	Subsidiary	100 %	2(87)
8.	Inditrade Community Foundation	U85320KL2018NPL052582	**Subsidiary	20 %	2(87)

*Inditrade Commodities Trading Limited is a Wholly Owned Subsidiary of Inditrade Business Consultants Limited.

**Inditrade Community Foundation is a Company incorporated by the Company along with its subsidiaries for undertaking the CSR activities.

During the Financial Year under review, the below mentioned Companies became the Subsidiaries/ceased to become the subsidiaries of the Company:

Sl. No	Name of the Company	Date of Cessation	% Shares (disposed)	Remarks
1.	Robocash Private Limited (Formerly known as Inditrade Robocash Private Limited)	30th September, 2019	30.70***	Disposal of 15,30,129 equity shares of face value of ₹ 10/- each

***On 30th September, 2019, Company sold 15,30,129 equity shares of ₹ 10/- each of Robocash Private Limited (Formerly known as Inditrade Robocash Private Limited) (CIN: U65100MH2017PTC293986), consequent upon which Robocash Private Limited has ceased to be the subsidiary of the Company with effect from 30th September, 2019. The Company now holds 19.40% of the paid up equity share capital of Robocash Private Limited.

The Company has framed a Policy on Material Subsidiaries which is available in the link: <http://www.inditrade.com/policies>

Pursuant to Regulation 24 of the SEBI (Listing Obligations and Requirements) Regulations, 2015, the Company has appointed Mr. Brij Gopal Daga and Mr. K A Somasekharan, both of whom are Non-Executive Independent Directors of the Company, as the Independent Directors in Inditrade Fincorp Limited (formerly known as JRG Fincorp Limited).

The Company monitors the performance of subsidiary companies, inter alia, by the following means:

- Financial Statements of the subsidiary companies are reviewed regularly by the Company's Audit Committee and the Board.
- Minutes of Board Meetings of Unlisted Subsidiary Companies are placed and taken on record by the Board.

iii. **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years:**

Year	Penalties, Strictures imposed by Stock Exchange or SEBI, or any statutory authority
2018-2019	A monetary penalty of ₹ 1 Lakh was imposed by SEBI on 30th November, 2018 for F&O terminal allotted to 14 sub brokers without taking Authorised Person registration in earlier years.
2019-2020	NSE has levied monetary penalty of ₹3,12,400/- on 23-04-2019 for: <ol style="list-style-type: none"> 1. Non-settlement of client funds & Securities for earlier years 2. Incorrect reporting of margin collected from clients in F&O and CD segments for earlier years. 3. single email id/mobile number mapped to multiple clients

iv. **Vigil Mechanism / Whistle Blower Policy:**

The Company has adopted the Vigil Mechanism/ Whistle Blower Policy pursuant to which employees of the Company can raise their concerns relating to fraud, malpractice or any other untoward activity or event, if any, purported to be against the interests of the Company or society as a whole.

v. **Adoption of Requirements of Regulations 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015:**

The Company has complied with all applicable requirements of Regulations 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

vi. **Website**

The Company is maintaining a functional website where all material information about the Company is shared. All information as specified in the clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 is available in the Company Website at <http://www.inditrade.com/>

vii. **Adoption of Discretionary Requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015**

The Company has adopted the following non-mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

a. **Modified opinion(s) in audit report:**

During the period under review, there was no audit qualification in the Financial Statements. The Company continues to adopt the best accounting practices and has complied with the relevant Accounting Standards.

b. **Reporting of internal auditor:**

The internal auditor of the Company reports directly to the Audit Committee.

viii. **The details of fees paid to Statutory Auditors by the Company and its subsidiaries for the Financial Year 2019-2020 are as follows:**

Nature of Service	2019-2020 (₹ in Lakhs)
Statutory Audit Fees	26.20
Certification fee	1.705
Total	27.905

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

The Company has in place the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress any complaint regarding sexual harassment.

The following is a summary of sexual harassment complaints received and disposed off during the year 2019-2020:

No. of complaints at the beginning of the year 2019-2020: NIL

No. of complaints received during the year 2019-2020: NIL

No. of complaints disposed off during the year 2019-2020: NA

No. of complaints at the end of the year 2019-2020: NIL

BANK DETAILS

Members holding shares in physical form are requested to notify the following to the Registrar & Transfer Agents particulars of their bank account – name of the bank, branch with complete postal address, account number, MICR and IFSC to facilitate electronic payment.

Members holding shares in Dematerialised form and not opted for remittance of dividend through NECS are requested to notify the above details to their respective Depository Participants [DPs].

CFO Certification:

CFO of the Company gives quarterly/annual certification on financial reporting and internal controls to the Board in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The CFO of the Company also gives quarterly certification on the financial results while placing the financial results before the Board in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Declaration for compliance with the Code of Conduct:

In accordance with Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance to the Code of Conduct for the Financial Year ended 31st March, 2020.

**For and on behalf of the Board
of Directors of Inditrade Capital Limited**

Sd/-	Sd/-
Jhuma Guha	Anand Kamalkishore Maliwal
Director	Director
DIN: 00007454	DIN: 07474039

Date: 28th May, 2020

Place: Mumbai

Address for Correspondence -

Registered Office of the Company	Registrar and Share Transfer Agent
Inditrade Capital Limited Second Floor, M E S Building, Kaloore, Kochi Ernakulam Kerala 682017	Bigshare Services Pvt. Ltd. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai 400059 Maharashtra Board No. : 022 62638200
For queries relating to Secretarial	For queries relating to Financial Statements
Mr. Vinod Mohan Company Secretary Ph No. : + 91 9895213707 E mail: vinod.mohan@inditrade.com	Mr. Naveen Kumar Jain Chief Financial Officer Ph No. : + 91 9930128542 E mail: naveen.jain@inditrade.com

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members of
Inditrade Capital Limited
Second Floor, M E S Building
Kaloor, Kochi, Ernakulam
Kerala - 682017

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Inditrade Capital Limited** having CIN: L67120KL1994PLC008265 and having its registered office at Second Floor, M E S Building, Kaloor, Kochi, Ernakulam, Kerala - 682017 (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, the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 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.

Sl. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Brij Gopal Daga	00004858	15/02/2016
2	Mrs. Jhuma Guha	00007454	15/02/2016
3	Mr. Kerachan Ayyappan Somasekharan	01573721	15/02/2016
4	Mr. Gurmeet Mohan Singh	03294406	01/09/2016
5	Mr. Sivanandhan Dhanushkodi	03607203	10/05/2019
6	Mr. Anand Kamalkishore Maliwal	07474039	28/01/2020

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 CaesarPintoJohn & Associates LLP
Company Secretaries

Sd/-
Nikhil George Pinto
Partner
M. No. 39471
CP. No. 16059
UDIN: A039471B000332271

Kochi
10 June 2020

To
The Board of Directors/Audit Committee
Inditrade Capital Limited
Second Floor, M E S Building, Kaloor, Kochi
Ernakulam Kerala 682017

Dear Sirs/Madam,

CHIEF FINANCIAL OFFICER CERTIFICATE

[Issued in accordance with the provisions of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I hereby certify that I have reviewed the Financial Statements and Cash flow Statements (Consolidated and Standalone) of the Company for the Financial Year ended 31st March, 2020 and to the best of my knowledge and belief state that:

1. 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, applicable laws and regulations.
2. There are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. I accept the responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, of which I was aware and the steps have been taken to rectify these deficiencies.
4. I have indicated to the Auditors and the Audit Committee :
 - a) That there were no significant changes in internal control over the financial reporting during the reporting period.
 - b) That significant changes in accounting policies during the year, if any have been disclosed in the notes to the financial statements;
 - c) There are no instances of significant fraud of which I 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.

For Inditrade Capital Limited

Date : 28th May, 2020
Place : Mumbai

Naveen Kumar Jain
Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Inditrade Capital Limited

We have examined the compliance of conditions of Corporate Governance of Inditrade Capital Limited, for the year ended March 31, 2020 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

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

In our opinion and to the best of our information and according to the explanations given to us,

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing 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 BVR& ASSOCIATES COMPANY SECRETARIES LLP

Place: Kochi
Date: 12/06/2020

CS Vijay S
Designated Partner
C.P No: 8268
Membership No: 7873
UDIN: F007873B000336850

INDEPENDENT AUDITOR'S REPORT

To the Members of
Inditrade Capital Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1.	<p>Transition to Ind AS accounting framework (as described in note 2(a) of the standalone Ind AS financial statements)</p> <p>The Company has adopted Ind AS notified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, from April 01, 2019 and the effective date of such transition is April 01, 2018.</p> <p>Accordingly, for transition to Ind AS, the Company has prepared its standalone Ind AS financial statements for the year ended March 31, 2020, together with the comparative financial information for the previous year ended March 31, 2019 and the opening Balance Sheet as at April 1, 2018 under Ind AS.</p>	<p>We have performed the following audit procedures, among others, in order to obtain sufficient audit evidence:</p> <ul style="list-style-type: none"> Assessed the Company's process to identify the impact of adoption and transition to Ind AS. Evaluated the design of internal controls and tested the operating effectiveness of key internal controls around the process of preparation of standalone Ind AS financial statements; Reviewed the mandatory and optional exemptions and exceptions allowed by Ind AS and availed by the Company applying the first-time adoption principles of Ind AS 101; Obtained an understanding of the governance over the determination of key judgments;

Sr. No.	Key audit matters	How our audit addressed the key audit matter
	In view of significant degree of management judgment involved in the implementation of Ind AS framework and significance of various disclosures, the transition to Ind AS accounting framework has been identified as an area of key focus in our audit of the standalone Ind AS financial statements.	<ul style="list-style-type: none"> • Evaluated and tested the key assumptions and judgments adopted by management in line with principles under Ind AS; • Assessed the disclosures made against the relevant Ind AS; and • Determined the appropriateness of the methodologies and models used along with the reasonability of the outputs.

Emphasis of Matter

We draw attention to Note 2(e) to the standalone Ind AS financial statements, which describes that the extent to which the COVID-19 pandemic will impact the Company's operations and financial performance will depend on future developments, which are uncertain.

Our opinion is not modified in respect of this matter.

Other Information

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw

attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Other Matter

The comparative financial information of the Company for the year ended March 31, 2019 and the transition date opening balance sheet as at April 01, 2018 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us whose report for the year ended

March 31, 2018 and March 31, 2019 dated May 18, 2018 and May 10, 2019 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e. On the basis of the written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of section 164(2) of the Act;

- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";
- g. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

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

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 35 on Contingent Liabilities to the standalone Ind AS financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Haribhakti & Co. LLP**
Chartered Accountants

ICAI Firm Registration No.103523W/W100048

S. Sundararaman
Partner

Place: Chennai
Date: May 28, 2020

Membership No.028423
UDIN: 20028423AAAAEJ2691

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Inditrade Capital Limited on the standalone Ind AS financial statements for the year ended March 31,2020]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of fixed assets to cover all the items in a phased manner over a period of 3 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property and hence paragraph 3(i)(c) is not applicable.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) The Company has granted loans to companies covered in the register maintained under section 189 of the Act.
 - (a) The terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.
 - (b) The schedule of repayment of principal and payment of interest in respect of such loans has been stipulated and the repayments or receipts of principal amounts and interest are regular.
 - (c) In respect of the aforesaid loans, there is no overdue amount in respect of loans granted to companies listed in the register maintained under section 189 of the Act.
- (iv) The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of section 148 of the Act and the rules framed there under.
- (vii) (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax (GST), cess and any other material statutory dues applicable to it except that there have been slight delay in few cases. During the year 2017-18, sales tax, value added tax and service tax subsumed in GST and are accordingly reported under GST.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues outstanding with respect to, income tax, service tax and GST on account of any dispute, are as follows:

Name of statute	Nature of dues	Amount (₹ in Lacs)	Period to which the amount related	Forum where dispute is pending
Income Tax Act, 1961	Income tax	103.19	Assessment Year 2008-09	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income tax	133.84	Assessment Years 2008-09, 2009-10, 2010-11, 2017-18	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax	66.12	Financial Years 2010-11 to 2013-14	Commissioner (Appeals) of Central Excise and Customs

- (viii) During the year the Company has not taken any loans or borrowings from any financial institution, bank or government nor has it issued any debentures. Accordingly, clause 3(viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) or term loans during the year. Accordingly, clause 3(ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) Managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.
- (xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under the review. Therefore, clause 3(xiv) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W/W100048

S. Sundararaman
Partner

Place: Chennai
Date: May 28, 2020

Membership No.028423
UDIN: 20028423AAAAEJ2691

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Inditrade Capital Limited on the Ind AS financial statements for the year ended March 31, 2020]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Inditrade Capital Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the 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 with reference to financial statements 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 (the "Guidance Note") 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to financial statements was established and maintained and

if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **Haribhakti & Co. LLP**
Chartered Accountants

ICAI Firm Registration No.103523W/W100048

S. Sundararaman
Partner

Place: Chennai
Date: May 28, 2020

Membership No.028423
UDIN: 20028423AAAAEJ2691

STANDALONE BALANCE SHEET

AS AT 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
I ASSETS				
Financial assets				
(a) Cash and cash equivalents	4	18.85	82.41	1,605.04
(b) Bank balance other than Cash and cash equivalents	5	34.56	25.32	1,242.87
(c) Receivables	6			
Other receivables		-	-	1,368.59
(d) Loans	7	-	871.48	325.58
(e) Investments	8	8,507.30	7,413.42	5,105.84
(f) Other financial assets	9	727.75	587.92	975.98
Non-financial Assets				
(a) Deferred tax assets (net)	10	308.45	334.30	258.01
(b) Property, plant and equipment	11	40.42	26.59	128.39
(c) Intangible Assets	11	-	-	5.69
(d) Other non-financial assets	12	137.39	159.54	272.34
Total assets		9,774.72	9,500.98	11,288.33
II LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
(a) Payables				
Other payables	13			
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	9.89	2,517.26
(b) Borrowings	14	743.87	-	-
(c) Other financial liabilities	15	60.25	305.13	297.61
Non-financial liabilities				
(a) Current tax liabilities (net)	10	22.85	57.14	-
(b) Provisions	16	-	-	33.46
(c) Other non-financial liabilities	17	1.35	17.78	107.38
Total liabilities		828.32	389.94	2,955.71
Equity				
(a) Equity share capital	18	2,328.65	2,328.65	2,328.55
(b) Other equity	19	6,617.75	6,782.39	6,004.07
Total equity		8,946.40	9,111.04	8,332.62
Total liabilities and equity		9,774.72	9,500.98	11,288.33

See accompanying notes forming part of the standalone financial statements.

As per our report attached of even date
For Haribhakti & Co. LLP
 Chartered Accountants
 ICAI Firm Reg.No. 103523W/W100048

S. Sundararaman
 Partner
 Membership No: 028423

Place: Chennai
 Date: 28 May 2020

For and on behalf of the Board of Directors of
Inditrade Capital Limited

Brij Gopal Daga
 Director
 DIN:00004858

Vinod Mohan
 Manager cum Company Secretary
 Place: Mumbai
 Date: 28 May 2020

Anand Kamalkishore Maliwal
 Director
 DIN:07474039

Jhuma Guha
 Director
 DIN:00007454

Naveen Kumar Jain
 Chief Financial Officer

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Particulars	Note No	For the Year ended March 31, 2020	For the Year ended March 31, 2019
REVENUE FROM OPERATIONS			
(i) Interest Income	20	44.02	93.02
(ii) Net gain on fair value changes	21	-	44.03
(iii) Sale of Services	22	5.43	-
(I) Total revenue from operations		49.45	137.05
Other income	23	239.99	294.01
(II) Total Income		289.44	431.06
Expenses			
(i) Finance Cost	24	54.50	-
(ii) Net loss on fair value changes	25	1.82	-
(iii) Impairment on financial instruments	26	17.95	-
(iv) Employee Benefit Expenses	27	17.26	-
(v) Depreciation, Amortization & Impairment	11	6.45	-
(vi) Other Expenses	28	88.74	-
(III) Total Expenses		186.72	-
(IV) Profit before tax from continuing operations		102.72	431.06
Tax expense	10		
Current tax		22.83	-
For earlier years		(1.28)	-
Deferred Tax		24.93	-
(V) Profit after tax from continuing operations		56.24	431.06
(VI) Profit before tax from discontinued operations	29	27.98	344.99
(Previous year figure includes ₹ 800 Lacs being Profit on sale of discontinued business)			
Tax Expense of discontinued operations		4.67	43.75
(VII) Profit after tax from discontinued operations		23.31	301.24
(VIII) Profit for the period		79.55	732.30
(IX) Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss		-	(11.22)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Subtotal (A)		-	(11.22)
(B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		-	-
Other Comprehensive Income (A + B)		-	(11.22)
(X) Total Comprehensive Income for the period		79.55	721.08
(XI) Earnings per equity share (for continuing operations)			
Basic and Diluted (₹)	30	0.24	1.85
(XII) Earnings per equity share (for discontinuing operations)			
Basic and Diluted (₹)	30	0.10	1.29
(XIII) Earnings per equity share (for continuing and discontinuing operations)			
Basic and Diluted (₹)	30	0.34	3.14

See accompanying notes forming part of the standalone financial statements.

As per our report attached of even date
For Haribhakti & Co. LLP
 Chartered Accountants
 ICAI Firm Reg.No. 103523W/W100048

S. Sundararaman
 Partner
 Membership No: 028423

Place: Chennai
 Date: 28 May 2020

For and on behalf of the Board of Directors of
Inditrade Capital Limited

Brij Gopal Daga
 Director
 DIN:00004858

Vinod Mohan
 Manager cum Company Secretary
 Place: Mumbai
 Date: 28 May 2020

Anand Kamalkishore Maliwal
 Director
 DIN:07474039

Jhuma Guha
 Director
 DIN:00007454

Naveen Kumar Jain
 Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

A. Equity Share Capital (Refer Note 18)

Particulars	As at April 01, 2018	Movement during the year	As at March 31, 2019	Movement during the year	As at March 31, 2020
Paid up Equity share capital	2,328.55	0.10	2,328.65	-	2,328.65

B. Other Equity (Refer Note 19)

Particulars	Reserve and Surplus					Items of other comprehensive income	Total
	Securities Premium Account	Capital reserve	General Reserve	Share based payments reserves	Retained earnings	Remeasurements of the net defined benefit plans	
Opening Balance as at April 01, 2018	4,973.22	719.55	129.59	65.75	115.96	-	6,004.07
Profit for the year	-	-	-	-	732.30	-	732.30
Other comprehensive income for the year	-	-	-	-	-	(11.22)	(11.22)
Securities premium on issue of shares	0.28	-	-	-	-	-	0.28
Share based payment expenses	-	-	-	56.96	-	-	56.96
Closing balance as at March 31, 2019	4,973.50	719.55	129.59	122.71	848.26	(11.22)	6,782.39
Profit for the year	-	-	-	-	79.55	-	79.55
Other comprehensive income for the year	-	-	-	-	-	-	-
Transition adjustment	-	-	-	-	(4.49)	-	(4.49)
Dividend including Dividend distribution tax	-	-	-	-	(281.55)	-	(281.55)
Share based payment expenses	-	-	-	41.85	-	-	41.85
Closing balance as at March 31, 2020	4,973.50	719.55	129.59	164.56	641.77	(11.22)	6,617.75

See accompanying notes forming part of the standalone financial statements

As per our report attached of even date
 For Haribhakti & Co. LLP
 Chartered Accountants
 ICAI Firm Reg.No. 103523W/W100048

S. Sundararaman
 Partner
 Membership No: 028423

Place: Chennai
 Date: 28 May 2020

For and on behalf of the Board of Directors of
 Inditrade Capital Limited

Brij Gopal Daga
 Director
 DIN:00004858

Vinod Mohan
 Manager cum Company Secretary
 Place: Mumbai
 Date: 28 May 2020

Anand Kamalkishore Maliwal
 Director
 DIN:07474039

Jhuma Guha
 Director
 DIN:00007454

Naveen Kumar Jain
 Chief Financial Officer

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
A. Cashflow from Operating activities		
Profit before tax	130.70	776.05
Depreciation, Amortization and Impairment	6.45	41.59
Net (Gain)/Loss on Fair Value Changes	1.82	(44.03)
Loss/(profit) on derecognition of Property, plant and Equipment (net)	(0.53)	(0.37)
Unrealized foreign exchange (gain) (net)	(15.10)	(12.20)
Provisions / liabilities no longer required written back	(152.98)	(30.56)
Share based payment expense	(27.98)	22.60
Derecognition of Right Of Use Asset and Lease Liability	(3.56)	-
Gain on Sale of Business	-	(800.00)
Operating profit before working capital changes	(61.18)	(46.92)
Movements in Working capital:		
Decrease/(increase) in loans	886.58	(533.69)
Decrease/(increase) in Other financial assets	(70.00)	481.00
Decrease/(increase) in Other receivables	-	402.05
Decrease/(increase) in other non-financial assets	22.15	97.80
Decrease/(increase) in bank deposits	(9.25)	1,217.55
Increase/(decrease) in payables	(9.89)	(535.45)
Increase/(decrease) in other financial liabilities	(91.89)	85.26
Increase/(decrease) in non-financial liabilities	(16.43)	(89.60)
Increase/(decrease) in other provision	-	(1.45)
Cash generated from operations	650.09	1,076.55
Direct taxes paid (net of refunds)	(60.51)	(62.91)
Net cash flows from/(used in) operating activities (A)	589.58	1,013.64
B. Cashflow from Investing activities		
Purchase of Shares	(1,249.20)	(2,738.91)
Sale of Shares	153.51	475.35
Purchase of Property, Plant and Equipment and Intangible Assets	(24.00)	(2.21)
Proceeds from Sale of Property, Plant and Equipment and Intangible Assets	4.24	0.37
Proceeds from Sale of Broking Business	-	1,150.37
Net cash flows from/(used in) investing activities (B)	(1,115.45)	(1,115.03)

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
C. Cashflow from Financing activities		
Proceeds from Borrowings	743.87	1,731.00
Repayments of Borrowings	-	(1,731.00)
Proceeds from Issue of Share Capital	-	0.38
Dividend Paid (including DDT)	(281.56)	-
Net cash flows from/(used in) financing activities (C)	462.31	0.38
Net increase in cash and cash equivalents (A+B+C)	(63.56)	(101.01)
Cash and cash equivalents at the beginning	82.41	1,605.04
Decrease in Cash and cash equivalents on account of sale of broking business	-	(1,421.62)
Cash and cash equivalents at the end of the year	18.85	82.41
Components of cash and cash equivalents		
Cash and cash equivalents at the end of the year	As at March 31, 2020	As at March 31, 2019
Balances with banks (of the nature of cash and cash equivalents)	18.85	82.41
Total	18.85	82.41

See accompanying notes forming part of the standalone financial statements.

As per our report attached of even date
 For Haribhakti & Co. LLP
 Chartered Accountants
 ICAI Firm Reg.No. 103523W/W100048

S. Sundararaman
 Partner
 Membership No: 028423

Place: Chennai
 Date: 28 May 2020

For and on behalf of the Board of Directors of
 Inditrade Capital Limited

Brij Gopal Daga
 Director
 DIN:00004858

Vinod Mohan
 Manager cum Company Secretary
 Place: Mumbai
 Date: 28 May 2020

Anand Kamalkishore Maliwal
 Director
 DIN:07474039

Jhuma Guha
 Director
 DIN:00007454

Naveen Kumar Jain
 Chief Financial Officer

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Significant Accounting Policies

1 Corporate Information

Inditrade Capital Limited ("the Company") was incorporated on 17 October 1994. During the previous year, the company had sold its principal operating business of equity broking. The company continues to hold investments in subsidiaries engaged in varied businesses.

2 Basis of preparation and presentation

a. Statement of compliance

The financial statements of the company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time ('Ind AS Rules') and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The financial statements for the year ended 31st March, 2020 are the first financial statements that the Company has prepared under Ind AS. For all periods up to and including the year ended 31st March, 2019, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP"), and the provisions of the RBI as applicable. The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Accounting Standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated. The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities.

The financial statements were authorised for issue by the Company's Board of Directors on 28-05-2020.

b. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts are presented in lacs, unless otherwise indicated.

c. Presentation of financial statements

These financial statements have been presented in accordance with the format prescribed for Non-Banking Finance Companies under the Companies (Indian Accounting Standards) Rules, 2015, in division III of Notification no. GSR. 1022 (E) dated 11th October 2018, issued by Ministry of Corporate Affairs, Government of India.

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in notes to the financial statements. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

d. Critical accounting estimates and judgements

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. The estimates used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results could differ from estimates. Any revision

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

to the accounting estimates is recognised prospectively in the current and future periods. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is given below:

>> Business model assessment

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

>> Fair value of financial instruments

The fair value of financial instruments 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 another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility. For further details about determination of fair value please see Fair value note in accounting policy.

>> Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

>> Provisions and liabilities:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

e. Uncertainty on account of COVID-19 pandemic

The spread of SARS-CoV-2 virus (referred as 'COVID-19') across the globe and in India has contributed to a significant decline and volatility in global and Indian financial markets and a contraction in the economic activities. On March 11, 2020, COVID-19 outbreak was declared as a global pandemic by the World Health Organisation. The Indian Government announced a strict 21 day lockdown on March 24, 2020, which is being extended from time to time with or without relaxations across the country based on the severity of the spread at local levels.

The extent to which the COVID-19 pandemic will impact the operations and financial performance of the Company and consequently the estimates and judgements made, could vary on future developments, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact, whether government-mandated or elected by the Company, which are uncertain as at the date of approval of these financial results. The company continues to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future period. However, considering the overall condition of the economy and the interventions of the Government to ensure revival of economic activity, the company does not consider that there is any uncertainty regarding the assumption of Going Concern.

3 Significant Accounting Policies

The significant accounting policies applied in preparation of the financial statements are as given below:

3.1 Financial Instruments

3.1.1 Financial Assets

A. Initial recognition and measurement

All financial assets are recognized initially at fair value, which is normally the transaction price. Transaction costs that are directly attributable

to the acquisition of financial assets (other than financial assets at fair value through Statement of Profit or Loss ('FVTPL')) are added to the fair value of the financial assets, on initial recognition. Such transaction cost includes all fees paid or received between parties to the contract that would not have been incurred if the entity had not acquired the financial asset. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognized immediately in Statement of Profit and Loss.

B. Subsequent Measurement

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

- Financial assets measured at amortized cost
- Financial assets measured at fair value through other comprehensive income (FVTOCI);
- Financial assets measured at fair value through profit or loss (FVTPL);

The classification depends on the contractual terms of the financial assets' cash flows and the company's business model for managing financial assets.

Business model assessment

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

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

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest ('SPPI') test

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

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

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

a) Financial assets measured at amortized cost

Financial assets are measured at amortized cost if both the following conditions are met:

- Contractual terms of the asset give rise to cash flows on specified dates, that

represent Solely Payments of Principal and Interest on the principal amount outstanding ('SPPI'); and

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows."

Effective Interest Rate (EIR) Method

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Interest income is recognized by applying the effective interest rate to the gross carrying amount of financial assets other than in case of credit-impaired financial assets where EIR is applied to the amortised cost i.e. gross carrying amount of financial assets less provision for impairment.

The EIR is computed:

- As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- By considering all the contractual terms of the financial instrument in estimating the cash flows
- Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flow are recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

b) Financial assets measured at fair value through other comprehensive income (FVTOCI)

Debt Instruments

Financial assets are measured at FVTOCI if both of the following criteria are met:

- Contractual terms of the asset give rise to cash flows on specified dates, that

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

represent Solely Payments of Principal and Interest on the principal amount outstanding ('SPPI'); and

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows as well as selling the asset.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). Upon disposal, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the statement of profit and loss.

Equity Instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Company in a business combination to which Ind AS 103 'Business Combination' applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management and when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation. Such classification is determined on an instrument-by-instrument basis.

Amounts presented in other comprehensive income are not subsequently transferred to the statement of profit and loss. Dividends on such investments are recognised in the statement of profit and loss.

c) Financial assets measured at fair value through profit or loss (FVTPL)

Any financial asset, which does not meet the criteria for categorization as at amortized cost or as at FVTOCI is classified as at FVTPL. Financial assets included within the FVTPL category are measured at fair value and all changes thereto and transaction costs are recognized in the statement of profit and loss.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking.

d) Equity Investment in Subsidiaries and Associates

Investment in subsidiaries are carried at Cost in the Separate Financial Statements as permitted under Ind AS 27.

C. De-recognition of financial assets

De-recognition of financial assets due to substantial modification of terms and conditions:

The Company derecognises a financial asset, such as a loan to customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a de-recognition gain or loss, net of impairment loss, if any, already recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, net of impairment loss, if any, already recorded.

De-recognition of financial assets other than due to substantial modification of terms and conditions:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired.

The Company also derecognises the financial asset if it has transferred the financial asset and the transfer qualifies for de-recognition.

D. Impairment of Financial assets

The Company assesses at the end of each reporting period whether a financial asset or a group of financial assets is impaired and determines the expected credit losses. Equity instruments are not subject to impairment under Ind AS 109.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Expected credit loss (ECL) assessment

The Company records allowance for expected credit losses for all loans, other debt financial assets, together with financial guarantee contracts.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

Write-offs

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

included as finance costs in the statement of profit and loss.

Trade and other payables:

These amounts represent liabilities for goods or services provided to the Company which are unpaid at the end of the reporting period. Trade and other payables falling due within a period of 12 months are presented at its carrying amounts as it approximates fair value due to the short maturity of these instruments. Other payables falling due after 12 months from the end of the reporting period are measured and presented at amortised cost unless designated as fair value through profit and loss at the inception.

Financial liabilities measured at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading or designated as at FVTPL are recognized in the profit or loss.

3.1.2 Financial liabilities

A. Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

B. Subsequent measurement:

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

Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are de-recognised as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and processing fees or sourcing costs that are an integral part of the EIR. The EIR amortization is

C. De-recognition of financial liabilities:

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or Modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

3.1.3 Offsetting

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

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

3.2 Property, plant and equipment

Property plant and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives. Land is not depreciated.

Useful life of assets as per Schedule II:

Asset Description	Estimated Useful Life
Furniture and fittings	10 years
Office equipments	5 years
Computers	3 years
Data Centre	6 years
Electrical fittings	10 years
V-Sat equipments	10 years
Motor Car	8 years
Motor Cycles	10 years

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

Property plant and equipment is de-recognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

3.3 Intangible assets

The Company's other intangible assets mainly include the value of computer software. An intangible asset is

recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, they are carried at cost less accumulated amortisation and impairment losses if any, and are amortised over their estimated useful life on the straight line basis over a 5 year period or the license period whichever is lower.

The carrying amount of the assets is reviewed at each Balance sheet date to ascertain impairment based on internal or external factors. Impairment is recognised, if the carrying value exceeds the higher of the net selling price of the assets and its value in use.

3.4 Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less from the date of acquisition, highly liquid instruments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3.5 Leases

Leases are recognized, measured and presented in accordance with IND AS 116 "Leases".

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

3.6 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in

the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.7 Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable.

Income from other non-financing activity is recognised as per the terms of the respective contract on accrual basis provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

3.8 Employee benefits

Short term employee benefit Plans

All short term employee benefit plans such as salaries, wages, bonus, special awards and medical benefits,

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

which fall due within 12 months of the period in which the employee renders the related service, which entitles him to avail such benefits are recognised on an undiscounted basis, and charged to the statement of profit and loss.

Defined Contribution Plans

Contribution to provident funds are made monthly at a predetermined rate to the regional provident fund commissioner and debited to the statement of profit and loss.

Defined Benefit Plans

Provision is made for gratuity based on actuarial valuation, carried out by an independent actuary as at the balance sheet date using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur.

3.9 Taxes

Current tax

Current tax is provided using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years. Current tax is generally recognized in the statement of profit and loss.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, except when the Deferred Tax Liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. Deferred tax assets are generally recognised for all deductible temporary differences to

the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised Deferred Tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the Deferred Tax Asset to be recovered.

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

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

Current and deferred tax are recognised in the statement of profit and loss, except when they are related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

3.10 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Liabilities and Contingent Assets are not recognized but are disclosed in the notes.

3.11 Discontinued Operations

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss from discontinued operations in the statement of profit and loss.

3.12 Employee share based payments

Stock options granted to the employees under the stock option scheme established are accounted as per the accounting treatment prescribed by the SEBI (Share Based Employee Benefits) Regulations, 2014 issued by Securities and Exchange Board of India. The Company follows the fair value method of accounting for the options and accordingly, the excess of market value of the stock options as on the date of grant over the fair value of the options is recognised as deferred employee compensation cost and is charged to the Statement of Profit and Loss over the vesting period of the options.

3.13 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that

the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability which are accessible to the Company.

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, 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 categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised 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.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

3.14 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. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

3.15 Dividends on ordinary shares

The Group recognises a liability to make cash or non-cash distributions to equity holders of the company when the distribution is authorised and the distribution is no longer at the discretion of the company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.16 Statement of Cash Flows

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

3.17 First Time Adoption - Mandatory Exceptions, Optional Exemptions:

Overall principle

The Company has prepared the opening Standalone Balance Sheet as per Ind AS as of 1st April, 2018 (the transition date) by,

- recognising all assets and liabilities whose recognition is required by Ind AS,

- not recognising items of assets or liabilities which are not permitted by Ind AS,
- by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and
- applying Ind AS in measurement of recognised assets and liabilities.

However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company as detailed below. Since, the financial statements are the first financial statements, the first time adoption - mandatory exceptions and optional exemptions have been explained in detail.

(i) Deemed cost for Property, plant and equipment and Investment properties:

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets as of 1 April, 2018 (transition date) measured as per the previous GAAP as its deemed cost as at the date of transition.

(ii) Determining whether an arrangement contains a lease:

Appendix C to Ind AS 17 requires entity to assess whether contract or arrangement contains a lease. In accordance with same, this assessment should be carried out at the inception of arrangement. However, the company has used exemption under Ind AS 101 and assessed all arrangements based on conditions in place as on date of transition.

(iii) Impairment of financial assets:

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

4 Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Cash on hand	-	-	0.48
Balances with bank*	18.85	82.41	1,604.56
Total	18.85	82.41	1,605.04
* Balances with bank includes the amount in the name of JRG ESOP Trust.	2.86	2.86	2.81

5 Bank balance other than Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Fixed deposits with original maturity for more than 3 months but less than 12 months	34.56	25.32	622.87
Fixed deposits with original maturity for more than 12 months*	-	-	620.00
Total	34.56	25.32	1,242.87
* Includes deposits pledged with banks for guarantees issued by banks in favour of various stock / commodity exchanges			500.00

6 Receivables

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Other receivables			
Receivables considered good - Secured	-	-	189.88
Receivables considered good - Unsecured	-	-	1,167.70
Receivable from exchange	-	-	11.01
	-	-	1,368.59
Receivables which have significant increase in credit risk	-	91.82	47.30
Impairment loss allowance	-	(91.82)	(47.30)
Total	-	-	1,368.59

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

7 Loans

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Loans at amortised cost			
i) Loans repayable on demand*	-	871.48	325.58
ii) Others	210.39	195.29	183.09
Total (A) - Gross	210.39	1,066.77	508.67
Less: Impairment loss allowance	(210.39)	(195.29)	(183.09)
Total (A) - Net	-	871.48	325.58
i) Secured	-	-	-
ii) Unsecured	210.39	1,066.77	508.67
Total (B) - Gross	210.39	1,066.77	508.67
Less : Impairment loss allowance	(210.39)	(195.29)	(183.09)
Total (B) - Net	-	871.48	325.58
Loans in India			
i) Public Sector	-	-	-
ii) Others	-	871.48	325.58
Total - Gross	-	871.48	325.58
Less: Impairment loss allowance	-	-	-
Total - Net	-	871.48	325.58
Loans outside India	210.39	195.29	183.09
Less: Impairment loss allowance	(210.39)	(195.29)	(183.09)
Total - Net	-	-	-
Total (C)	-	871.48	325.58

* Loans repayable on demand bear an interest of 11%p.a. and are given to related parties.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

8 Investments

Particulars	As at March 31, 2020					As at March 31, 2019					As at April 01, 2018				
	At fair value		Through Profit or Loss		Total	At fair value		Through Profit or Loss		Total	At fair value		Through Profit or Loss		Total
	Through other comprehensive income					Through other comprehensive income					Through other comprehensive income				
Equity instruments															
Others	49.82	94.37	-	-	144.19	49.82	-	-	-	49.82	58.82	-	-	-	58.82
Subsidiaries	-	-	8,412.93	8,412.93		-	-	-	-	7,413.42	-	-	-	4,674.50	4,674.50
Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total -Gross (A)	49.82	94.37	8,412.93	8,557.12		49.82	-	7,413.42	7,463.24		58.82	431.33	4,674.50	5,164.65	
(i) Investments outside India	49.82	-	-	-	49.82	49.82	-	-	-	49.82	49.82	-	-	-	49.82
(ii) Investments in India	-	94.37	8,412.93	8,507.30		-	-	-	-	7,413.42	9.00	431.33	4,674.50	5,114.83	
Total - (B)	49.82	94.37	8,412.93	8,557.12		49.82	-	7,413.42	7,463.24		58.82	431.33	4,674.50	5,164.65	
Less: Impairment loss allowance (C)	(49.82)	-	-	(49.82)		(49.82)	-	-	(49.82)		(58.81)	-	-	(58.81)	
Total - Net D= (A)-(C)	-	94.37	8,412.93	8,507.30		-	-	7,413.42	7,413.42		0.01	431.33	4,674.50	5,105.84	

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

9 Other financial assets

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Rental Deposit	12.72	20.64	123.38
Electricity, Telephone and Deposits	14.47	7.44	24.78
Deposit with exchange	289.25	311.25	672.59
Advances to related party	384.76	130.68	151.52
Advance to employees	-	1.90	9.42
Other Advances	-	-	95.12
Advances recoverable in cash or kind	27.55	118.01	58.09
Less: Impairment Loss Allowance	(1.00)	(2.00)	(158.92)
Total	727.75	587.92	975.98

10 Income Tax

The components of income tax expense for the year ended March 31, 2020 and March 31, 2019 are:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current tax	27.50	120.04
Adjustment in respect of current income tax of prior years	(1.28)	-
Deferred tax		
- Deferred tax relating to origination and reversal of temporary differences	32.38	13.46
- MAT Credit Adjustment	(7.45)	(89.75)
Total tax charge	51.15	43.75

Current tax liabilities (net)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Current tax liabilities (net of Advance tax paid)	22.85	57.14	-
Total	22.85	57.14	-

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Reconciliation of the total tax charge:

A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2020 and March 31, 2019 is as follows:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Accounting profit before tax	130.70	776.05
Enacted tax rate in India	26.00%	27.82%
Expected income tax expense at enacted tax rate	33.98	215.90
Tax impact on account of :		
Depreciation under Income-tax Act at different rates	19.89	14.49
Impairment loss on loans and financial assets disallowed	5.08	15.23
Impact due to set off of long term capital gain against long term capital loss in tax books	-	(234.81)
Expenses allowed only on payment basis	-	20.62
Expenses not deductible in determining taxable profits	1.66	10.89
Income not taxable in determining taxable profits	(7.27)	-
Others	(0.91)	1.43
Adjustment in respect of current tax for earlier years	(1.28)	-
Tax expenses pertaining to current year	51.15	43.75
Effective income tax rate	39.13%	5.64%
Income tax expense reported in the statement of profit and loss	51.15	43.75

Deferred Tax Asset (Net)

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

Particulars	As at 31 March 2019	For the year ended March 31, 2020			As at 31 March 2020
	Deferred Tax Assets	Income Statement	OCI	Retained earning	Deferred Tax Assets
Impairment loss allowance	25.54	(6.28)	-	-	19.26
Arising from timing difference in respect of depreciation	87.49	(27.49)	-	-	60.00
Mat credit entitlement	221.27	7.45	-	-	228.72
On account of Fair Valuation of Investments	-	0.47	-	-	0.47
On account of recognition of Right of Use asset and Lease liability	-	0.92	-	(0.92)	-
Total	334.30	(24.93)	-	(0.92)	308.45

Particulars	As at 01 April 2018	For the year ended March 31, 2019			As at 31 March 2019
	Deferred Tax Assets	Income Statement	OCI	Retained earning	Deferred Tax Assets
Provision for gratuity and bonus	13.16	(13.16)	-	-	-
Impairment loss allowance	9.31	16.23	-	-	25.54
Arising from timing difference in respect of depreciation	104.02	(16.53)	-	-	87.49
Mat credit entitlement	131.52	89.75	-	-	221.27
Total	258.01	76.29	-	-	334.30

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

11 Property, plant and equipment, Intangible Assets and Right of Use Asset

Particulars	Motors Vehicles	V-Sat Equipments	Furniture and Fixtures	Electrical Fittings	Office equipment	Computers	Total - Property Plant and Equipment	Other Intangible Assets - Computer Software	Right of Use Asset	Total
Gross block										
Deemed cost as at April 01, 2018	0.01	0.71	41.32	17.04	31.40	37.91	128.39	5.69	-	134.08
Additions	-	-	0.23	0.04	3.19	1.85	5.31	-	-	5.31
Deletions / write off	0.01	0.03	15.59	14.47	20.89	17.37	68.36	5.69	-	74.05
Balance as at March 31, 2019	-	0.68	25.96	2.61	13.70	22.39	65.34	-	-	65.34
Recognition of ROU asset consequent to adoption of IND AS 116 as on 01-04-2019	-	-	-	-	-	-	-	-	28.89	28.89
Additions	-	-	23.00	-	1.00	-	24.00	-	-	24.00
Deletions / write off	-	-	0.31	-	9.40	-	9.71	-	28.89	38.60
Balance as at March 31, 2020	-	0.68	48.65	2.61	5.30	22.39	79.63	-	-	79.63
Accumulated depreciation										
Balance as at April 01, 2018	-	-	-	-	-	-	-	-	-	-
Depreciation	-	0.68	5.31	2.52	8.78	21.46	38.75	2.84	-	41.59
Accumulated depreciation on disposals/write off	-	-	-	-	-	-	-	2.84	-	2.84
Balance as at March 31, 2019	-	0.68	5.31	2.52	8.78	21.46	38.75	-	-	38.75
Accumulated Depreciation on ROU Asset initially recognised as on 01-04-2019	-	-	-	-	-	-	-	-	13.46	13.46
Additions	-	-	4.80	0.05	0.69	0.91	6.45	-	-	6.45
Deletions / write off	-	-	0.28	-	5.71	-	5.99	-	13.46	19.45
Balance as at March 31, 2020	-	0.68	9.83	2.57	3.76	22.37	39.21	-	-	39.21
Net Block										
As at April 1, 2018	0.01	0.71	41.32	17.04	31.40	37.91	128.39	5.69	-	134.08
As at March 31, 2019	-	-	20.65	0.09	4.92	0.93	26.59	-	-	26.59
As at March 31, 2020	-	-	38.82	0.04	1.54	0.02	40.42	-	-	40.42

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS i.e. 1st April, 2018, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. The carrying value as at April 01, 2018 amounting to ₹ 128.39 Lacs of Property, plant and equipment represents gross cost of ₹ 1082.98 Lacs net of accumulated depreciation of ₹ 954.59 Lacs as at March 31, 2018. The Company also had computer software whose carrying value as at 1st April 2018 was ₹ 5.69 Lacs, that represents gross block of ₹ 863.01 Lacs and accumulated depreciation of ₹ 857.32 Lacs.

The company has adopted Ind AS 116, which is effective from April 1, 2019 and applied the standard to its leases, using modified retrospective approach. Accordingly, the company has not restated comparative information, instead, the cumulative effect of initially applying the standard, if any, has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

12 Other non-financial assets

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Tax Payments pending adjustments	97.90	93.45	170.85
Prepaid Expenses	0.62	2.21	56.81
Balance with government authorities	25.74	-	-
Deposit with Provident Fund Authority	7.85	7.85	7.85
Advances for purchases/expenses	-	28.43	4.68
Other Advances	-	-	22.61
Capital Advances	-	20.00	0.25
Advances recoverable in kind	5.28	7.60	9.29
Total	137.39	159.54	272.34

13 Other payables

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro and small enterprises			
- Payable to Clients*	-	-	2,442.88
- Creditors for expenses	-	9.89	74.38
Total	-	9.89	2,517.26

* Includes payable to Inditrade Fincorp Limited (April 1, 2018 - ₹0.51 Lacs) and Inditrade Business Consultants Limited (April 1 - 2018 - ₹25.27 Lacs)

14 Borrowings

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
At amortised cost			
Unsecured			
Loans repayable on demand from related party*	743.87	-	-
Total	743.87	-	-
Borrowings in India	743.87	-	-
Borrowings outside India	-	-	-
Total	743.87	-	-

*Bears an interest rate of 11%p.a.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

15 Other financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Employee Benefits payable	3.39	3.39	15.95
Other expense payable*	17.64	87.29	160.16
Security Deposits	-	83.24	121.50
Other Payable	6.49	131.21	-
Unclaimed dividend	1.77	-	-
Bank overdraft	30.96	-	-
Total	60.25	305.13	297.61

* Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Principal amount remaining unpaid as at the year end	1.89	7.00	9.15
Interest accrued there on and remaining unpaid as at the year end	-	-	-
the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year	-	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	-	-	-
Balance of Micro and Small Enterprises	1.89	7.00	9.15

16 Provisions

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Provision For Employee benefits - Gratuity	-	-	33.46
Total	-	-	33.46

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

17 Other non-financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Income received in advance	-	-	4.41
Statutory dues payable	1.35	17.78	102.97
Total	1.35	17.78	107.38

18 Equity share capital

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital:						
Equity shares of ₹10/- each	40,000,000	4,000.00	40,000,000	4,000.00	40,000,000	4,000.00
Issued, subscribed and paid up capital:						
Equity shares of ₹10/- each, fully paid	23,353,626	2,335.36	23,353,626	2,335.36	23,352,626	2,335.26
Less : Shares held by the Employees Stock option payment trust ("JRG ESOP Trust")(Refer Note no. 38)	(67,125)	(6.71)	(67,125)	(6.71)	(67,125)	(6.71)
Total	23,286,501	2,328.65	23,286,501	2,328.65	23,285,501	2,328.55

a) Reconciliation of number of equity shares and equity share capital

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Balance as at the beginning of the year	23,353,626	2,335.36	23,352,626	2,335.26	23,352,626	2,335.26
Add: Shares issued during the year	-	-	1,000	0.10	-	-
Balance as at the end of the year	23,353,626	2,335.36	23,353,626	2,335.36	23,352,626	2,335.26

Reconciliation of the number of shares outstanding in JRG ESOP Trust

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
At the beginning and at the end of the year	67,125	6.71	67,125	6.71	67,125	6.71

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

b) Terms/ Rights attached to equity shares

The Company has only one class of shares of equity share having a par value of ₹10 per share. Each holder of the equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed (if any) by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of the shares held by Holding Company

Name of Shareholder	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Juno Moneta Technologies Private Limited	16,610,440	71.13%	16,610,440	71.13%	16,610,440	71.13%

d) Details of the shareholders holding more than 5% shares in the Company

Name of Shareholder	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Juno Moneta Technologies Private Limited	16,610,440	71.13%	16,610,440	71.13%	16,610,440	71.13%

For the period of 5 years immediately preceding the date of Balance sheet

- e) Aggregate number & class of shares bought back by the company Nil
- f) Aggregate number & class of shares allotted by the company as fully paid up by way of bonus shares Nil
- g) Aggregate number & class of shares allotted by the company as fully paid up pursuant to contracts without receipt of cash Nil

h) Details of the shares reserved for issue under options

During the financial year 2005-06 the Company had implemented an "Employee Stock Option Plan, 2005" which was subsequently superseded by the "Employees Stock Option Plan, 2008" in the financial year 2007-08. The options granted as per the above schemes were forfeited in earlier years and there were no exercisable options as at the beginning of the financial year 2016-17. However, pursuant to the aforesaid schemes, 67,125 equity shares of ₹10 each were allotted to JRG ESOP Trust which remain with the Trust.

ESOP 2016

During the financial year 2016-17 the said Employees Stock Option Plan, 2008 has been amended to align with the new regulations, viz., the Companies Act, 2013 and SEBI (Share Based Employee Benefits) Regulations, 2014 and to rationalise the provisions within the ESOP framework as originally approved. The scheme post amendment has been renamed as "Inditrade Employees Stock Option Plan 2016 ("ESOP 2016")".

The ESOP 2016 plan was approved on August 30, 2016 at the Annual General Meeting of Shareholders and subsequently considered and actioned upon by the Board of Directors at their meeting held on February 06, 2017 and was effective

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

from the said date. The plan has been further amended at the Annual General Meeting held on August 03, 2018 and actioned upon by the Board of Directors at their meeting held on February 04, 2019 and designated as ESOP 2016 - Plan II for disclosure. The company has approved the grant of a further 12,50,000 stock options on the Nomination remuneration committee meeting held on March 12, 2020. The same has been designated as ESOP 2016 - Plan III for the purpose of disclosure.

The objective of the plan is to encourage ownership of the Company's equity by its employees on an ongoing basis. The ESOP 2016 is intended to reward the employees for their contribution to the successful operation of Inditrade Capital Limited and to provide an incentive to continue contributing to the success of the Company. The basic terms of the options granted under ESOP 2016 plan are as under:

Particulars	ESOP 2016	ESOP 2016 - Plan II	ESOP 2016 - Plan III
Grant Date	07-02-2017	05-02-2019	13-03-2020
Options Granted	794,500	1,291,500	1,226,000
Exercise Price (₹ per option)	₹37.75	₹43.20	₹38.57
Share Price at Grant Date - in ₹	₹36.40	₹40.90	₹36.70
Vesting Period	4 Years (25% for each year)	4 Years (25% for each year)	4 Years (25% for each year)
Exercise Period	3 years from the date of vesting	3 years from the date of vesting	3 years from the date of vesting
Method of Accounting	Fair value method	Fair value method	Fair value method
Weighted average fair value per option - in ₹	₹16.56	₹21.10	₹15.74
Options Vested during the year	198,625	260,600	Nil
Options exercised during the year	Nil	Nil	Nil
Options outstanding at the end of the year	298,500	1,042,400	1,226,000
A description of the method used during the year to estimate the fair values of Options, the weighted average exercise prices and weighted average fair values of Options granted	The fair value of each Option is estimated using the Black Scholes Option Pricing model.		
The significant assumptions used to ascertain the above:	ESOP 2016	ESOP 2016 Plan II	ESOP 2016 Plan III
(i) Risk-free interest rate	6.45%	7.29%	6.11%
(ii) Time to Maturity	4 years	4.5 years	4.5 years
(iii) Expected volatility	61.97%	55.76%	58.30%
(iv) Expected dividends	2.06%	0.00%	2.72%
(v) The price of the underlying shares in market at the time of Option grant - in ₹	₹36.40	₹40.90	₹36.70
Methodology for determination of expected volatility	Annualised standard deviation of the continuously compounded rates of return over a period prior to the date of grant, corresponding with the expected life of the option		

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

19 Other equity

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Surplus in Statement of Profit and Loss	641.77	848.26	115.96
Other comprehensive income			
Remeasurements of the net defined benefit plans	(11.22)	(11.22)	-
Capital Reserve	719.55	719.55	719.55
Securities Premium Reserve	4,973.50	4,973.50	4,973.22
Share Based Payments Reserve	164.56	122.71	65.75
General Reserve	129.59	129.59	129.59
Total	6,617.75	6,782.39	6,004.07

Nature and purpose of Reserves

Capital Reserve:

Capital reserve represents the reserve created on account of non exercise of option within the stipulated time by the erstwhile promoters, to convert equity share warrants into equity shares, hence the amount received from the erstwhile promoters was forfeited and the Board of Directors approved the transfer of the said amount to the credit of capital reserve.

Securities Premium Reserve:

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Share based payments Reserve:

The share based payments reserve is used to recognise the grant date fair value of option issued to employees under employee stock option scheme.

General Reserve:

General reserve represents the transfer of amount from Employee Stock Option outstanding on account of forfeiture.

20 Interest income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest income on Financial Assets measured at Amortised cost		
Interest on loans	35.07	18.78
Interest income from investments	-	24.85
Interest on deposits with banks	8.95	49.39
Total	44.02	93.02

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

21 Net gain on fair value changes

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Net gain/ (loss) on financial instruments at fair value through profit or loss		
On investments	-	44.03
Total Net gain/(loss) on fair value changes	-	44.03
Of the above:		
- Realised	-	44.03
- Unrealised	-	-
Total Net gain/(loss) on fair value changes	-	44.03

22 Sale of services

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Income from depositary participant services	0.13	-
Income from financial distribution support services	5.30	-
Total	5.43	-

23 Other Income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Net gain or loss on foreign currency transaction and translation	15.10	12.20
Profit on derecognition of Property, plant and Equipment	0.53	0.37
Provision written back	152.98	30.57
Other non operating income	71.39	221.29
Interest On income tax refund	-	29.58
Total	239.99	294.01

24 Finance cost

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest expense on Financial liabilities measured at amortised cost		
- Interest on Loans from institutions and others	53.51	-
Other interest expense		
- Interest on Income tax	0.99	-
Total	54.50	-

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

25 Net loss on fair value changes

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Net loss on fair value changes	1.82	-
Total	1.82	-

26 Impairment of financial instruments

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
On Financial instruments measured at amortised cost		
Loans	15.10	-
Other Financial Assets	2.85	-
Total	17.95	-

27 Employee benefits expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and Wages	13.49	-
Contribution to provident and other funds	2.61	-
Staff welfare expenses	1.16	-
Total	17.26	-

28 Other expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Advertisement and publicity	0.23	-
Communication Costs	0.22	-
Registrations and Renewals	1.54	-
Rent,taxes and energy costs*	10.23	-
Repairs and maintenance	0.63	-
Travelling Expenses	0.62	-
Insurance charges	2.06	-
Turnover charges	0.06	-
Other trading expenses	13.85	-
Office and Branch Expenses	0.48	-
Corporate Social Responsibility	1.00	-
Printing and Stationery	7.44	-
Legal and Professional Charges	34.87	-
Auditor's Remuneration (Refer note 36)	3.78	-
Postage and Courier	0.03	-
Bank and Other Charges	0.20	-
Director Sitting Fees	5.20	-
Loss on derecognition of Property, plant and Equipment	2.75	-
Other Expenditure	3.55	-
Total	88.74	-

* Expense relating to short-term leases accounted for, applying paragraph 6 of Ind AS 116 is ₹7.79 Lacs.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

29 Discontinued operations

- a) The Board of Directors of the Company at its meeting held on May 18, 2018 approved the sale of its equity broking business (its principal operating segment) by way of Slump Sale on a going concern basis, which was approved by the members on July 02, 2018. Accordingly, the equity broking business was transferred to "Choice Equity Broking Private Limited" from the close of business hours on December 28, 2018 on Slump sale basis after necessary regulatory approvals. Consequently, all revenue and expenses relating to this business have been presented as Discontinued Operations as required by Ind AS 105 - Non current Asset held for Sale and Discontinued Operations.
- b) The amounts of revenue, expenses, pre-tax profit or loss and the income tax expense related thereto in respect of the discontinued operation is as follows

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
REVENUE FROM OPERATIONS		
Sale of Services	-	1,562.90
Interest/ penal charges	-	128.44
Total revenue from operations	-	1,691.34
Other Income	27.98	125.00
Total Income	27.98	1,816.34
EXPENSES	-	-
Finance Cost	-	43.90
Fees and Commission Expense	-	683.46
Employee Benefit Expenses	-	974.04
Depreciation, Amortization & Impairment	-	41.59
Impairment on financial instruments	-	28.10
Other Expenses	-	405.13
Total Expenses	-	2,176.22
Profit / (loss) before exceptional items and tax from discontinued operations	27.98	(359.88)
Exceptional items (Refer note below)	-	704.87
Profit/(loss) before tax from discontinued operations	27.98	344.99
Tax Expense		
Current Tax	4.67	120.04
Deferred Tax	-	(76.29)
Profit / (loss) for the period from discontinued operations	23.31	301.24

Note:

Break up of Exceptional items	Year ended March 31, 2020	Year ended March 31, 2019
Profit on sale of broking business	-	800.00
Provision for irrecoverable advances	-	(69.50)
Irrecoverable advances written off	-	(25.63)
Total	-	704.87

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

C Cashflow arising from discontinued operations are as follows :

Break up of Exceptional items	Year ended March 31, 2020	Year ended March 31, 2019
Net cash generated from/(used) in operating activities	-	125.04
Net cash generated from/(used) in investing activities	-	(24.22)
Net cash generated from/(used) in financing activities	-	(43.90)
Decrease in Cash and cash equivalents on account of sale of broking business	-	(1,421.62)

The details of assets and liabilities transferred on sale of broking business in the year ended March 31, 2019 are as follows:

Particulars	Amount in ₹
Property, plant and Equipment	68.11
Long term loans and advances	12.97
Trade receivables	887.59
Cash and cash equivalents	1,421.62
Short term loans and advances	22.41
Total assets	2,412.70
Other long term liabilities	25.58
Provisions	43.23
Trade payables	1,982.28
Other current liabilities	11.24
Total liabilities	2,062.33
Net assets disposed off	350.37
Sale consideration	1,150.37
Gain on sale of business	800.00

No provision for tax expenses relating to the gain on slump sale has been made in view of availability of claims/deductions for set off

30 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the Company by weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of the Company by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Earnings per equity share (for continuing operations)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Earnings		
Profit for the year (₹ In Lacs) (A)	56.24	431.06
Shares		
Number of shares at the beginning and at the end of the year (in Nos.) (Basic) (B)	23,286,501	23,286,501
Add: weighted average number of shares arising out of shares to be issued to Employees	-	-
Weighted average number of equity shares outstanding at the end during the year (in Nos.) (diluted) (C)	23,286,501	23,286,501
Basic earnings per share (A/B) - in ₹	0.24	1.85
Diluted earnings per share (A/C) - in ₹	0.24	1.85
Face value per share - in ₹	10.00	10.00

Earnings per equity share (for discontinuing operations)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Earnings		
Profit for the year (₹ In Lacs) (A)	23.31	301.24
Shares		
Number of shares at the beginning and at the end of the year (in Nos.) (Basic) (B)	23,286,501	23,286,501
Add: weighted average number of shares arising out of shares to be issued to Employees	-	-
Weighted average number of equity shares outstanding at the end during the year (in Nos.) (diluted) (C)	23,286,501	23,286,501
Basic earnings per share (A/B) - in ₹	0.10	1.29
Diluted earnings per share (A/C) - in ₹	0.10	1.29
Face value per share - in ₹	10.00	10.00

Earnings per equity share (for continuing and discontinuing operations)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Earnings		
Profit for the year (₹ In Lacs) (A)	79.55	732.30
Shares		
Number of shares at the beginning and at the end of the year (in Nos.) (Basic) (B)	23,286,501	23,286,501
Add: weighted average number of shares arising out of shares to be issued to Employees	-	-
Weighted average number of equity shares outstanding at the end during the year (in Nos.) (diluted) (C)	23,286,501	23,286,501
Basic earnings per share (A/B) - in ₹	0.34	3.14
Diluted earnings per share (A/C) - in ₹	0.34	3.14
Face value per share - in ₹	10.00	10.00

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

31 Employee benefits

A) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions and where there is no legal or constructive obligation to make further contributions.

Contribution to Defined Contribution Plans, recognised as an expense in the Statement of Profit and Loss is as under:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Employer's Contribution to Provident Fund	2.60	51.12
Employer's Contribution to Employee State Insurance	-	7.39

b) Defined benefit plans

The Company has funded the gratuity liability ascertained on actuarial basis. The gratuity plan is governed by the Payment of Gratuity Act, 1972 wherein every employee who has completed five years of service is entitled to specific benefit. The level of benefit provided depends on the employee's length of service and salary at retirement age.

The plans in India typically expose the Company to actuarial risks such as: investment risk, liquidity risk, longevity risk, salary risk and legislative risk.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields. The present value of plan assets is independent of the future discount rate. If the return on plan asset is below this rate, it will create a plan deficit.

Liquidity risk: Employees with high salaries and long durations, accumulate significant level of benefits. If some of such employees resign/ retire from the company, there can be strain on the cashflows.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Legislative risk: It is the risk of increase in the plan liabilities or reduction in the plan assets due to change in legislation/ regulation. Any amendment in The Payment of Gratuity Act with respect to benefits to employees will directly affect the present value of the Defined benefit obligation.

There are no other post-retirement benefits provided to employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2020 by M/S Kapadia Actuaries and Consultants. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Gratuity (funded)

Particulars	March 31, 2020	March 31, 2019
Liability recognized in the Balance Sheet		
Present value of defined benefit obligation		
Opening Balance	4.15	86.96
Transfer in obligation	(3.39)	(88.63)
Current Service Cost	0.28	1.28
Interest Cost	0.31	6.70
Components of Actuarial Loss/(Gain) on obligation		
Due to change in financial assumptions	0.13	0.10
Due to change in demographic assumptions	-	0.12
Due to experience adjustment	0.15	10.78
Benefits paid	-	(13.15)
Closing Balance	1.64	4.16
Less: Fair Value of Plan Assets		
Opening Balance	6.63	53.50
Transfer in obligation	-	(45.40)
Interest income	0.50	3.92
Return on Plan assets excluding amounts included in interest income	(0.55)	(0.22)
Employers' Contribution	-	7.98
Benefits paid	-	(13.15)
Closing Balance	6.57	6.63
Net Liability/ (Asset)	(4.94)	(2.47)
Expenses during the year	Nil	
Transfer in obligation	-	-
Current Service cost	-	1.28
Net interest cost	-	2.78
Component of defined benefit cost recognized in statement of profit & loss	-	4.05
Remeasurement of net defined benefit liability	-	
- Actuarial Loss/(Gain) on defined benefit obligation	-	11.00
- Actuarial Loss/(Gain) on Plan Assets	-	0.22
Component of defined benefit cost recognized in other comprehensive income	-	11.22
Actual Return on plan assets	(0.06)	3.70
Break up of Plan Assets:		
Policy of insurance	100%	100%

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Principal actuarial assumptions

Particulars	March 31, 2020	March 31, 2019
Discount Rate	6.80%	7.50%
Expected rate(s) of salary increase	7.00%	7.00%
Withdrawal rate	4.00%	4.00%
Rate of return on plan assets	6.80%	7.50%
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Table	

Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The amount included in the financial statements arising from the entity's obligation in respect of its defined benefit plan is as follows:

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
Defined Benefit Obligation	1.64	4.16	86.96
Plan Assets	6.57	6.63	53.50
Net (liability) /asset arising from defined benefit obligation	4.94	2.47	(33.46)
Amount recognised in the financial statements	Nil	Nil	(33.46)

Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and withdrawal rate. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	Impact on Defined benefit obligation			
	March 31, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	1.54	1.74	3.91	4.42
Future salary growth (0.5% movement)	1.73	1.54	4.42	3.91
Withdrawal rate (10% movement)	1.63	1.64	4.13	4.18

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Maturity profile of Defined benefit Obligation:

Expected Cashflow	March 31, 2020	March 31, 2019
Year 1 cashflow	0.07	0.01
Year 2 cashflow	0.07	0.06
Year 3 cashflow	0.07	0.22
Year 4 cashflow	0.07	0.22
Year 5 cashflow	0.08	0.23
Year 6 to Year 10 cashflow	0.42	1.25

The expected contribution for the next year is 0.32 Lacs (previous year - ₹1.37 Lacs). The weighted average duration as at March 31, 2020 is 12.74 years (previous year - 12.72 years).

32 Related party disclosures

A. Names of Related parties and nature of relationship:

Holding Company	Juno Moneta Technologies Private Limited
Entities/person having significant influence on the company	Sudip Bandyopadhyay
Subsidiary and step down subsidiary Companies / Entities under common control	Inditrade Derivatives and Commodities Limited
	Inditrade Insurance Broking Private Limited
	Inditrade Fincorp Limited (formerly known as JRG Fincorp Limited)
	Inditrade Business Consultants Limited
	Inditrade Microfinance Limited
	Inditrade Housing Finance Limited
	Inditrade Commodities Trading Limited
	Robocash Private Limited (Formerly known as Inditrade Robocash Private Limited) (From February 04 2019 till September 30 2019)
	Inditrade Community Foundation
Key managerial personnel	Naveen Kumar Jain, CFO
	Vinod Mohan, Manager cum Company Secretary
	Jhuma Guha, Non Executive Director
	Gurmeet Mohan Singh, Non Executive Director
	Anand Kamalkishore Maliwal, Additional Director (From January 28, 2020)

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Balances with related parties

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Advances to related parties			
Inditrade Fincorp Limited	59.63	35.89	23.18
Inditrade Business Consultants Limited	65.50	53.06	106.02
Inditrade Housing Finance Limited	4.76	20.96	0.04
Inditrade Community Foundation	0.13	0.09	0.02
Robocash Private Limited	-	3.50	-
Inditrade Derivatives and Commodities Limited	2.64	9.72	15.67
Inditrade Microfinance Limited	63.89	3.37	-
Inditrade Commodities Trading limited	1.77	0.28	4.69
Inditrade Insurance Broking Private Limited	186.44	3.81	1.91
Borrowings			
Inditrade Fincorp Limited	(743.87)	-	-
Loans			
Inditrade Fincorp Limited	-	871.48	-
Inditrade Business Consultants Limited	-	-	325.58
Balance in Trading account			
Inditrade Fincorp Limited	-	-	(0.51)
Inditrade Business Consultants Limited	-	-	(25.27)

Transactions with related parties

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Equity contribution		
Inditrade Housing Finance Limited	-	1090.00
Inditrade Robo Cash Private Limited	95.69	0.50
Inditrade Microfinance Limited	1000.00	1648.43
Subscription to CCD and conversion to equity		
Inditrade Microfinance Limited	-	1350.00
Preference shares		
Inditrade Derivatives and Commodities Limited - sale of preference shares	-	(475.36)
Inditrade Derivatives and Commodities Limited - profit on sale of preference shares	-	44.03
Revenue		
Inditrade Fincorp Limited	-	0.07
Inditrade Business Consultants Limited	-	3.00

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Reimbursement of expenses (paid)/ recovered		
Inditrade Fincorp Limited	58.74	12.11
Inditrade Business Consultants Limited	75.60	36.23
Inditrade Housing Finance Limited	19.43	21.13
Inditrade Community Foundation	0.04	0.07
Inditrade Derivatives and Commodities Limited	1.09	(1.94)
Inditrade Microfinance Limited	60.52	3.37
Inditrade Commodities Trading limited	1.49	(4.41)
Inditrade Insurance Broking Private Limited	14.10	2.45
Interest income (inclusive of TDS)		
Inditrade Fincorp Limited	28.56	12.81
Inditrade Business Consultants Limited	0.31	4.59
Inditrade Housing Finance Limited	-	0.37
Inditrade Derivatives and Commodities Limited	0.45	1.00
Inditrade Microfinance Limited	-	24.85
Inditrade Insurance Broking Private Limited	5.75	-
Interest expense (inclusive of TDS)		
Inditrade Fincorp Limited	(42.14)	(14.53)
Inditrade Housing Finance Limited	(2.38)	-
Inditrade Derivatives and Commodities Limited	(4.70)	-
Inditrade Insurance Broking Private Limited	-	(2.17)
Shared service income		
Inditrade Fincorp Limited	23.28	90.88
Inditrade Business Consultants Limited	46.01	188.69
Inditrade Derivatives and Commodities Limited	2.92	143.12
Shared service expense		
Inditrade Fincorp Limited	(12.74)	(6.79)
Inditrade Derivatives and Commodities Limited	-	(3.17)
Advance given / (received)		
Inditrade Fincorp Limited	(33.32)	(80.04)
Inditrade Business Consultants Limited	(109.45)	(282.01)
Inditrade Housing Finance Limited	(33.49)	(0.54)
Inditrade Robo Cash Private Limited	-	3.50
Inditrade Derivatives and Commodities Limited	(7.27)	(144.87)
Inditrade Insurance Broking Private Limited	163.36	1.40
Amount given for CSR Activities		
Inditrade Community Foundation	1.00	2.15

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Loan given		
Inditrade Fincorp Limited	69.00	869.58
Inditrade Business Consultants Limited	8.00	140.00
Inditrade Derivatives and Commodities Limited	24.50	28.00
Inditrade Housing Finance Limited	-	8.33
Inditrade Insurance Broking Private Limited	-	65.00
Loan (repayment received)		
Inditrade Fincorp Limited	(940.48)	-
Inditrade Business Consultants Limited	(8.00)	(465.50)
Inditrade Derivatives and Commodities Limited	(24.50)	(28.00)
Inditrade Housing Finance Limited	-	(8.33)
Inditrade Insurance Broking Private Limited	-	(65.00)
Borrowings (received)		
Inditrade Fincorp Limited	(1,541.92)	-
Inditrade Housing Finance Limited	(80.00)	-
Inditrade Derivatives and Commodities Limited	(157.50)	-
Borrowings repaid		
Inditrade Fincorp Limited	798.05	-
Inditrade Housing Finance Limited	80.00	-
Inditrade Derivatives and Commodities Limited	157.50	-
Remuneration paid to Key management personnel	March 31, 2020	March 31, 2019
Short term employee benefits		
Naveen Kumar Jain	10.04	27.93
Vinod Mohan	13.79	12.27
Exercise of employee stock option		
Naveen Kumar Jain	-	0.19
Sitting fees paid to directors	5.20	2.60
Commission paid to directors	2.00	-

Disclosure pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

Particulars of Loans Given*	March 31, 2020		March 31, 2019	
	Transactions during the year	Maximum amount outstanding during the year	Transactions during the year	Maximum amount outstanding during the year
Inditrade Fincorp Limited (formerly known as JRG Fincorp Limited)	69.00	897.58	5,476.06	1,374.58
Inditrade Business Consultants Limited	8.00	8.00	140.00	450.50
Inditrade Derivatives and Commodities Limited	24.50	19.50	28.00	28.00
Inditrade Insurance Broking Private Limited	-	-	65.00	65.00
Inditrade Housing Finance Limited	-	-	8.33	8.33

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Particulars of Investment made	March 31, 2020		March 31, 2019	
	Transactions during the year	Maximum amount outstanding during the year	Transactions during the year	Maximum amount outstanding during the year
Inditrade Business Consultants Limited	-	610.00	-	610.00
Inditrade Derivatives and Commodities Limited	-	-	-	-
- Equity Shares	-	344.71	-	344.71
- Preference Shares	-	-	-	431.33
Inditrade Business Consultants Limited (Sale of Preference Shares)	-	-	(475.36)	-
Inditrade Business Consultants Limited (Gain on Sale of Preference Shares)	-	-	44.03	-
Inditrade Fincorp Limited (formerly known as JRG Fincorp Limited)	-	2,500.00	-	2,500.00
Inditrade Microfinance Limited	1,000.00	3,455.58	1,648.43	2,455.58
Inditrade Microfinance Limited (CCD subscribed and converted into equity)	-	-	1,350.00	1,350.00
Inditrade Insurance Broking Private Limited	-	154.05	-	154.05
Inditrade Housing Finance Limited	-	1,100.00	1,090.00	1,100.00
Robocash Private Limited (From February 04 2019 till September 30 2019)	95.69	96.19	0.50	0.50
Inditrade Community Foundation	-	0.20	-	0.20

Particulars of Guarantees given**	Amount (March 31, 2020)	Amount (March 31, 2019)
Inditrade Fincorp Limited (formerly known as JRG Fincorp Limited)	3,750.00	3,000.00
Inditrade Microfinance Limited	30,610.00	13,000.00
Inditrade Business Consultants Limited	12,285.00	13,200.00
	46,645.00	29,200.00

* Loans given to the subsidiaries are for the purpose of meeting the short term working capital requirement of the subsidiaries.

** Guarantees given are in the nature of corporate guarantees on behalf of the subsidiaries for the purpose of availing loans from Banks & Non Banking financial Companies.

33 Financial Instruments

A. Capital risk management

The primary objective of the company's capital management policy is to ensure that the company maintains healthy capital ratio in order to support its business and to maximise shareholders' value. The company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. The capital is mainly funded by equity. There is no change to the objectives, policies and processes as compared to the previous year. However, they are under constant review by the Board.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

B. Categories of financial instruments

Particulars	March 31, 2020		March 31, 2019		April 01, 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets						
Measured at amortised cost						
Loans	-	-	871.48	871.48	325.58	325.58
Other financial assets	727.75	727.75	587.92	587.92	975.98	975.98
Other receivables	-	-	-	-	1,368.59	1,368.59
Cash and cash equivalents	18.85	18.85	82.41	82.41	1,605.04	1,605.04
Bank balances other than cash and cash equivalents	34.56	34.56	25.32	25.32	1,242.87	1,242.87
Investments	8,412.93	8,412.93	7,413.42	7,413.42	4,674.50	4,674.50
Total financial assets at amortised cost (A)	9,194.09	9,194.09	8,980.55	8,980.55	10,192.56	10,192.56
Measured at fair value through other comprehensive income (B)	-	-	-	-	0.01	0.01
Measured at fair value through profit and loss (C)						
Investments	94.37	94.37	-	-	431.33	431.33
Total financial assets (A+B+C)	9,288.46	9,288.46	8,980.55	8,980.55	10,623.91	10,623.91
Financial liabilities						
Measured at amortised cost						
Borrowings	743.87	743.87	-	-	-	-
Other payables	-	-	9.89	9.89	2,517.26	2,517.26
Other financial liabilities	60.25	60.25	305.13	305.13	297.61	297.61
Total financial liabilities carried at amortised cost	804.12	804.12	315.02	315.02	2,814.87	2,814.87

C. Financial risk management

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

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

- Market risk
- Credit risk
- Liquidity risk

a. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

b. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. Company's credit risk arises principally from loans and investments. Exposure pertaining to these are substantially with its subsidiaries. Accordingly, there are no significant credit risks.

c. Liquidity risk management

Liquidity risk is defined as the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It arises due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Being a core investment company, the Company has adequate cash and cash equivalents to maintain liquidity. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

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

Liquidity exposure as at March 31, 2020

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Other financial assets	432.85	291.13	3.77	727.75
Cash and cash equivalents	18.85	-	-	18.85
Bank balances other than cash and cash equivalents	34.56	-	-	34.56
Investments	-	-	8,507.30	8,507.30
Total financial assets	486.26	291.13	8,511.07	9,288.46
Financial liabilities				
Borrowings	743.87	-	-	743.87
Other financial liabilities	60.25	-	-	60.25
Total financial liabilities	804.12	-	-	804.12

Liquidity exposure as at March 31, 2019

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Loans	871.48	-	-	871.48
Other financial assets	282.66	300.77	4.49	587.92
Cash and cash equivalents	82.41	-	-	82.41
Bank balances other than cash and cash equivalents	25.32	-	-	25.32
Investments	-	-	7,413.42	7,413.42
Total financial assets	1,261.87	300.77	7,417.91	8,980.55
Financial liabilities				
Other payables	9.89	-	-	9.89
Other financial liabilities	218.51	86.62	-	305.13
Total financial liabilities	228.40	86.62	-	315.02

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Liquidity exposure as at April 01, 2018

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Loans	325.58	-	-	325.58
Other financial assets	613.30	357.47	5.21	975.98
Other receivables	1,368.59	-	-	1,368.59
Cash and cash equivalents	1,605.04	-	-	1,605.04
Bank balances other than cash and cash equivalents	622.87	-	620.00	1,242.87
Investments	-	-	5,105.84	5,105.84
Total financial assets	4,535.38	357.47	5,731.05	10,623.90
Financial liabilities				
Other payables	2,517.26	-	-	2,517.26
Other financial liabilities	172.72	124.89	-	297.61
Total financial liabilities	2,689.98	124.89	-	2,814.87

D. Level wise disclosure of financial instruments

Particulars	March 31, 2020	March 31, 2019	April 01, 2018	Level	Valuation techniques and key inputs
Investment in preference shares	-	-	431.33	3	Discounted cash flow
Investment in equity other than Subsidiary/ Associate	94.37	-	-		

The carrying amounts of borrowings, loans, trade receivables, trade payables, cash and cash equivalents, other bank balances and other financial assets and liabilities other than those disclosed in the above table, are considered to be the same as their fair values, due to their short term nature.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

34 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	March 31, 2020			March 31 2019			April 01, 2018		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets									
Financial assets									
Cash and cash equivalents	18.85	-	18.85	82.41	-	82.41	1,605.04	-	1,605.04
Bank Balance other than above	34.56	-	34.56	25.32	-	25.32	622.87	620.00	1,242.87
Other receivables	-	-	-	-	-	-	1,368.59	-	1,368.59
Loans	-	-	-	871.48	-	871.48	325.58	-	325.58
Investments	-	8,507.30	8,507.30	-	7,413.42	7,413.42	-	5,105.84	5,105.84
Other financial assets	432.85	294.90	727.75	282.66	305.26	587.92	613.30	362.68	975.98
Non-financial Assets									
Deferred tax assets (net)	-	308.45	308.45	-	334.30	334.30	-	258.01	258.01
Property, plant and equipment	-	40.42	40.42	-	26.59	26.59	-	128.39	128.39
Other intangible assets	-	-	-	-	-	-	-	5.69	5.69
Other non financial assets	5.90	131.48	137.39	38.24	121.30	159.54	93.39	178.95	272.34
Total assets	492.16	9,282.56	9,774.72	1,300.11	8,200.87	9,500.98	4,628.77	6,659.56	11,288.33
Liabilities									
Financial Liabilities									
Other payables	-	-	-	9.89	-	9.89	2,517.26	-	2,517.26
Borrowings	743.87	-	743.87	-	-	-	-	-	-
Other Financial liabilities	60.25	-	60.25	218.51	86.62	305.13	172.72	124.89	297.61
Non-financial Liabilities									
Current tax liabilities (net)	22.85	-	22.85	57.14	-	57.14	-	-	-
Provisions	-	-	-	-	-	-	2.84	30.62	33.46
Other non-financial liabilities	1.35	-	1.35	17.78	-	17.78	107.38	-	107.38
Total Liabilities	828.32	-	828.32	303.32	86.62	389.94	2,800.20	155.51	2,955.71

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

35 Contingent liabilities:

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
1. Guarantees			
a) Guarantees issued by the bank	-	-	1,000.00
b) Guarantees on behalf of subsidiary companies	46,645.00	29,200.00	26,100.00
2. Other contingent liabilities			
a) Income tax matters, pending decisions on various appeals made by the company and by the department	237.03	211.06	211.06
b) Provident fund dues disputed in appeal against which ₹ 7.85 Lacs (PY ₹ 7.85 Lacs) is paid under dispute and included in advances	31.38	255.72	255.72
c) Other claims against the company not acknowledged as debt	29.17	122.33	128.49
d) Service tax demand disputed in appeal	66.12	66.12	72.20

36 Auditors Remuneration (Excluding GST)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Audit fee	3.30	10.00
Other services - Certification	0.35	0.45
Reimbursement of expenses	0.13	0.81
Total	3.78	11.26

37 Segment information:

In view of sale of equity broking business in the previous year as disclosed in Note 29 to the financial statements, there are no reportable segments to be disclosed in the standalone financial statements.

38 JRG ESOP Trust

As per the requirements of Securities Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 ('SEBI guidelines'), since the stock option plans of 2005 and 2008 schemes are administered through a trust, the accounts of the Company are prepared as if the Company itself is administering the employee stock option plan. Pursuant to such requirement of the SEBI guidelines the equity shares issued to the JRG ESOP Trust and not exercised by the employees as on 31 March 2020 have been presented as a deduction from the share capital. The bank balance of the JRG ESOP Trust as on 31 March 2020 net of the loan granted and capital contribution to the JRG ESOP Trust by the Company has been presented as bank balance of the Company.

39 Micro, Small and Medium Enterprises Development Act, 2006

The management has identified enterprises which have provided goods and services to the company and which qualify under the definition of "Micro and Small Enterprises" as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("the Act"). Accordingly, based on the information received and available with the company, there are no amounts payable to such enterprises other than as disclosed in Note no.15 to the financial statements.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

40 Reconciliation of Provisions as at the Beginning and End of the year

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Impairment loss for Doubtful debts		
Balance as at the Beginning of the year	91.82	47.30
Add: Additional provision created during the year	-	75.29
Less: Provision utilised	(15.08)	(30.77)
Less: Provision written back	(7.50)	-
Balance as at the end of the year	69.24	91.82
Impairment loss for Doubtful loans and financial assets		
Balance as at the Beginning of the year	197.29	342.01
Add: Additional provision created during the year	15.10	12.20
Less: Provision utilised	-	(156.92)
Less: Provision written back	(1.00)	-
Balance as at the end of the year	211.39	197.29

41 First time adoption of Ind AS

Reconciliation of Balance sheet

Particulars	Notes	March 31, 2019			April 01, 2018		
		Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS
ASSETS							
Financial Assets							
Cash and cash equivalents		82.41	-	82.41	1,605.04	-	1,605.04
Bank balance other than Cash and cash equivalents		25.32	-	25.32	1,242.87	-	1,242.87
Other receivables		-	-	-	1,368.59	-	1,368.59
Loans	3	871.48	-	871.48	325.58	-	325.58
Investments	1	7,413.42	-	7,413.42	5,420.75	(314.91)	5,105.84
Other financial assets	5	532.85	55.07	587.92	955.28	20.70	975.98
Total (A)		8,925.48	55.07	8,980.55	10,918.11	(294.21)	10,623.91
Non-financial assets							
Deferred tax assets (net)	4	334.30	-	334.30	258.01	-	258.01
Property, plant and equipment	2	26.59	-	26.59	128.39	-	128.39
Intangible Assets	2	-	-	-	5.69	-	5.69
Other non-financial assets		159.54	-	159.54	272.34	-	272.34
Total (B)		520.43	-	520.43	664.43	-	664.43
Total Assets (A+B)		9,445.91	55.07	9,500.98	11,582.54	(294.21)	11,288.33
Liabilities and equity							
Liabilities							
Financial liabilities							
Other payables		9.89	-	9.89	2,517.26	-	2,517.26
Borrowings		-	-	-	-	-	-
Other financial liabilities		305.13	-	305.13	297.61	-	297.61
Total (C)		315.02	-	315.02	2,814.87	-	2,814.87
Non-financial liabilities							
Current tax liabilities (net)		57.14	-	57.14	-	-	-
Provisions	6	-	-	-	33.46	-	33.46
Other non-financial liabilities		17.78	-	17.78	107.38	-	107.38
Total (D)		74.92	-	74.92	140.84	-	140.84
Total Liabilities (C+D)		389.94	-	389.94	2,955.71	-	2,955.71

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Particulars	Notes	March 31, 2019			April 01, 2018		
		Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS
Equity							
Equity share capital		2,328.65	-	2,328.65	2,328.55	-	2,328.55
Other equity	5	6,727.32	55.07	6,782.39	6,298.28	(294.21)	6,004.07
Total equity		9,055.97	55.07	9,111.04	8,626.83	(294.21)	8,332.62
Total liabilities and equity		9,445.91	55.07	9,500.98	11,582.54	(294.21)	11,288.33

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Profit reconciliation for the year ended March 31, 2019

Particulars	Notes	Previous GAAP	Adjustments	Ind AS
Revenue from operations				
Interest income		93.02	0.00	93.02
Net gain on fair value changes	1	(270.89)	314.92	44.03
Total revenue from operations		(177.87)	314.92	137.05
Other income		294.01	-	294.01
Total Income		116.14	314.92	431.06
Expenses		-	-	-
Profit before tax from continuing operations		116.14	314.92	431.06
Tax Expense:				
Profit for the period from continuing operations		116.14	314.92	431.06
Profit from discontinued operations		356.37	(11.38)	344.99
Tax expense of discontinued operations		43.75	-	43.75
Profit after tax from discontinued operations		312.62	(11.38)	301.24
Profit for the period		428.76	303.54	732.30
Other Comprehensive Income		-	(11.22)	(11.22)
Total comprehensive income		428.76	292.32	721.08

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Reconciliation of network

Particulars	Note no	As at March 31, 2019	As at April 01, 2018
Net Worth under IGAAP		9,055.97	8,626.83
ESOP Adjustment IND AS 102	5	55.07	20.71
Fair Valuation of Investments IND AS 109	1	-	(314.92)
Net Worth under IND AS		9,111.04	8,332.62

Reconciliation of cashflows for the year ended March 31, 2019

Particulars	Amount as per previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS
Net cash generated from/(used in) operating activities	260.76	752.88	1,013.64
Net cash generated from/(used in) investing activities	(318.25)	(796.78)	(1,115.03)
Net cash generated from/(used in) financing activities	(43.52)	43.90	0.38
Net increase/(decrease) in cash and cash equivalents	(101.01)	-	(101.01)
Cash and cash equivalents at start of year/period	1,605.04	-	1,605.04
Decrease in cash and cash equivalents on account of sale of business	(1,421.62)	-	(1,421.62)
Cash and cash equivalents at close of year/period	82.41	-	82.41

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

- 1 **Investments :** Under Indian GAAP, the investments were carried at cost whereas under Ind AS, investments are measured based on the company's business model for managing the financial assets and contractual cashflow characteristics of the financial asset.
- 2 **Property, Plant and Equipment and Intangible assets:** Ind AS permits a first-time adopter to continue with the carrying value for all of its Property, Plant and Equipment and intangible assets as recognised in its Indian GAAP at the date of transition as deemed cost, after making necessary adjustments for decommissioning liabilities. The Company has used Ind AS 101 exemption and continued with the carrying value as recognised in Indian GAAP as deemed cost on the transition date.
- 3 **Financial assets at amortised cost:** Certain financial assets held with the objective to collect contractual cash flows in the nature of principal and interest have been recognized at amortised cost on transition date as against historical cost under the previous GAAP with the difference, if any being adjusted to the opening retained earnings.
- 4 **Deferred tax as per balance sheet approach:** Under previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under IND AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments has also lead to recognition of deferred taxes on new temporary differences.
- 5 **Share based payments:** Under Indian GAAP, the Company followed the intrinsic value method for the share based payment plans and the same did not result in recognition of any expense. Ind AS requires the fair value of the share options to be determined using an appropriate pricing model and recognised over the vesting period. Thus, expense has been recognised in profit and loss for the period ended 31st March, 2019. Expense pertaining to share options granted before 1st April, 2018, have been recognised as a separate component of equity in Share based payment reserve against retained earnings as at 1st April, 2018. Further Company has also granted employee stock option to employees of its subsidiaries and the related cost has been transferred to subsidiary and recorded as receivable from the Subsidiaries.
- 6 **Defined benefit Obligation:** Under IND AS, Remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined obligation, are recognized in other comprehensive income instead of profit or loss in previous GAAP.

42 Prior year figures have been reclassified / regrouped wherever necessary to conform to the current year's classification.

As per our report attached of even date
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Reg.No. 103523W/W100048

S. Sundararaman
Partner
Membership No: 028423

Place: Chennai
Date: 28 May 2020

For and on behalf of the Board of Directors of
Inditrade Capital Limited

Brij Gopal Daga
Director
DIN:00004858

Vinod Mohan
Manager cum Company Secretary
Place: Mumbai
Date: 28 May 2020

Anand Kamalkishore Maliwal
Director
DIN:07474039

Jhuma Guha
Director
DIN:00007454

Naveen Kumar Jain
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of
Inditrade Capital Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Inditrade Capital Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Ind AS financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the consolidated state of affairs of the Group as at March 31, 2020, their consolidated profit (including other comprehensive

income), their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the consolidated Ind AS 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.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1.	<p>Transition to Ind AS accounting framework (as described in note 2(a) of the consolidated Ind AS financial statements)</p> <p>The Holding Company has adopted Ind AS notified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, from April 01, 2019 and the effective date of such transition is April 01, 2018.</p>	<p>We have performed the following audit procedures, among others, in order to obtain sufficient audit evidence:</p> <ul style="list-style-type: none"> Assessed the Group's process to identify the impact of adoption and transition to Ind AS. Evaluated the design of internal controls and tested the operating effectiveness of key internal controls around the process of preparation of Consolidated Ind AS Financial Statements;

Sr. No.	Key audit matters	How our audit addressed the key audit matter
	<p>Accordingly, for transition to Ind AS, the Group has prepared its consolidated Ind AS financial statements for the year ended March 31, 2020, together with the comparative financial information for the previous year ended March 31, 2019 and the opening Balance Sheet as at April 1, 2018 under Ind AS.</p> <p>The transition has involved significant change in the Group's policies and processes for financial reporting, including generation of supportable information and applying estimates to inter alia determine impact of Ind AS on accounting.</p> <p>In view of significant degree of management judgment involved in the implementation of Ind AS framework and significance of various disclosures, the transition to Ind AS accounting framework has been identified as an area of key focus in our audit of the standalone Ind AS financial statements.</p>	<ul style="list-style-type: none"> Reviewed the mandatory and optional exemptions and exceptions allowed by Ind AS and availed by the Company applying the first-time adoption principles of Ind AS 101; Obtained an understanding of the governance over the determination of key judgments; Evaluated and tested the key assumptions and judgments adopted by management in line with principles under Ind AS; Assessed the disclosures made against the relevant Ind AS; and Determined the appropriateness of the methodologies and models used along with the reasonability of the outputs.
2.	<p><u>Verification of loan portfolio and impairment loss allowance</u></p> <ul style="list-style-type: none"> Key components of the group includes Inditrade Fincorp Limited and Inditrade Micro Finance Limited. Loans and advances of these components contributes to 69.87% of the Group's total consolidated assets as on March 31, 2020 and revenue from operations of these components contributes to 86.82% of the Group's consolidated revenue for the year ended on that date. These loans and advances are of various types Viz. Loan against properties, unsecured loans, Loan against commodities and Micro Loans. These loans vary based on ticket sizes, security, repayment terms etc. Accordingly, verification of the same to draw assurance on recoverability and recognition of income warranted substantial audit efforts. <p>In view of the significant degree of management judgment involved in estimating impairment provisions and write off against these loans, verification of loan portfolio and its impairment thereon has been identified as a key audit factor for the current year.</p>	<p>As a part of our audit of these subsidiaries, we have performed the following procedures, among others:</p> <ul style="list-style-type: none"> Loans other than micro loans have been stratified into various categories on the basis of their size, type, period etc. Representative samples have been drawn from such categories and verification procedures such as adherence to repayment schedule, adequacy of security coverage, appropriateness of effective interest have been performed. Micro loans have been classified geographically, viz. state-wise, and samples have been drawn from each state proportionate to their contribution to the total book size. We have done a walkthrough to understand the operational process, risks and controls in the preparation of the Financial Statements. As the collections are received in cash, verification of banking of cash was done involving cross verification of operating software, accounting software and bank statements. We obtained an understanding of management's assessment of impairment of loans and advances including Ind AS 109 implementation process, internal rating model and impairment allowance policy. We assessed the approach of the Company for categorisation of loans in various stages reflecting the inherent risk in the respective loans. We have verified the computation of ECL to ensure whether the same is in accordance with Company's policy. We also assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the consolidated Ind AS financial statements are appropriate and sufficient.

Emphasis of Matter

We draw attention to Note 2(f) to the consolidated Ind AS financial statements, which describes that the extent to which the COVID-19 pandemic will impact the Group's operations and financial performance will depend on future developments, which are uncertain.

Our opinion is not modified in respect of this matter.

Other Information

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

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

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

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

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for

safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary companies, which are companies incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS 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 Ind AS financial statements of which we are the

independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

- We did not audit the Ind AS financial statements of three subsidiaries, whose Ind AS financial statements reflects total assets of ₹ 1,380.59 Lacs and net assets of ₹ 1,127.85 Lacs as at March 31, 2020, total revenues of ₹ 138.89 Lacs and net cash outflow amounting to ₹ 90.44 Lacs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
- The comparative financial information of the Holding Company and its subsidiaries for the year ended March 31, 2019 and the transition date opening balance sheet as at April 01, 2018 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us whose report for the year ended March 31, 2018 and March 31, 2019 dated May 18, 2018 and May 10, 2019 respectively expressed an unmodified opinion on those consolidated financial statements, as adjusted for the differences in the accounting principles

adopted by the Group on transition to the Ind AS, which have been audited by us.

Our opinion on the consolidated Ind AS 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, based on our audit and on the consideration of reports of the other auditors on separate Ind AS financial statements and the other financial information of subsidiaries as noted in the Other Matters section above we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS 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 (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of the written representations received from the directors 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 subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India, is disqualified as on March 31, 2020 from being appointed as a director in terms of section 164(2) of the Act;

- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, incorporated in India 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 the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us by the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, the remuneration paid/ provided to their directors during the year by the Holding Company and the subsidiary companies incorporated in India is in accordance with the provisions of section 197 of the Act;

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the 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 Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group- Refer Note 44 to the consolidated Ind AS financial statements
 - (ii) The Group did not have any material foreseeable losses on long term contracts including derivative contracts;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, incorporated in India.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W/W100048

S. Sundararaman
Partner

Place: Chennai
Date: May 28, 2020

Membership No.028423
UDIN: 20028423AAAAEK1521

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Inditrade Capital Limited on the consolidated Ind AS financial statements for the year ended March 31, 2020]

Report on the Internal Financial Controls with reference to Financial Statements 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 Ind AS financial statements of Inditrade Capital Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to financial statements of the Group, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of Group, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override

of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reporting of other auditors as mentioned in Other Matters paragraph below, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements criteria established by the respective companies

considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to three subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W/W100048

S. Sundararaman
Partner
Place: Chennai
Date: May 28, 2020
Membership No.028423
UDIN: 20028423AAAAEK1521

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
I ASSETS				
Financial Assets				
(a) Cash and cash equivalents	4	3,637.97	1,382.77	3,183.07
(b) Bank balances other than Cash and cash equivalents	5	1,890.26	1,706.56	5,485.41
(c) Derivative Financial Instruments	6	0.20	184.22	-
(d) Receivables	7			
(i) Trade Receivables		300.12	2,270.81	3,195.88
(ii) Other receivables		53.26	54.14	1,808.08
(e) Loans	8	30,701.51	26,383.84	18,204.98
(f) Investments	9	94.37	36.11	39.18
(g) Other Financial assets	10	3,080.41	1,800.90	2,858.41
Total Financial Assets		39,758.10	33,819.35	34,775.01
Non-financial Assets				
(a) Inventories	11	3,674.09	9,664.09	8,877.55
(b) Current tax assets (Net)	12	175.95	130.49	124.28
(c) Deferred tax Assets (Net)	13	488.95	451.73	324.27
(d) Goodwill on Consolidation		190.74	190.74	190.74
(e) Property, Plant and Equipment	14	370.61	150.93	207.32
(f) Right of Use Asset	14	328.09	-	-
(g) Other Intangible assets	15	19.32	2.80	5.69
(h) Other Non-Financial assets	16	1,166.44	1,486.87	1,929.08
Total Non- Financial Assets		6,414.19	12,077.65	11,658.93
Total Assets		46,172.29	45,897.00	46,433.94
II LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
(a) Payables	17			
(i) Trade Payables				
total outstanding dues of micro enterprises and small enterprises		-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		1,793.56	3,727.33	6,355.38
(ii) Other Payables				
total outstanding dues of micro enterprises and small enterprises		-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		1,215.17	399.36	5,001.46
(b) Borrowings	18	15,878.96	16,120.60	10,770.82
(c) Subordinated Liabilities	19	4,812.30	4,844.59	4,840.13
(d) Other financial liabilities	20	3,175.63	1,408.44	525.85
Total Financial Liabilities		26,875.62	26,500.32	27,493.64
Non Financial Liabilities				
(a) Current tax liabilities (Net)	21	207.13	35.90	30.66
(b) Provisions	22	149.00	63.82	98.86
(c) Other non-financial liabilities	23	185.56	1,733.46	2,963.72
Total Non-Financial Liabilities		541.69	1,833.18	3,093.24
EQUITY				
(a) Equity Share Capital	24	2,328.65	2,328.65	2,328.55
(b) Other Equity	25	10,382.60	9,824.52	8,705.38
Equity attributable to owners of the company		12,711.25	12,153.17	11,033.93
Non controlling Interest		6,043.73	5,410.33	4,813.13
Total Equity		18,754.98	17,563.50	15,847.06
Total Liabilities and Equity		46,172.29	45,897.00	46,433.94

See accompanying notes forming part of the consolidated financial statements.

As per our report attached of even date
 For Haribhakti & Co. LLP
 Chartered Accountants
 ICAI Firm Reg.No. 103523W/W100048

S. Sundararaman
 Partner
 Membership No: 028423

Place: Chennai
 Date: 28 May 2020

For and on behalf of the Board of Directors of
 Inditrade Capital Limited

Brij Gopal Daga
 Director
 DIN:00004858

Vinod Mohan
 Manager cum Company Secretary
 Place: Mumbai
 Date: 28 May 2020

Anand Kamalkishore Maliwal
 Director
 DIN:07474039

Naveen Kumar Jain
 Chief Financial Officer

Jhuma Guha
 Director
 DIN:00007454

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Particulars	Note No	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Revenue from Continuing operations			
Revenue from operations			
(i) Interest Income	26	10,755.67	4,722.69
(ii) Dividend Income	27	0.02	0.56
(iii) Fees and commission Income	28	183.82	162.81
(iv) Net gain on fair value changes	29	2.56	-
(v) Net gain on derecognition of financial instruments under amortised cost category	30	112.83	92.19
(vi) Sale of services	31	489.83	538.78
(vii) Commodity Trade Support services	32	1,692.35	2,083.29
(I) Total revenue from operations		13,237.08	7,600.32
(i) Other income	33	502.71	252.38
(II) Total Income		13,739.79	7,852.70
Expenses			
(i) Finance Cost	34	3,408.83	2,141.39
(ii) Fees and Commission Expense	35	8.22	193.51
(iii) Net loss on fair value changes	36	1.82	3.06
(iv) Impairment on financial instruments	37	585.08	243.71
(v) Employee Benefit Expenses	38	4,287.37	2,052.71
(vi) Depreciation, Amortization & Impairment	14	224.61	34.36
(vii) Other Expenses	39	3,175.46	1,400.81
(III) Total Expenses		11,691.39	6,069.55
(IV) Profit before tax from continuing operations		2,048.40	1,783.15
Tax expense	40		
Current tax		658.33	671.66
Deferred tax		(30.13)	(149.89)
Total tax expense		628.20	521.77
(V) Profit after tax from continuing operations		1,420.20	1,261.38
(VI) Profit before tax from discontinued operations	41	27.98	347.95
(Previous year figure includes ₹ 800 Lacs being Profit on sale of discontinued business)			
Tax Expense of discontinued operations		4.67	13.45
(VII) Profit after tax from discontinued operations		23.31	334.50
(VIII) Profit for the year		1,443.51	1,595.88
(IX) Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss		(16.91)	11.21
(ii) Income tax relating to items that will not be reclassified to profit or loss		2.96	(8.98)
Subtotal (A)		(13.95)	2.23
(B) (i) Items that will be reclassified to profit or loss		-	(17.24)
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		-	(17.24)
Total Other Comprehensive Income (A + B)		(13.95)	(15.01)
(X) Total Comprehensive Income		1,429.56	1,580.87
(XI) Total Profit for the year attributable to:			
- Owners of the Company		933.50	1,150.26
- Non-controlling interest		510.01	445.62
		1,443.51	1,595.88
Other comprehensive income/(loss) for the year attributable to:			
- Owners of the Company		(16.59)	(5.41)
- Non-controlling interest		2.64	(9.60)
		(13.95)	(15.01)
Total comprehensive income for the year attributable to:			
- Owners of the Company		916.91	1,144.85
- Non-controlling interest		512.65	436.02
Total Comprehensive Income for the period		1,429.56	1,580.87
(XII) Earnings per equity share (for continuing operations)	42		
Basic (₹)		3.91	3.50
Diluted (₹)		3.91	3.50
(XIII) Earnings per equity share (for discontinuing operations)			
Basic (₹)		0.10	1.44
Diluted (₹)		0.10	1.44
(XIV) Earnings per equity share (for continuing and discontinuing operations)			
Basic (₹)		4.01	4.94
Diluted (₹)		4.01	4.94

See accompanying notes forming part of the consolidated financial statements.

As per our report attached of even date
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Reg.No. 103523W/W100048

S. Sundararaman
Partner
Membership No: 028423

Place: Chennai
Date: 28 May 2020

For and on behalf of the Board of Directors of
Inditrade Capital Limited

Brij Gopal Daga
Director
DIN:00004858

Vinod Mohan
Manager cum Company Secretary
Place: Mumbai
Date: 28 May 2020

Anand Kamalkishore Maliwal
Director
DIN:07474039

Naveen Kumar Jain
Chief Financial Officer

Jhuma Guha
Director
DIN:00007454

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

A. Equity Share Capital (Refer Note - 24)

Particulars	Amount
Balance as on April 01, 2018	2,328.55
Add: Issue of share capital	0.10
Balance as on March 31, 2019	2,328.65
Add: Issue of share capital	-
Balance as on March 31, 2020	2,328.65

B. Other Equity (Refer Note - 25) (All amounts are Indian Rupees in Lacs unless otherwise stated)

Particulars	Reserve and Surplus					Other Comprehensive Income		Equity Component of Compulsorily Convertible Debentures	Equity attributable to owners of the company	Non-controlling interest	Total Equity	
	Capital Reserve	Securities Premium Reserve	Statutory Reserve	General Reserve	Share Options outstanding	Retained Earnings	Income					
							Net gain/(loss) on fair value of defined benefit plan					Effective Portion of Cash Flow Hedges
Opening Balance as at April 01, 2018	1,200.10	4,973.22	641.07	147.06	65.76	1,484.03	-	194.14	8,705.38	4,813.13	13,518.51	
Additions during the year	0.05	0.28	147.34	-	56.94	-	-	(17.24)	308.13	151.57	459.70	
Reversals during the year	-	-	-	-	-	-	-	(194.14)	(194.14)	-	(194.14)	
Profit for the year	-	-	-	-	-	1,150.26	-	-	1,150.26	455.23	1,605.49	
Transfer to Statutory reserve	-	-	-	-	-	(147.34)	-	-	(147.34)	-	(147.34)	
Remeasurements of the net defined benefit plans	-	-	-	-	-	-	2.23	-	2.23	-	2.23	
Share of other comprehensive income	-	-	-	-	-	-	-	-	-	(9.60)	(9.60)	
Closing balance as at March 31, 2019	1,200.15	4,973.50	788.41	147.06	122.70	2,486.95	2.23	(17.24)	9,824.52	5,410.33	15,234.85	
Additions during the year	-	-	255.36	-	41.86	-	-	-	297.22	120.75	417.97	
Utilised/ reserval during the year	(0.05)	-	-	-	-	-	-	17.24	(103.57)	-	(103.57)	
Profit for the year	-	-	-	-	-	933.50	-	-	933.50	510.01	1,443.51	
Dividend (including DDT)	-	-	-	-	-	(281.55)	-	-	(281.55)	-	(281.55)	
Cost of Control	-	-	-	-	-	(0.41)	-	-	(0.41)	-	(0.41)	
IND AS 116 adjustment	-	-	-	-	-	(15.16)	-	-	(15.16)	-	(15.16)	
Transfer to Statutory reserve	-	-	-	-	-	(255.36)	-	-	(255.36)	-	(255.36)	
Remeasurements of the net defined benefit plans	-	-	-	-	-	-	(16.59)	-	(16.59)	2.64	(13.95)	
Closing balance as at March 31, 2020	1,200.10	4,973.50	1,043.77	147.06	164.56	2,867.97	(14.36)	-	10,382.60	6,043.73	16,426.33	

See accompanying notes forming part of the consolidated financial statements.

As per our report attached of even date For and on behalf of the Board of Directors of
For Haribhakti & Co. LLP
 Chartered Accountants
 ICAI Firm Reg.No. 103523W/W100048
Inditrate Capital Limited

S. Sundararaman
 Partner
 Membership No: 028423
 Place: Chennai
 Date: 28 May 2020

Brij Gopal Daga
 Director
 DIN:00004858

Anand Kamalkishore Maliwal
 Director
 DIN:07474039

Jhuma Guha
 Director
 DIN:00007454

Naveen Kumar Jain
 Chief Financial Officer

Vinod Mohan
 Manager cum Company Secretary
 Place: Mumbai
 Date: 28 May 2020

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
A. Cash flow from Operating activities		
Net Profit before tax	2,076.38	2,131.10
Depreciation, amortisation and impairment	224.61	75.95
Share based payment expense	41.85	56.97
Net gain or loss on foreign currency transaction and translation	(15.10)	(12.71)
Net gain/loss on derecognition of Property, Plant and Equipment	(0.53)	(0.37)
Impairment on loans and investments	585.08	229.71
Interest on lease liability	54.99	-
Amortization of Transaction Costs	(39.34)	127.07
Net gain on derecognition of financial instruments under amortised cost category	(112.83)	(92.19)
Liabilities no longer required written back	(291.81)	(107.62)
Net (gain)/loss on fair value changes on investment	(0.74)	3.06
Net (gain)/loss on fair value changes on derivatives	(82.30)	(154.13)
Profit on Sale of Broking Business	-	(800.00)
Operating profit before working capital changes	2,440.26	1,456.84
Movements in Working capital:		
Decrease/(increase) in loans	(4,765.05)	(8,472.53)
Decrease/(increase) in other financial assets	734.40	6,365.92
Decrease/(increase) in other non-financial assets	416.38	420.05
Decrease/(increase) in Inventories	5,990.00	(786.54)
Increase/(decrease) in other financial liabilities	560.93	(4,220.83)
Increase/(decrease) in non-financial liabilities	(1,547.91)	(1,230.25)
Increase/(decrease) in other provision	68.27	10.41
Cash generated from operations	3,897.28	(6,456.93)
Direct taxes paid (net of refunds)	(634.08)	(656.51)
Net cash flows from/(used in) operating activities (A)	3,263.20	(7,113.44)
B. Cash flow from Investing activities		
Purchase of property, plant and equipment and intangible assets	(320.97)	(84.78)
Proceeds from sale of property, plant and equipment and intangible assets	4.25	0.37
Acquisition of Subsidiary	-	(0.50)
Proceeds from Sale of Broking Business	-	1,150.37
Net cash flows from/(used in) investing activities (B)	(316.72)	1,065.46

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
C. Cash flow from Financing activities		
Amount received from Compound Financial Instruments	-	120.76
Proceeds/(Repayment) of subordinated debts	(32.27)	4.46
Proceeds/(Repayment) of borrowings other than debt securities	(212.07)	5,391.58
Payment of Lease Liabilities	(164.93)	-
Dividend paid	(233.54)	-
Tax on dividend	(48.02)	-
Proceeds from Issue of Shares	-	151.95
Net Cash flows from/(used in) financing activities (C)	(690.83)	5,668.75
Net increase/(decrease) in cash and cash equivalents (A+B+C)	2,255.65	(379.23)
Cash and cash equivalents at the beginning of the period	1,382.77	3,183.07
(Decrease)/Increase of Cash and Cash Equivalents on account of Disposal/ acquisition of Subsidiary	(0.45)	0.55
(Decrease)/Increase of Cash and Cash Equivalents on account Sale of Equity Broking Business	-	(1,421.62)
Cash and cash equivalents at the end of the period	3,637.97	1,382.77
Components of Cash and Cash Equivalents	As at March 31, 2020	As at March 31, 2019
i) Cash on Hand	22.45	6.84
ii) Balances with Bank (of the nature of Cash and Cash Equivalents)	3,615.52	1,375.93
Total	3,637.97	1,382.77

See accompanying notes forming part of the consolidated financial statements.

As per our report attached of even date
For Haribhakti & Co. LLP

Chartered Accountants
ICAI Firm Reg.No. 103523W/W100048

S. Sundararaman

Partner
Membership No: 028423

Place: Chennai
Date: 28 May 2020

For and on behalf of the Board of Directors of
Inditrade Capital Limited

Brij Gopal Daga

Director
DIN:00004858

Vinod Mohan

Manager cum Company Secretary
Place: Mumbai
Date: 28 May 2020

Anand Kamalkishore Maliwal

Director
DIN:07474039

Naveen Kumar Jain

Chief Financial Officer

Jhuma Guha

Director
DIN:00007454

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

1. Corporate Information

Inditrade Capital Limited ("the Company") along with its subsidiaries (hereinafter collectively referred to as 'the group') are primarily engaged in the business of financial services, commodity broking, direct insurance agents, marketing support services and dealing in commodities. The Company's equity shares are listed in Bombay Stock Exchange.

2. Basis of preparation and presentation

a. Statement of compliance

The consolidated financial statements of the group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time ('Ind AS Rules') and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements for the year ended 31st March, 2020 are the first financial statements that the Group has prepared under Ind AS. For all periods up to and including the year ended 31st March, 2019, the Group prepared its consolidated financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP"), and the provisions of the RBI as applicable.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Accounting Standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated. The preparation of consolidated financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities.

The financial statements were authorised for issue by the Company's Board of Directors on 28-05-2020

b. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the group's functional currency. All amounts are presented in Lakhs, unless otherwise indicated.

c. Presentation of consolidated financial statements

These consolidated financial statements have been presented in accordance with the format prescribed for Non-Banking Financial Companies under the Companies (Indian Accounting Standards) Rules, 2015, in division III of Notification no. GSR. 1022 (E) dated 11th October 2018, issued by Ministry of Corporate Affairs, Government of India.

The Group presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in notes to the consolidated financial statements. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

d. Critical accounting estimates and judgements

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. The estimates used in the accompanying consolidated financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

financial statements. Actual results could differ from estimates. Any revision to the accounting estimates is recognised prospectively in the current and future periods. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is given below:

➤ **Business model assessment**

Classification and measurement of financial assets depends on the results of Solely Payments of Principal and Interest (SPPI) and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated .

The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

➤ **Fair value of financial instruments**

The fair value of financial instruments 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 another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models.

The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility. For further details about determination of fair value please see Fair value note in accounting policy.

➤ **Impairment of financial asset**

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

➤ **Provisions and liabilities:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

reflects current market assessments of the time value of money and the risks specific to the liability.

e. Principles of Consolidation

The consolidated financial statements comprise the financial statements of the company and its subsidiaries (being the entities that it controls) as at 31st March 2020. Control is evidenced when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances,

appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March 2020.

The consolidated financial statement of the group combines the financial statement of the parent and its subsidiaries line by line by adding together the like items of the assets, liabilities, income and expenses. All the intra group assets, liabilities, income, expenses, unrealised profits/losses on intra group transaction are eliminated on consolidation.

Non-controlling interest represents that part of the total comprehensive income and net assets of the subsidiaries, attributable to interests which are not owned by the Group.

f. Uncertainty on account of COVID-19 pandemic

The spread of SARS-CoV-2 virus (referred as 'COVID-19') across the globe and in India has contributed to a significant decline and volatility in global and Indian financial markets and contraction in the economic activities. On March 11, 2020, COVID-19 outbreak was declared as a global pandemic by the World Health Organisation. The Indian Government announced a strict 21 day lockdown on March 24, 2020, which is being extended from time to time with or without relaxations across the country based on the severity of the spread at local levels.

The extent to which the COVID-19 pandemic will impact the operations of the Group and the financial performance of the Group and consequently the estimates and judgements made, could vary on future developments, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact, whether government-mandated or elected by the Group, which are uncertain as at the date of approval of these financial results. The Group continues to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future period. However,

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

considering the overall condition of the economy and the interventions of the Government to ensure revival of economic activity, the Group does not consider that there is any uncertainty regarding the assumption of Going Concern.

3. Significant Accounting Policies

The significant accounting policies applied in preparation of the consolidated financial statements are as given below:

3.1 Financial Instruments

3.1.1 Financial Assets

A. Date of Recognition

Financial assets and liabilities, with the exception of loans, debt securities, and borrowings are initially recognised on the trade date, i.e., the date that the company becomes a party to the contractual provisions of the instrument. Loans are recognised when fund transfers are initiated to the customers' account or cheques for disbursement have been prepared. The Group recognises debt securities and borrowings when funds reach the Group.

B. Initial recognition and measurement

All financial assets are recognized initially at fair value, which is normally the transaction price. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through Statement of Profit or Loss ('FVTPL')) are added to the fair value of the financial assets, on initial recognition. Such transaction cost includes all fees paid or received between parties to the contract that would not have been incurred if the entity had not acquired the financial asset. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognized immediately in Statement of Profit and Loss.

C. Subsequent Measurement

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

a) Financial assets measured at amortized cost

b) Financial assets measured at fair value through other comprehensive income (FVTOCI);

c) Financial assets measured at fair value through profit or loss (FVTPL);

The classification depends on the contractual terms of the financial assets' cash flows and the company's business model for managing financial assets.

Business model assessment

The Group determines its business model at the level that best reflects how it manages company's financial assets to achieve its business objective.

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

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

The Solely Payments of Principal and Interest ('SPPI') test

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

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

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

a) Financial assets measured at amortized cost

Financial assets are measured at amortized cost if both the following conditions are met:

- Contractual terms of the asset give rise to cash flows on specified dates, that represent Solely Payments of Principal and Interest on the principal amount outstanding ('SPPI'); and
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows.

Effective Interest Rate (EIR) Method

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Interest income is recognized by applying the effective interest rate to the gross carrying amount of financial assets other than in case of credit-impaired financial assets where EIR is applied to the amortised cost i.e. gross carrying amount of financial assets less provision for impairment.

The EIR is computed:

- a. As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

- b. By considering all the contractual terms of the financial instrument in estimating the cash flows
- c. Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flow are recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

b) Financial assets measured at fair value through other comprehensive income (FVTOCI)

Debt Instruments

Financial assets are measured at FVTOCI if both of the following criteria are met:

- Contractual terms of the asset give rise to cash flows on specified dates, that represent Solely Payments of Principal and Interest on the principal amount outstanding ('SPPI'); and
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows as well as selling the asset.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). Upon disposal, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the statement of profit and loss.

Equity Instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Company in a business combination to which Ind AS 103 'Business Combination' applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

management and when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation. Such classification is determined on an instrument-by-instrument basis.

Amounts presented in other comprehensive income are not subsequently transferred to the statement of profit and loss. Dividends on such investments are recognised in the statement of profit and loss.

c) **Financial assets measured at fair value through profit or loss (FVTPL)**

Any financial asset, which does not meet the criteria for categorization as at amortized cost or as at FVTOCI is classified as at FVTPL. Financial assets included within the FVTPL category are measured at fair value and all changes thereto and transaction costs are recognized in the statement of profit and loss.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking.

D. **De-recognition of financial assets**

De-recognition of financial assets due to substantial modification of terms and conditions:

The Group derecognises a financial asset, such as a loan to customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a de-recognition gain or loss, net of impairment loss, if any, already recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, net of impairment loss, if any, already recorded.

De-recognition of financial assets other than due to substantial modification of terms and conditions:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired.

The Group also derecognises the financial asset if it has transferred the financial asset and the transfer qualifies for de-recognition.

The Group has transferred the financial asset if, either:

- i. The Group has transferred its contractual rights to receive cash flows from the financial asset; or
- ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates;
- The Group cannot sell or pledge the original asset other than as security to the eventual recipients; and
- The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

A transfer qualifies for De-recognition if either:

- i. The Group has transferred substantially all the risks and rewards of the asset; or
- ii. The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards or has retained control of the asset, such as securitisation arrangements, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability (net of any regulatory investments). The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Company continues to recognise interest income of such asset and also recognises the Interest expense and other transaction cost (net of income from any margin or other regulatory deposits and servicing fee relating to securitisation arrangement) pertaining to the associated liability.

E. Impairment of Financial assets

The Group assesses at the end of each reporting period whether a financial asset or a group of financial assets is impaired and determines the expected credit losses. Equity instruments are not subject to impairment under Ind AS 109.

Expected credit loss (ECL) assessment

The Group records allowance for expected credit losses for all loans, other debt financial assets, together with financial guarantee contracts.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the

lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

Both Lifetime ECLs and 12-month ECLs are calculated either on individual basis or on collective basis, depending on the nature of the underlying portfolio of financial assets. The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial asset's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial asset.

Based on the above, the Group categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. Stage 1 loans also include facilities where the credit risk has decreased and the loan has been reclassified from Stage 2.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but is not credit impaired are classified under this stage. Stage 2 loans also include facilities where the credit risk has decreased and the loan has been reclassified from Stage 3.

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage.

A financial asset is also considered 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Evidence that a financial asset is credit-impaired includes the following observable data:

- a) Significant financial difficulty of the borrower or issuer;
- b) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise;
- c) Indications of the borrower likely to enter bankruptcy or other financial reorganisation; or
- d) The disappearance of an active market for a security because of financial difficulties.

Write-offs

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

3.1.2 Financial liabilities

A. Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

B. Subsequent measurement:

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

Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are de-recognised as well as through the EIR amortization process. Amortised cost is calculated by taking into

account any discount or premium on acquisition and processing fees or sourcing costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Trade and other payables:

These amounts represent liabilities for goods or services provided to the Group which are unpaid at the end of the reporting period. Trade and other payables falling due within a period of 12 months are presented at its carrying amounts as it approximates fair value due to the short maturity of these instruments. Other payables falling due after 12 months from the end of the reporting period are measured and presented at amortised cost unless designated as fair value through profit and loss at the inception.

Financial liabilities measured at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading or designated as at FVTPL are recognized in the profit or loss.

C. De-recognition of financial liabilities:

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or Modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

3.1.3 Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3.2 Property, plant and equipment

Property plant and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives. Land is not depreciated.

Asset Description	Estimated Useful Life (*)
Furniture and fittings	10 years
Office equipments	5 years
Computers	3 years
Computer Servers	6 years
Electrical fittings	10 years
V-Sat equipments	10 years
Motor Car	8 years
Motor Vehicle	10 years

*Estimated useful life of these assets based on usage and replacement policy of such assets.

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

Property plant and equipment is de-recognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

3.3 Intangible assets

The group's other intangible assets mainly include the value of computer software. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the group. Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, they are carried at cost less accumulated amortisation and impairment losses if any, and are amortised over their estimated useful life on the straight line basis over a 3 year period or the license period whichever is lower.

The carrying amount of the assets is reviewed at each Balance sheet date to ascertain impairment based on internal or external factors. Impairment is recognised, if the carrying value exceeds the higher of the net selling price of the assets and its value in use.

3.4 Cash and Cash equivalents

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

3.5 Leases

Leases are recognized, measured and presented in accordance with IND AS 116 "Leases".

The group assesses whether a contract is or contains a lease, at inception of a contract. The group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the group uses its incremental borrowing rate.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

3.6 Inventories

The commodities acquired with the intention of short-term holding and trading positions are considered as stock-in-trade and are valued at lower of cost or net realisable value.

Cost comprises all cost of purchase and other cost incurred in bringing the inventories to their present location and condition, which is determined on First in First out ('FIFO') basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost necessary to make the sale.

3.7 Impairment of non-financial assets

The group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share

prices for publicly traded companies or other available fair value indicators.

The group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.8 Hedge accounting

Hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

designated. Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and could affect profit or loss. For qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in net gain/loss on fair value changes in the profit and loss statement.

3.9 Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Revenue is recognised upon transfer of control of promised services to customer in an amount that reflects the consideration we expect to receive as per the agreement with the customer.

The Company has applied revenue recognition criteria for each distinct performance obligation. The transaction price is allocated to each performance obligation based on the standalone selling price.

Additional interest, cheque bounce charges and all other charges relating to financing activities are recognised as income on realisation due to uncertainty in their collection.

Income from other non-financing activity is recognised as per the terms of the respective contract on accrual basis provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

3.10 Employee benefits

Short term employee benefit Plans

All short term employee benefit plans such as salaries, wages, bonus, special awards and medical benefits,

which fall due within 12 months of the period in which the employee renders the related service, which entitles him to avail such benefits are recognised on an undiscounted basis, and charged to the statement of profit and loss.

Defined Contribution Plans

Contribution to provident funds are made monthly at a predetermined rate to the regional provident fund commissioner and debited to the statement of profit and loss.

Defined Benefit Plans

Provision is made for gratuity based on actuarial valuation, carried out by an independent actuary as at the balance sheet date using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur.

3.11 Income Taxes

Current tax

Current tax is provided using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years. Current tax is generally recognized in the statement of profit and loss.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, except when the Deferred Tax Liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. Deferred tax assets are generally recognised for all deductible temporary differences to

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised Deferred Tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the Deferred Tax Asset to be recovered.

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

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

Current and deferred tax are recognised in the statement of profit and loss, except when they are related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Minimum Alternate TAX (MAT)

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

3.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources

embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the group determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the group takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Liabilities and Contingent Assets are not recognized but are disclosed in the notes.

3.13 Discontinued Operations

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss from discontinued operations in the statement of profit and loss.

3.14 Employee share based payments

Stock options granted to the employees under the stock option scheme established are accounted as per the accounting treatment prescribed by the SEBI (Share Based Employee Benefits) Regulations, 2014 issued by Securities and Exchange Board of India. The Company follows the fair value method of accounting for the options and accordingly, the excess of market value of the stock options as on the date of grant over the fair value of the options is recognised as deferred employee compensation cost and is charged to the Statement of Profit and Loss over the vesting period of the options.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

3.15 Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability which are accessible to the Company.

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

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are 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 categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1:** Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- **Level 2:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or
- **Level 3:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group

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.

3.16 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. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

3.17 Dividends on ordinary shares

The Group recognises a liability to make cash or non-cash distributions to equity holders of the company when the distribution is authorised and the distribution is no longer at the discretion of the company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.18 Segment Information

The accounting policies adopted for Segment reporting are in line with the accounting policies of the group with the following additional policies:

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the Segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis have been included under "Un-allocable".

Assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the Segment. Assets and liabilities, which relate to the enterprise as a whole and are not allocable

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

to Segments on a reasonable basis have been included under "Un-allocable".

3.19 Statement of Cash Flows

Cash flows are reported using the indirect method, where by profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. For the purpose of the Statement of Cash Flows, cash and cash equivalents as defined above, net of outstanding bank overdrafts as they are considered an integral part of cash management of the group.

3.20 First Time Adoption - Mandatory Exceptions, Optional Exemptions:

Overall principle

The Company has prepared the opening Consolidated Balance Sheet as per Ind AS as of 1st April, 2018 (the transition date) by,

- recognising all assets and liabilities whose recognition is required by Ind AS,
- not recognising items of assets or liabilities which are not permitted by Ind AS,
- by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and
- applying Ind AS in measurement of recognised assets and liabilities.

However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company as detailed below. Since, the financial statements are the first financial statements, the first time adoption - mandatory exceptions and optional exemptions have been explained in detail.

(i) Deemed cost for Property, plant and equipment and Investment properties:

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets as of 1 April, 2018 (transition date) measured as per the previous GAAP as its deemed cost as at the date of transition.

(ii) Determining whether an arrangement contains a lease:

Appendix C to Ind AS 17 requires entity to assess whether contract or arrangement contains a lease. In accordance with same, this assessment should be carried out at the inception of arrangement. However, the company has used exemption under Ind AS 101 and assessed all arrangements based on conditions in place as on date of transition.

(iii) Impairment of financial assets:

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

(iv) Past Business Combinations:

As part of transition to Ind AS, the Group has elected not to apply Ind AS 103 - Business Combinations retrospectively, to past business combinations that occurred before the transition date of 1st April 2018. Consequently,

- The Company has kept the same classification for the past business combinations as in its previous GAAP financial statements;
- The Company has not recognised assets and liabilities that were not recognised in accordance with previous GAAP in the consolidated balance sheet of the acquirer and would also not qualify for recognition in accordance with Ind AS in the separate balance sheet of the acquiree;
- The Company has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS;
- The Company has tested the goodwill for impairment at the transition date based on the conditions as of the transition date.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

4 CASH AND CASH EQUIVALENT

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Cash on hand	22.45	6.84	11.49
Balances with banks :			
In current account *	3,615.52	1375.93	3,171.58
Total	3,637.97	1,382.77	3,183.07
* Balance in current account includes the amount in the name of JRG ESOP trust	2.86	2.86	2.81

5 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Earmarked balances:			
Deposits given as lien against Letter of credit	-	-	2,685.00
Deposits Pledged with bank *	47.48	51.91	736.78
Margin money deposit **	667.17	231.34	30.47
Fixed Deposit with original maturity more than 3 months	1,175.61	1,423.31	2,033.16
Total	1,890.26	1,706.56	5,485.41

*For guarantees issued by banks in favour of various stock /commodity exchanges, Director of Agricultural Marketing, Maharashtra & Gujarat Agricultural Marketing board

** For Securitisation arrangements

6 DERIVATIVE FINANCIAL INSTRUMENTS - ASSET

Particulars	Fair Value of Assets		
	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Commodity Derivatives - Futures	0.20	184.22	-
Total	0.20	184.22	-

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

7 TRADE AND OTHER RECEIVABLE

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Trade Receivables			
Unsecured, considered good	300.12	2,270.81	3,195.88
	300.12	2,270.81	3,195.88
Receivables which have significant increase in credit risk	6.64	6.12	3.99
Less :Impairment loss allowance	(6.64)	(6.12)	(3.99)
Total Trade Receivables	300.12	2,270.81	3,195.88
Other Receivables			
Secured, considered good	-	-	189.88
Unsecured, considered good	53.26	54.14	1,618.20
	53.26	54.14	1,808.08
Receivables which have significant increase in credit risk	81.75	123.66	89.83
Less :Impairment loss allowance	(81.75)	(123.66)	(89.83)
Total Other receivables	53.26	54.14	1,808.08

Note

The credit period normally ranges from 30 to 60 days without security. No interest is charged on trade receivables. Trade receivable with significant increase in credit risk and with credit impairment and consequent impairment loss allowance is identified on individual assessment basis.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

8 LOANS

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Loans - At Amorisred cost			
(A)			
(I) Loan to customers			
i) Mortgage/Property Loans	3,142.99	5,703.66	12,843.67
ii) Business Loans (SME)	4,369.40	5,131.40	-
iii) Unsecured Personal Loans	4,454.65	37.98	-
iv) Micro Finance	19,183.69	15,693.95	5,426.58
(II) Others	239.26	224.89	212.27
Total (A) -Gross	31,389.99	26,791.88	18,482.52
Less: Impairment loss allowance	(688.48)	(408.04)	(277.54)
Total (A) -Net	30,701.51	26,383.84	18,204.98
(B)			
(i) Secured by tangible assets	3,142.99	5,703.66	12,843.67
(ii) Unsecured	28,247.00	21,088.22	5,638.85
Total (B) -Gross	31,389.99	26,791.88	18,482.52
Less: Impairment loss allowance	(688.48)	(408.04)	(277.54)
Total (B) -Net	30,701.51	26,383.84	18,204.98
(C)			
(C) (I) Loans in India			
(i) Public Sector	-	-	-
(ii) Others	31,179.60	26,596.59	18,299.43
Total (C) -Gross	31,179.60	26,596.59	18,299.43
Less: Impairment loss allowance	(478.09)	(212.75)	(94.45)
Total (C) (I) -Net	30,701.51	26,383.84	18,204.98
(C) (II) Loans Outside India	210.39	195.29	183.09
Less: Impairment loss allowance	(210.39)	(195.29)	(183.09)
Total (C) (II) -Net	-	-	-
Total C(I) and C(II)	30,701.51	26,383.84	18,204.98

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Credit Quality of Assets

(All amounts are Indian Rupees in Lacs unless otherwise stated)

The table below shows the credit quality and the maximum exposure to credit risk pertaining to loan to customer based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

Particulars	As at March 31, 2020				As at March 31, 2019				As at April 01, 2018			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
i) Mortgage/Property Loans	3,142.99	-	-	3,142.99	5,703.66	-	-	5,703.66	12,792.56	48.75	2.36	12,843.67
ii) Business Loans (SME)	4,053.01	184.68	131.71	4,369.40	5,131.40	-	-	5,131.40	-	-	-	-
iii) Unsecured Personal Loans	3,925.97	331.13	197.55	4,454.65	37.98	-	-	37.98	-	-	-	-
iv) Micro Finance	18,965.38	74.81	143.50	19,183.69	15,693.95	-	-	15,693.95	5,422.45	4.13	-	5,426.58
Total	30,087.35	590.62	472.76	31,150.73	26,566.99	-	-	26,566.99	18,215.01	52.88	2.36	18,270.25

Summary of ECL Provisions:

Particulars	As at March 31, 2020				As at March 31, 2019				As at April 01, 2018			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
i) Mortgage/Property Loans	7.70	-	-	7.70	23.46	-	-	23.46	31.77	5.82	2.36	39.95
ii) Business Loans (SME)	20.99	18.47	32.94	72.40	10.59	-	-	10.59	-	-	-	-
iii) Unsecured Personal Loans	9.81	31.41	98.78	140.00	0.10	-	-	0.10	-	-	-	-
iv) Micro Finance	72.94	37.58	143.50	254.02	178.60	-	-	178.60	54.46	0.04	-	54.50
Total	111.44	87.46	275.22	474.12	212.75	-	-	212.75	86.23	5.86	2.36	94.45

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

A. Mortgage/Property Loan

An analysis of changes in the gross carrying amount as follows:

Particulars	As at March 31, 2020				As at March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	5,703.66	-	-	5,703.66	12,792.56	48.75	2.36	12,843.67
New assets originated or purchased	501.96	-	-	501.96	1,500.40	-	-	1,500.40
Assets derecognised or repaid (excluding write offs)	(3,062.63)	-	-	(3,062.63)	(8,589.30)	(44.55)	-	(8,633.85)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	(4.20)	4.20	-
Amounts written off	-	-	-	-	-	-	(6.56)	(6.56)
Gross carrying amount - closing balance	3,142.99	-	-	3,142.99	5,703.66	-	-	5,703.66

Reconciliation of ECL balance is given below:

Particulars	As at March 31, 2020				As at March 31, 2019			
	General Approach				General Approach			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	23.46	-	-	23.46	31.77	5.82	2.36	39.95
New assets originated or purchased	-	-	-	-	-	-	-	-
Assets derecognised or repaid (excluding write offs)	(15.76)	-	-	(15.76)	(8.31)	(1.62)	-	(9.93)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	(4.20)	4.20	-
Recoveries	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	(6.56)	(6.56)
ECL allowance - closing balance	7.70	-	-	7.70	23.46	-	-	23.46

B. Business Loans (SME)

An analysis of changes in the gross carrying amount as follows:

Particulars	As at March 31, 2020				As at March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	5,131.40	-	-	5,131.40	-	-	-	-
New assets originated or purchased	11,240.92	55.65	76.15	11,372.72	6,933.39	-	-	6,933.39
Assets derecognised or repaid (excluding write offs)	(11,787.56)	(164.14)	(121.06)	(12,072.76)	(1,761.99)	-	-	(1,761.99)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(293.17)	293.17	-	-	-	-	-	-
Transfers to Stage 3	(238.58)	-	238.58	-	(40.00)	-	40.00	-
Amounts written off	-	-	(61.96)	(61.96)	-	-	(40.00)	(40.00)
Gross carrying amount - closing balance	4,053.01	184.68	131.71	4,369.40	5,131.40	-	-	5,131.40

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Reconciliation of ECL balance is given below:

Particulars	As at March 31, 2020				As at March 31, 2019			
	General Approach				General Approach			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	10.59	-	-	10.59	-	-	-	-
New assets originated or purchased	73.09	17.74	32.94	123.77	50.59	-	-	50.59
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(0.73)	0.73	-	-	-	-	-	-
Transfers to Stage 3	(61.96)	-	61.96	-	(40.00)	-	40.00	-
Unwind of discount	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
Amounts written off	-	-	(61.96)	(61.96)	-	-	(40.00)	(40.00)
ECL allowance - closing balance	20.99	18.47	32.94	72.40	10.59	-	-	10.59

C. Unsecured Personal Loans

Particulars	As at March 31, 2020				As at March 31, 2019			
	General Approach				General Approach			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	37.98	-	-	37.98	-	-	-	-
New assets originated or purchased	10,183.83	343.70	393.60	10,921.13	60.10	-	-	60.10
Assets derecognised or repaid (excluding write offs)	(6,278.89)	(13.75)	(2.86)	(6,295.50)	(22.12)	-	-	(22.12)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(1.18)	1.18	-	-	-	-	-	-
Transfers to Stage 3	(15.77)	-	15.77	-	-	-	-	-
Amounts written off	-	-	(208.96)	(208.96)	-	-	-	-
Gross carrying amount - closing balance	3,925.97	331.13	197.55	4,454.65	37.98	-	-	37.98

Reconciliation of ECL balance is given below:

Particulars	As at March 31, 2020				As at March 31, 2019			
	General Approach				General Approach			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	0.10	-	-	0.10	-	-	-	-
New assets originated or purchased	9.76	31.41	307.69	348.86	0.10	-	-	0.10
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(0.04)	-	0.04	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
Amounts written off	-	-	(208.96)	(208.96)	-	-	-	-
ECL allowance - closing balance	9.82	31.41	98.77	140.00	0.10	-	-	0.10

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

D. Micro Finance

An analysis of changes in the gross carrying amount as follows:

Particulars	As at March 31, 2020				As at March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	15,693.95	-	-	15,693.95	5,422.45	4.13	-	5,426.58
New assets originated or purchased	40,147.41	96.00	43.94	40,287.35	32,061.31	-	-	32,061.31
Assets derecognised or repaid (excluding write offs)	(36,611.72)	(121.20)	(64.69)	(36,797.61)	(21,789.81)	(2.70)	-	(21,792.51)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(102.46)	102.46	-	-	-	-	-	-
Transfers to Stage 3	(161.79)	(2.46)	164.25	-	-	(1.43)	1.43	-
Amounts written off	-	-	-	-	-	-	(1.43)	(1.43)
Gross carrying amount - closing balance	18,965.39	74.80	143.50	19,183.69	15,693.95	-	-	15,693.95

Reconciliation of ECL balance is given below:

Particulars	As at March 31, 2020				As at March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	178.60	-	-	178.60	54.46	0.04	-	54.50
New assets originated or purchased	-	36.58	141.86	178.44	124.14	-	1.42	125.56
Assets derecognised or repaid (excluding write offs)	(103.02)	-	-	(103.02)	-	(0.03)	-	(0.03)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(1.02)	1.02	-	-	-	-	-	-
Transfers to Stage 3	(1.62)	(0.02)	1.64	-	-	(0.01)	0.01	-
Amounts written off	-	-	-	-	-	-	(1.43)	(1.43)
ECL allowance - closing balance	72.94	37.58	143.50	254.02	178.60	-	-	178.60

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

9 INVESTMENTS

Investments	As at March 31, 2020			As at March 31, 2019			As at April 01, 2018		
	At fair value		Total	At fair value		Total	At fair value		Total
	Through other comprehensive income	Through Profit or Loss		Through other comprehensive income	Through Profit or Loss		Through other comprehensive income	Through Profit or Loss	
Equity instruments									
Others	49.82	94.37	144.19	49.82	36.11	85.93	58.82	39.17	97.99
Total -Gross (A)	49.82	94.37	144.19	49.82	36.11	85.93	58.82	39.17	97.99
(i) Investments outside India	49.82	-	49.82	49.82	-	49.82	-	-	-
(ii) Investments in India	-	94.37	94.37	-	36.11	36.11	-	39.17	39.17
Total - (B)	49.82	-	144.19	49.82	36.11	85.93	-	39.17	39.17
Less: Impairment loss allowance (C)	(49.82)	-	(49.82)	(49.82)	-	(49.82)	(58.81)	-	(58.81)
Total - Net D= (A)-(C)	-	94.37	94.37	-	36.11	36.11	0.01	39.17	39.18

10 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Rental Deposit	217.12	104.99	170.80
Security Deposit	13.31	7.56	11.41
Deposits with Exchanges	419.53	653.03	2,242.59
Advances to employees	44.67	12.76	18.45
Electricity deposits, telephone & Other deposits	23.53	22.61	32.52
Advances recoverable in cash or in kind	27.55	118.01	67.25
Margin Money Deposit and its accrued interest	1,633.06	767.97	384.97
Other Advances	685.64	96.72	120.40
Advances considered doubtful	287.51	287.51	289.56
Fixed deposit with remaining maturity of more than 12 months *	17.00	19.25	25.24
Less :Impairment loss allowance **	(288.51)	(289.51)	(504.78)
Total	3,080.41	1,800.90	2,858.41

* Includes deposits pledged with bankers, represent the amount of deposit to be maintained with scheduled banks as per Regulation 23 of IRDA (Insurance Brokers) Regulations 2018

** Refer Note 47

11 INVENTORIES

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Inventories at lower of Cost & Net realisable value:			
Stock In Trade	3,674.09	9,664.09	8,056.87
Goods in transit	-	-	820.68
Total	3,674.09	9,664.09	8,877.55

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

12 CURRENT TAX ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Current Tax Assets (Net)	175.95	130.49	124.28
Total	175.95	130.49	124.28

13 DEFERRED TAX ASSET (NET)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Deferred tax Assets			
Provision for gratuity and bonus	15.63	6.81	30.76
Impairment on financial instruments	127.32	79.02	34.45
Arising from timing difference in respect of depreciation	63.70	87.59	104.46
MAT credit Entitlement	245.00	237.55	143.42
Others	38.99	42.14	12.53
Total Deferred tax assets (A)	490.64	453.11	325.62
Deferred tax liability			
Arising from timing difference in respect of depreciation	1.69	1.38	1.35
Total Deferred tax liabilities(B)	1.69	1.38	1.35
Net deferred tax asset (A-B)	488.95	451.73	324.27

Deferred Tax Asset (Net)

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

Particulars	As at March 31, 2019	For the period ended March 31, 2020			As at March 31, 2020
	Deferred Tax Asset	Recognised in Income Statement	Recognised in OCI	Recognised in Retained earnings	Deferred Tax Asset
Impact of provision for gratuity	6.81	5.86	2.96	-	15.63
Expected Credit Losses on Loans and financial assets	79.02	48.57	-	-	127.58
ECL created on loans securitised and loans under partnership	20.26	(3.05)	-	-	17.21
Arising from timing difference in respect of depreciation	86.22	(24.21)	-	-	62.01
Fair Valuation of Investments IND AS 109	(0.49)	0.96	-	-	0.47
Impact of EIR on Advances and Borrowings	46.53	(9.32)	-	-	37.20
Other temporary differences	1.31	0.24	-	-	1.55
On account of RoU asset and lease liability	-	10.18	-	4.13	14.31
Amortisation of service fee income	0.18	0.78	-	-	0.96
Gain on derecognition of loans owing to assignment and securitisation	(25.65)	(7.32)	-	-	(32.96)
MAT credit Entitlement	237.54	7.45	-	-	245.00
Total	451.73	30.13	2.96	4.13	488.95

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Particulars	As at April 01, 2018	For the period ended March 31, 2019			As at March 31, 2019
	Deferred Tax Asset	Recognised in Income Statement	Recognised in OCI	Recognised in Retained earnings	Deferred Tax Asset
Impact of provision for gratuity	30.76	(14.97)	(8.98)	-	6.81
Expected Credit Losses on Loans and financial assets	34.45	44.56	-	-	79.02
ECL created on loans securitised and loans under partnership	-	20.26	-	-	20.26
Arising from timing difference in respect of depreciation	103.12	(16.89)	-	-	86.22
Fair Valuation of Investments IND AS 109	(1.30)	0.82	-	-	(0.49)
Impact of EIR on Advances and Borrowings	12.43	34.09	-	-	46.53
Other temporary differences	1.39	(0.08)	-	-	1.31
On account of RoU asset and lease liability	-	-	-	-	-
Amortisation of service fee income	-	0.18	-	-	0.18
Gain on derecognition of loans owing to assignment and securitisation	-	(25.65)	-	-	(25.65)
MAT credit Entitlement	143.42	94.12	-	-	237.55
Total	324.27	136.44	(8.98)	-	451.73

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

14 PROPERTY, PLANT AND EQUIPMENT

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Particulars	Furniture and Fixtures	Computers	Office equipment	Lease Improvements	Electrical fittings	Motors Vehicles	V-Sat equipments	Sub Total	ROU asset	Total
Deemed Cost as at April 1, 2018	48.52	61.12	34.73	42.84	18.95	0.01	1.15	207.32	-	207.32
Additions	18.27	59.70	9.79	-	0.04	-	-	87.79	-	87.79
Disposals / write off	16.74	17.46	21.35	-	15.96	0.01	0.33	71.85	-	71.85
Gross carrying amount as at March 31, 2019	50.05	103.36	23.17	42.84	3.03	-	0.82	223.26	-	223.26
Recognition of ROU asset consequent to adoption of IND AS 116 as on 01-04-2019									224.86	224.86
Additions	73.99	134.51	12.03	81.51	-	-	-	302.04	356.69	658.73
Disposals / write off	0.31	-	9.40	-	-	-	-	9.71	28.89	38.60
Gross carrying amount as at March 31, 2020	123.73	237.87	25.80	124.35	3.03	-	0.82	515.59	552.66	1,068.25
Accumulated depreciation										
Balance as at April 1, 2018	-	-	-	-	-	-	-	-	-	-
Depreciation	6.85	38.36	10.04	13.39	2.94	-	0.82	72.40	-	72.40
Accumulated depreciation on disposals/write off	0.07	-	-	-	-	-	-	0.07	-	0.07
Balance as at March 31, 2019	6.78	38.36	10.04	13.39	2.94	-	0.82	72.33	-	72.33
Accumulated Depreciation on ROU Asset initially recognised as on 01-04-2019									94.46	94.46
Additions	9.30	49.04	4.36	15.87	0.05	-	-	78.62	143.56	222.18
Deletions / write off	0.28	-	5.69	-	-	-	-	5.97	13.45	19.42
Balance as at March 31, 2020	15.80	87.40	8.71	29.26	2.99	-	0.82	144.98	224.57	369.55
Net Carrying amount										
As at April 1, 2018	48.52	61.12	34.73	42.84	18.95	0.01	1.15	207.32	-	207.32
As at March 31, 2019	43.27	65.00	13.13	29.45	0.09	-	-	150.93	-	150.93
As at March 31, 2020	107.93	150.46	17.08	95.09	0.04	-	-	370.61	328.09	698.70

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS i.e. 1st April, 2018, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. The gross carrying value as at April 01, 2018 of Property, plant and equipment represents gross cost net of accumulated depreciation as at March 31, 2018 as given below.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Particulars	Furniture and Fixtures	Computers	Office equipment	Lease Improvements	Electrical fittings	Motors Vehicles	V-Sat equipments	Total
1. Gross Block as at April 1, 2018	390.06	610.26	230.45	45.32	96.92	0.40	195.61	1,569.02
2. Accumulated Depreciation as at April 1, 2018	341.54	549.14	195.72	2.48	77.97	0.39	194.46	1,361.70
Gross Carrying amount (1-2) (Considered as Deemed Cost as at April 1, 2018)	48.52	61.12	34.73	42.84	18.95	0.01	1.15	207.32

The company has adopted Ind AS 116, which is effective from April 1, 2019 and applied the standard to its leases, using modified retrospective approach. Accordingly, the company has not restated comparative information, instead, the cumulative effect of initially applying the standard, has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

15 OTHER INTANGIBLE ASSETS

Particulars	Computer software
Deemed cost as at April 1, 2018	5.69
Additions	3.50
Disposals / write off	5.69
Gross carrying amount as at March 31, 2019	3.50
Additions	18.94
Disposals / write off	-
Gross carrying amount as at March 31, 2020	22.44
Accumulated amortisation	
Balance as at April 1, 2018	-
Additions	3.55
Disposals / write off	2.85
Balance as at March 31, 2019	0.70
Additions	2.42
Deletions / write off	-
Balance as at March 31, 2020	3.12
Net Carrying amount	
As at April 1, 2018	5.69
As at March 31, 2019	2.80
As at March 31, 2020	19.32

The Company has elected to continue with the carrying value for all of its intangible assets as recognised in the financial statements as at the date of transition to Ind AS i.e. 1st April, 2018, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. The carrying value as at April 01, 2018 amounting to ₹ 5.69 lacs of intangible assets represents gross cost of ₹ 1068.21 Lacs net of accumulated depreciation of ₹ 1062.52 as at March 31, 2018.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

16 OTHER NON-FINANCIAL ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Tax payments pending adjustments (Net)	252.26	156.32	163.48
Capital Advances	5.26	23.18	2.40
Balance with government authorities	463.18	1,036.77	1,093.75
Provident Fund demand paid under protest	70.12	67.75	67.75
Service tax demand paid under protest	27.52	27.65	16.58
Advance for Purchases	200.07	136.54	458.66
Prepaid expenses	51.07	15.26	73.22
Other advances	96.96	23.40	53.24
Total	1,166.44	1,486.87	1,929.08

17 PAYABLES

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
(I) TRADE PAYABLES			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,793.56	3,727.33	6,355.38
Total Trade Payable	1,793.56	3,727.33	6,355.38
(II) OTHER PAYABLES			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,215.17	399.36	5,001.46
Total Other payable	1,215.17	399.36	5,001.46
Total	3,008.73	4,126.69	11,356.84

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

18 Borrowings

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
At Amortised Cost			
(A)			
(a) Term Loans			
(i) From Banks	1,605.67	1,679.34	303.03
(ii) From Financial Institutions	11,838.39	7,029.37	3,109.81
(b) Working Capital Loan			
(i) Working Capital Loan from banks	2,434.90	4,974.91	5,302.97
(ii) Working Capital Loan from Financial Institutions	-	2,212.35	1,723.07
(c) Loans repayable on demand from Banks (Cash Credit from banks)	-	224.63	331.94
Total (A)	15,878.96	16,120.60	10,770.82
(B)			
Secured	15,878.96	16,120.60	10,770.82
Unsecured	-	-	-
Total (B)	15,878.96	16,120.60	10,770.82
(C)			
Borrowings in India	15,878.96	16,120.60	10,770.82
Borrowings outside India	-	-	-
Total (C)	15,878.96	16,120.60	10,770.82

19 Subordinated liabilities (at Amortised cost)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
(A)			
Subordinated Debt	4,812.30	4,844.59	4,840.13
Total (A)	4,812.30	4,844.59	4,840.13
(B)			
Secured	-	-	-
Unsecured	4,812.30	4,844.59	4,840.13
Total (B)	4,812.30	4,844.59	4,840.13
(C)			
Subordinated Debts in India	4,812.30	4,844.59	4,840.13
Subordinated Debts outside India	-	-	-
Total (C)	4,812.30	4,844.59	4,840.13

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Borrowings (other than debt securities) and Subordinated Debts

As at March 31, 2020

Particulars	Rate of Interest	Repayment details	Amount	Security
Term loan from banks	13.00% - 16.25%	1 to 24 instalments of monthly frequency	1,605.67	Loan portfolio
Term loan from financial institutions	13.50%	1 to 25 installments of monthly frequency	932.16	Secured by an charge on MSME Loans portfolio.
Term loan from financial institutions	13.00% - 16.25%	1 to 24 instalments of monthly frequency	10,819.78	Loan portfolio
Term loan from financial institutions	13.95%	1 to 36 instalments of monthly frequency	86.45	Loan portfolio
Working Capital Loan from banks	9.30% - 10.20%	On demand	2,434.90	Pledge of storage receipts / Demat receipts Corporate guarantee by the company & Inditrade Fincorp Limited Personal Guarantee by Chairman and Director
Subordinated Debts - Banks	10.00% to 14.50%	Bullet Repayment	4,812.30	Unsecured

As at March 31, 2019

Particulars	Rate of Interest	Repayment details	Amount	Security
Term loan from banks	13.00% - 16.25%	1 to 24 instalments of monthly frequency	1,679.34	Loan portfolio
Term loan from financial institutions	13.00% - 16.25%	1 to 24 instalments of monthly frequency	7,029.37	Loan portfolio
Working Capital Loan from banks	9.30% - 10.95%	On demand	4,974.91	Pledge of storage receipts / Demat receipts and book debt Corporate guarantee by the company & Inditrade Fincorp Limited Personal Guarantee by director and Chairman
Working Capital Loan from Financial Institutions	10.20%	On demand	1,212.35	Pledge of storage receipts / Demat receipts Corporate guarantee by the company Personal Guarantee by Chairman
Working Capital Loan from Financial Institutions	13.50%	On demand	1,000.00	Secured by a charge on MSME Loans portfolio. (Book Debts)
Subordinated Debts - Banks	10.00% - 14.50%	Bullet Repayment	4,844.59	Unsecured

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

As at April 01, 2018

Particulars	Rate of Interest	Repayment details	Amount	Security
Term loan from banks	13.00% - 16.25%	1 to 24 instalments of monthly frequency	303.03	Loan portfolio
Term loan from financial institutions	13.00% - 16.25%	1 to 24 instalments of monthly frequency	3,109.81	Loan portfolio
Working Capital Loan from banks	9.30% - 10.95%	On Demand	5,302.97	Pledge of storage receipts / Demat receipts and book debt Corporate guarantee by the company & Inditrade Fincorp Limited Personal Guarantee by director and Chairman
Working Capital Loan from Financial Institutions	10.50% - 11.40%	On Demand	915.57	Secured by securities and commodities pledged by the company
Working Capital Loan from Financial Institutions	10.20%	On Demand	807.50	Pledge of storage receipts / Demat receipts Corporate guarantee by the company Personal Guarantee by Chairman
Subordinated Debts - Banks	10.00% - 14.50%	Bullet Repayment	4,840.13	Unsecured

20 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Employee benefits payable	44.54	93.01	70.91
Other Payable	16.40	239.04	20.60
Collections payable in respect of Managed Portfolio	174.18	159.27	-
Payable towards Securitised/assigned portfolio	2,453.62	645.68	-
Security Deposit	44.56	133.71	181.20
Unclaimed Dividend	1.77	-	-
Lease Liability	380.10	-	-
Creditors for capital goods	-	16.00	16.00
Expenses Payable	60.46	121.73	237.14
Total	3,175.63	1,408.44	525.85

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Principal amount remaining unpaid at the end of the year	25.29	23.20	20.80
Interest amount remaining unpaid at the end of the year	-	-	-
The amount of Interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-	-
Balance of Micro and Small Enterprises	25.29	23.20	20.80

21 CURRENT TAX LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Current Tax Liabilities	207.13	35.90	30.66
Total	207.13	35.90	30.66

22 PROVISIONS

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Provision for Employee Benefits	149.00	63.82	98.86
Total	149.00	63.82	98.86

23 OTHER NON-FINANCIAL LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Statutory Dues Payable	179.69	170.63	174.58
Income received in Advance	5.87	6.02	4.81
Advance from customers	-	1,556.81	2,784.33
Total	185.56	1,733.46	2,963.72

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

24 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of Shares	₹	No. of Shares	₹	No. of Shares	₹
Authorised Share Capital:						
Equity shares of ₹ 10/- each	4,00,00,000	4,000.00	4,00,00,000	4,000.00	4,00,00,000	4,000.00
Issued, subscribed and paid up capital:						
Equity shares of ₹ 10/- each, fully paid	2,33,53,626	2,335.36	2,33,53,626	2,335.36	2,33,52,626	2,335.26
(-) Shares held by Employee Stock Option Payment Trust (JRG ESOP Trust) (Refer Note 45)	(67,125.00)	(6.71)	(67,125.00)	(6.71)	(67,125.00)	(6.71)
Total	2,32,86,501	2,328.65	2,32,86,501	2,328.65	2,32,85,501	2,328.55

a) Reconciliation of number of equity shares and equity share capital

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Number	Amount ₹	Number	Amount ₹	Number	Amount ₹
Balance as at the beginning of the year	2,33,53,626	2,335.36	2,33,52,626	2,335.26	2,33,52,626	2,335.26
Add: Shares issued during the year	-	-	1,000	0.10	-	-
Balance as at the end of the year	2,33,53,626	2,335.36	2,33,53,626	2,335.36	2,33,52,626	2,335.26

b) Reconciliation of number of equity shares outstanding in JRG ESOP Trust

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Number	Amount ₹	Number	Amount ₹	Number	Amount ₹
Balance as at the beginning and end of the year	67,125	6.71	67,125	6.71	67,125	6.71

c) Rights, preferences and restrictions attached to shares and terms of conversion of other securities into equity.

The Company has only one class of shares of equity share having a par value of ₹ 10 per share. Each holder of the equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed (if any) by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

d) Details of the shares held by Holding Company

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Juno Moneta Technologies Private Limited	1,66,10,440	71.13%	1,66,10,440	71.13%	1,66,10,440	71.13%

e) Details of the shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Juno Moneta Technologies Private Limited	1,66,10,440	71.13%	1,66,10,440	71.13%	1,66,10,440	71.13%

f) For the period of five years immediately preceding the date of Balance Sheet,

Aggregate number & class of shares allotted by the company as fully paid up pursuant to contracts without receipt of cash	Nil
Aggregate number & class of shares bought back by the company	Nil
Aggregate number & class of shares allotted by the company as fully paid up by way of bonus shares	Nil

g) Details of shares reserved for issue under options

During the financial year 2005-06 the Company had implemented an "Employee Stock Option Plan, 2005" which was subsequently superseded by the "Employees Stock Option Plan, 2008" in the financial year 2007-08. The options granted as per the above schemes were forfeited in earlier years and there were no exercisable options as at the beginning of the financial year 2016-17. However, pursuant to the aforesaid schemes, 67,125 equity shares of ₹ 10 each were allotted to JRG ESOP Trust which remain with the Trust.

ESOP 2016

During the financial year 2016-17 the said Employees Stock Option Plan, 2008 has been amended to align with the new regulations, viz., the Companies Act, 2013 and SEBI (Share Based Employee Benefits) Regulations, 2014 and to rationalise the provisions within the ESOP framework as originally approved. The scheme post amendment has been renamed as "Inditrade Employees Stock Option Plan 2016 ("ESOP 2016")".

The ESOP 2016 plan was approved on August 30, 2016 at the Annual General Meeting of Shareholders and subsequently considered and actioned upon by the Board of Directors at their meeting held on February 06, 2017 and was effective from the said date. The plan has been further amended at the Annual General Meeting held on August 03, 2018 and actioned upon by the Board of Directors at their meeting held on February 04, 2019 and designated as ESOP 2016 - Plan II for disclosure. The company has approved the grant of a further 12,50,000 stock options on the Nomination remuneration committee meeting held on March 12, 2020. The same has been designated as ESOP 2016 - Plan III for the purpose of disclosure.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

The objective of the plan is to encourage ownership of the Company's equity by its employees on an ongoing basis. The ESOP 2016 is intended to reward the employees for their contribution to the successful operation of Inditrade Capital Limited and to provide an incentive to continue contributing to the success of the Company. The basic terms of the options granted under ESOP 2016 plan are as under:

Particulars	ESOP 2016	ESOP 2016 - Plan II	ESOP 2016 - Plan III
Grant Date	February 07 2017	February 05 2019	March 13 2020
Options Granted	7,94,500	12,91,500	12,26,000
Exercise Price (₹ per option)	₹ 37.75	₹ 43.20	₹ 38.57
Share Price at Grant Date - in ₹	₹ 36.40	₹ 40.90	₹ 36.70
Vesting Period	4 Years (25% for each year)	4 Years (25% for each year)	4 Years (25% for each year)
Exercise Period	3 years from the date of vesting	3 years from the date of vesting	3 years from the date of vesting
Method of Accounting	Fair value method	Fair value method	Fair value method
Weighted average fair value per option - in ₹	₹ 16.56	₹ 21.10	₹ 15.74
Options Vested during the year	1,98,625	2,60,600	Nil
Options exercised during the year	Nil	Nil	Nil
Options outstanding at the end of the year	2,98,500	10,42,400	12,26,000
A description of the method used during the year to estimate the fair values of Options, the weighted average exercise prices and weighted average fair values of Options granted	The fair value of each Option is estimated using the Black Scholes Option Pricing model.		
The significant assumptions used to ascertain the above:	ESOP 2016	ESOP 2016 - Plan II	ESOP 2016 - Plan III
(i) Risk-free interest rate	6.45%	7.29%	6.11%
(ii) Time to Maturity	4 years	4.5 years	4.5 years
(iii) Expected volatility	61.97%	55.76%	58.30%
(iv) Expected dividends	2.06%	0.00%	2.72%
(v) The price of the underlying shares in market at the time of Option grant - in ₹	₹ 36.40	₹ 40.90	₹ 36.70
Methodology for determination of expected volatility	Annualised standard deviation of the continuously compounded rates of return over a period prior to the date of grant, corresponding with the expected life of the option		

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

25 OTHER EQUITY

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Other Reserves:			
Capital Reserve	1,200.10	1,200.15	1,200.10
Securities premium Reserve	4,973.50	4,973.50	4,973.22
Statutory Reserves	1,043.77	788.41	641.07
General Reserve	147.06	147.06	147.06
Share based payments reserve	164.56	122.70	65.76
Retained Earnings	2,867.97	2,486.95	1,484.03
Other Comprehensive Income			
Remeasurements of the net defined benefit plans	(14.36)	2.23	-
Effective Portion of Cash Flow Hedges	-	(17.24)	194.14
Equity component of Compulsorily Convertible Debentures	-	120.76	-
Total	10,382.60	9,824.52	8,705.38

Nature and Purpose of Reserves

Capital Reserve

Capital reserve represents the reserve created on account of non exercise of option within the stipulated time by the erstwhile promoters, to convert equity share warrants into equity shares, hence the amount received from the erstwhile promoters was forfeited and the Board of Directors approved the transfer of the said amount to the credit of capital reserve.

Securities premium Reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, buy back of its own shares and securities in accordance with the provisions of the Companies Act, 2013.

Statutory Reserves

Statutory reserve represents the reserve created as per Section 45IC of the RBI Act, 1934, pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss account, before any dividend is declared.

General Reserve

General reserve represents the transfer of amount from Employee Stock Option outstanding on account of forfeiture.

Share based payments Reserve

The share based payments reserve is used to recognise the grant date fair value of option issued to employees under employee stock option scheme.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

26 INTEREST INCOME

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Financial assets measured at Amortised cost		
Interest on loans	9,667.62	4,259.08
Interest received on fixed deposits	193.63	311.59
Excess interest earned on account of securitization and direct assignment	869.27	149.86
Other interest income	25.15	2.16
Total	10,755.67	4,722.69

27 DIVIDEND INCOME

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Dividend income -current investments	0.02	0.56
Total	0.02	0.56

28 FEE AND COMMISSION INCOME

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Commission on Managed Portfolio	17.59	19.19
Commission on facilities of Cross Sell	22.45	44.02
Income from clearance and forwarding	29.00	77.98
Service fee on direct Assignment	6.20	1.36
Other Fee Income	108.58	20.26
Total	183.82	162.81

29 NET GAIN ON FAIR VALUE CHANGES

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	2.56	-
Total Net gain on fair value changes	2.56	-
Of the Above		
Fair Value changes:		
- Realised	2.56	-
- Unrealised	-	-
Total	2.56	-

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

30 NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS UNDER AMORTISED COST

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Gain on Sale of Assigned/Securitized Portfolio	112.83	92.19
Total	112.83	92.19

31 SALE OF SERVICES

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Income from Depository Participant Services	0.13	-
Income from Financial distribution services	5.30	7.73
Income from Commodity Broking	4.10	338.04
Income from Insurance Broking	480.30	167.70
Interest/ Penal Charges	-	18.46
Income from treasury operations	-	6.85
Total	489.83	538.78

32 COMMODITY TRADE SUPPORT SERVICES

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit/(Loss) on trading in commodities (net)	453.66	1,898.66
Commodity Trade Support Services - Income	1,156.39	30.51
Profit/(Loss) on trading in derivative instruments - Commodity and currency Derivatives	82.30	154.12
Total	1,692.35	2,083.29

33 OTHER INCOME

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Net gain on derecognition of property, plant and equipment	0.53	0.37
Net gain or loss on foreign currency transaction and translation	15.10	12.71
Profit on sale of investments	-	0.53
Liabilities no longer required/Sundry balances written back	291.81	107.62
Interest Income on Income Tax Refund	1.93	31.06
Miscellaneous income	193.34	100.09
Total	502.71	252.38

34 FINANCE COST

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
On Financial liabilities measured at Amortised Cost		
Interest on borrowings	3,287.21	2,096.97
Interest expense on Lease Liability	54.99	-
Other interest expense	39.02	2.47
Other borrowing cost	27.61	41.95
Total	3,408.83	2,141.39

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

35 FEES AND COMMISSION EXPENSE

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Business Incentive	0.83	99.98
Turnover Charges	0.98	81.96
Other trading expenses	6.41	11.57
Total	8.22	193.51

36 NET LOSS ON FAIR VALUE CHANGES

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Net loss on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	1.82	3.06
Total Net gain on fair value changes	1.82	3.06
Of the Above		
Net loss on fair value changes		
- Realised	-	-
- Unrealised	1.82	3.06
Total	1.82	3.06

37 IMPAIRMENT OF FINANCIAL INSTRUMENTS

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
On Financial instruments measured at Amortised Cost		
Loans	551.36	229.71
Trade and Other receivables	30.87	14.00
Other Financial Assets	2.85	-
Total	585.08	243.71

38 EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, wages and bonus	3,845.84	1,864.10
Contributions to provident and other funds	304.71	111.70
Staff welfare expenses	70.43	41.81
ESOP Expenses	66.39	35.10
Total	4,287.37	2,052.71

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

39 OTHER EXPENSES

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Power & fuel	21.71	13.08
Rent	277.75	164.42
Rates and Taxes	43.67	41.34
Insurance	26.36	23.29
Repair and maintenance	183.85	148.73
Advertisement and Business Promotion Expenses	259.08	7.87
Traveling expenses	230.24	103.15
Communication expenses	39.90	25.94
Printing & Stationery	53.36	25.14
Office and branch expenses	49.86	42.23
Professional and consultancy charge	511.80	220.67
Service charges towards micro lending	574.17	-
Auditors Remuneration (Refer Note - 1 below)	32.60	32.24
Directors sitting fees	26.88	9.03
Commission to Directors	30.00	30.00
Corporate social responsibility	29.58	10.38
Bank and other charges	99.63	39.47
Derecognition on sale of Property, Plant and Equipment	2.75	-
Ware house charges	261.97	231.11
Arbitrage and Trading Expenses	23.90	123.81
Irrecoverable Advances written off	113.16	31.02
Registration and Renewals	3.44	4.69
Computer software expenses	55.22	25.26
Miscellaneous expenses	224.58	47.94
Total	3,175.46	1,400.81

Note 1: Auditors Remuneration (Excluding GST)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Statutory Audit & Limited Review	27.80	28.85
Other services	2.23	1.90
Reimbursement of expenses	2.57	1.49
Total	32.60	32.24

Note 2: Details of Corporate Social Responsibility expenditure

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Gross Amount required to be spent by the group during the year	21.55	24.23
Amount Spent during the year on		
(i) Construction/acquisition of any asset	-	-
(ii) On Purposes other than (i) above	28.58	12.63

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

40 INCOME TAX

The components of income tax expense for the year ended March 31, 2020 and March 31, 2019 are:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax	663.00	671.66
Deferred tax relating to origination and reversal of temporary differences	(22.67)	(42.32)
MAT Credit Adjustment	(7.46)	(94.12)
Total tax charge	632.87	535.22

Reconciliation of the total tax charge:

A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2020 and March 31, 2019 is, as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before tax	2,076.38	2,131.10
Enacted tax rate in India	Refer note below	Refer note below
Expected income tax expense at statutory tax rate	575.32	675.33
Tax impact on account of		
Depreciation under Income-tax Act	22.29	14.32
Expenses allowed only on payment basis	1.47	23.95
Expenses not deductible in determining taxable profits	35.81	39.30
Adjustment in respect of current tax for earlier years	1.36	9.63
Exempt income	-	(0.12)
Adjustment due to change in tax rate	2.01	(2.01)
Income chargeable at different rate	(0.34)	(0.07)
Set off of brought forward losses	-	(2.13)
Income not taxable in determining taxable profit	(7.27)	(1.18)
Impairment loss on loan and financial assets disallowed	5.08	15.79
Impact due to set off of long term capital gain against long term capital loss in tax books	-	(234.81)
Others	(2.86)	(2.78)
Tax expenses pertaining to current year	632.87	535.22
Effective income tax rate	30.48%	25.11%
Income tax expense reported in the statement of profit and loss	632.87	535.22

Note

Enacted tax rate in India

Entities forming part of consolidation	For the year ended March 31, 2020	For the year ended March 31, 2019
Inditrade Fincorp Limited	25.17%	29.12%
Inditrade Microfinance Limited	27.82%	27.82%
Inditrade Capital Limited	26.00%	27.82%
Other companies	26.00%	26.00%

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

41 DISCONTINUED OPERATIONS

- a) The Board of Directors of the holding company at its meeting held on May 18, 2018 approved the sale of its equity broking business (its principal operating segment) by way of Slump Sale on a going concern basis, which was approved by the members on July 02, 2018. Accordingly, the equity broking business was transferred to "Choice Equity Broking Private Limited" from the close of business hours on December 28, 2018 on Slump sale basis after necessary regulatory approvals. Consequently, all revenue and expenses relating to this business have been presented as Discontinued Operations as required by Ind AS 105 - Non current Asset held for Sale and Discontinued Operations.
- b) The amounts of revenue, expenses, pre-tax profit or loss and the income tax expense related thereto in respect of the discontinued operation is as follows

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
REVENUE FROM OPERATIONS		
Sale of Services	-	1,552.11
Interest/ penal charges	-	136.17
Total revenue from operations	-	1,688.28
Other Income	27.98	125.00
Total Income	27.98	1,813.28
EXPENSES		
Finance Cost	-	27.20
Fees and Commission Expense	-	683.46
Employee Benefit Expenses	-	985.26
Depreciation, Amortization & Impairment	-	41.59
Impairment on financial instruments	-	17.99
Other Expenses	-	414.70
Total Expenses	-	2,170.20
Profit / (loss) before exceptional items and tax from discontinued operations	27.98	(356.92)
Exceptional items (Refer note below)	-	704.87
Profit/(loss) before tax from discontinued operations	27.98	347.95
Tax Expense		
Current Tax	4.67	-
Deferred Tax	-	13.45
Profit / (loss) for the period from discontinued operations	23.31	334.50

Note:

Break up of Exceptional items	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit on sale of broking business	-	800.00
Provision for irrecoverable advances	-	(69.50)
Irrecoverable advances written off	-	(25.63)
Total	-	704.87

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

c) Cashflow arising from discontinued operations are as follows :

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Net cash generated from/(used) in operating activities	-	125.04
Net cash generated from/(used) in investing activities	-	(24.22)
Net cash generated from/(used) in financing activities	-	(43.90)
Decrease in Cash and cash equivalents on account of sale of broking business	-	(1,421.62)

Note: The details of assets and liabilities transferred on sale of broking business in the year ended March 31, 2019 are as follows:

Particulars	March 31, 2019
Property, plant and Equipment	68.11
Long term loans and advances	12.97
Trade receivables	887.59
Cash and cash equivalents	1,421.62
Short term loans and advances	22.41
Total assets	2,412.70
Other long term liabilities	25.58
Provisions	43.23
Trade payables	1,982.28
Other current liabilities	11.24
Total liabilities	2,062.33
Net assets disposed off	350.37
Sale consideration	1,150.37
Gain on sale of business	800.00

No provision for tax expenses relating to the gain on slump sale has been made in view of availability of claims/deductions for set off

42 EARNINGS PER SHARE

Earnings per equity share (for continuing operations)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Earnings		
Profit for the year (A)	910.19	815.76
Shares		
Number of shares at the beginning of the year (Basic) (in numbers) (B)	2,32,86,501	2,32,86,501
Add: weighted average number of shares arising out of shares to be issued to Employees	-	-
Weighted average number of equity shares outstanding at the end (diluted) (in numbers) (C)	2,32,86,501	2,32,86,501
Basic earnings per share (A/B) - in ₹	3.91	3.50
Diluted earnings per share (A/C) - in ₹	3.91	3.50
Face value per share - in ₹	10.00	10.00

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Earnings per equity share (for discontinuing operations)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Earnings		
Profit for the year (A)	23.31	334.50
Shares		
Number of shares at the beginning of the year (Basic) (in numbers) (B)	2,32,86,501	2,32,86,501
Add: weighted average number of shares arising out of shares to be issued to Employees	-	-
Weighted average number of equity shares outstanding at the end (diluted) (in numbers) (C)	2,32,86,501	2,32,86,501
Basic earnings per share (A/B) - in ₹	0.10	1.44
Diluted earnings per share (A/C) - in ₹	0.10	1.44
Face value per share - in ₹	10.00	10.00

Earnings per equity share (for continuing and discontinuing operations)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Earnings		
Profit for the year (A)	933.50	1,150.26
Shares		
Number of shares at the beginning of the year (Basic) (in numbers) (B)	2,32,86,501	2,32,86,501
Add: weighted average number of shares arising out of shares issued to Employees	-	-
Weighted average number of equity shares outstanding at the end (diluted) (in numbers) (C)	2,32,86,501	2,32,86,501
Basic earnings per share (A/B) - in ₹	4.01	4.94
Diluted earnings per share (A/C) - in ₹	4.01	4.94
Face value per share - in ₹	10.00	10.00

43 As lessee:

The Company has entered into commercial leases for leasing of premises. These leases have an average life of 2-6 years which are renewable on a periodic basis by mutual consent of both parties.

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
(a) Interest expense on lease liabilities	54.99	-	-
(b) Expense relating to short-term leases accounted for applying paragraph 6 of Ind AS 116*	270.47	-	-
(c) Total cash outflow for leases during the period	164.65	-	-

Maturity Analysis of lease liabilities:

Particulars	< 1 year	1-5 years	> 5 years	Total
(a) As at 31-03-2020	171.10	209.00	-	380.10
(b) As at 31-03-2019	-	-	-	-
(c) As at 01-04-2018	-	-	-	-

*The company has elected to apply para 6 of Ind AS 116 for short term leases and leases of low-value assets. As per the same, the company has recognised the lease payments associated with those leases as an expenses in the Statement of profit and loss account.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

44 Contingent liabilities and commitments

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
I. Contingent liabilities			
a) Guarantees outstanding	11.00	21.00	1,416.00
b) Other contingent liabilities			
- Income tax matters, pending decisions on various appeals made by the Company and by the Department	251.01	226.58	226.58
- Claims against the company not acknowledged as debt	144.23	237.39	244.11
- Provident Fund dues disputed in appeal against which ₹ 70.13 Lacs (2019 - ₹ 67.75 Lacs- & 2018 - ₹ 67.75 Lacs) is paid under dispute and included other non financial assets	278.01	502.35	502.35
- Service Tax demand disputed in appeal against which predeposit has been made ₹ 29.78 Lacs (2019 - 29.78 Lacs & 2018- ₹ 28.28 Lacs) included under non financial assets	454.44	799.22	728.59
- Credit enhancements provided by the Company towards securitisation	642.31	70.00	-
- Performance security provided by the Company pursuant to business correspondent agreement	755.61	189.56	-
- Letter of credit	-	-	3,124.72

45 JRG ESOP Trust

As per the requirements of Securities Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 ('SEBI guidelines'), since the stock option plans of 2005 and 2008 schemes are administered through a trust, the accounts of the Company are prepared as if the Company itself is administering the employee stock option plan. Pursuant to such requirement of the SEBI guidelines the equity shares issued to the JRG ESOP Trust and not exercised by the employees as on 31 March 2020 have been presented as a deduction from the share capital. The bank balance of the JRG ESOP Trust as on 31 March 2020 net of the loan granted and capital contribution to the JRG ESOP Trust by the Company has been presented as bank balance of the Company.

46 Micro Small and Medium Enterprises

The management has identified enterprises which have provided goods and services to the company and which qualify under the definition of "Micro and small enterprises" as defined under Micro, Small and Medium Enterprises Development Act 2006, ("the Act"). Accordingly, based on the information received and available with the group, there are no amounts payable to such enterprises other than disclosed in Note No. 20 as at March 31, 2020.

- 47 The group has exposure to National Spot Exchange Limited (NSEL) of ₹ 287.50 Lacs with respect to the proprietary contracts. NSEL has not been able to adhere to its payment obligations. The management has taken appropriate actions and is pressing for the early settlement of the dues. Pending final outcome which is uncertain, the management has provided for the same in earlier years. In the current year company has not received any amount from NSEL.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

48 ADDITIONAL INFORMATION

a) CIF Value of imports

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
Inventory	-	2,252.45	7,491.19

b) Foreign currency earnings

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
Exports on FOB Basis	-	2,363.40	5,389.78

49 Open interest in futures entered as at balance sheet date

31-03-2020

Sr. No.	Name of Future	Series of Future	Number of Contracts	Measurement Unit	No of units involved
Nil					

31-03-2019

Sr. No.	Name of Future	Series of Future	Number of Contracts	Measurement Unit	No of units involved
1	Castor (Long position)	April	1	MT	50
2	Dhaniya (Short position)	April	1	MT	570
3	Soyabean (Short position)	May	1	MT	320
4	Turmeric (Short position)	April, May	2	MT	1,335

01-04-2018

Sr. No.	Name of Future	Series of Future	Number of Contracts	Measurement Unit	No of units involved
1	Cardamom (Short position)	May	1	MT	2.50
2	Castor (Short position)	April	1	MT	1,130
3	Chana (Short position)	April, May, June	3	MT	750
4	Cocudakl (Short position)	April	1	MT	2,630
5	Cotton (Short position)	April	1	MT	4,200
6	Dhaniya (Short position)	April	1	MT	700
7	Guarseed (Short position)	April	1	MT	690
8	Jeera (Short position)	April, May	2	MT	933
9	RM Seed (Short position)	April, May, June	3	MT	4,710
10	Rubber (Short position)	April, May, June	1	MT	434
11	Soyabean (Short position)	April	1	MT	90
12	Turmeric (Short position)	April, May	2	MT	1,435

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

50 Impairment Loss allowance

Particulars	year ended March 31, 2020	year ended March 31, 2019
Receivables		
Balance as at the Beginning of the year	129.78	93.82
Add: Additional provision created during the year	13.04	77.41
Less: Provision utilised	(46.93)	(41.45)
Balance as at the end of the year	88.39	129.78
Other Financial Assets		
Balance as at the Beginning of the year	289.51	504.78
Less: Provision utilised	-	(215.27)
Less: Provision written back	(1.00)	-
Balance as at the end of the year	288.51	289.51

51 Employee Benefits

A) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the group pays fixed contributions and where there is no legal or constructive obligation to make further contributions.

Contribution to Defined Contribution Plans, recognised as an expense in the Statement of Profit and Loss is as under:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Employer's Contribution to Provident Fund	219.79	138.46
Employer's Contribution to Employee State Insurance	38.58	28.36

B) Defined Benefit Plan

The group has funded the gratuity liability ascertained on actuarial basis. The gratuity plan is governed by the Payment of Gratuity Act, 1972 wherein every employee who has completed five years of service is entitled to specific benefit. The level of benefit provided depends on the employee's length of service and salary at retirement age.

The plans in India typically expose the group to actuarial risks such as: investment risk, liquidity risk, longevity risk, salary risk and legislative risk.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields. The present value of plan assets is independent of the future discount rate. If the return on plan asset is below this rate, it will create a plan deficit.

Liquidity risk: Employees with high salaries and long durations, accumulate significant level of benefits. If some of such employees resign/ retire from the company's in the group, there can be strain on the cashflows.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Legislative risk: It is the risk of increase in the plan liabilities or reduction in the plan assets due to change in legislation/ regulation. Any amendment in The Payment of Gratuity Act with respect to benefits to employees will directly affect the present value of the Defined benefit obligation.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

There are no other post-retirement benefits provided to employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2020 by M/S Kapadia Actuaries and Consultants. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Gratuity

Particulars	March 31, 2020	March 31, 2019
Liability recognized in the Balance Sheet		
Present value of defined benefit obligation		
Opening Balance	81.08	173.74
Transfer in obligation	0.16	(88.63)
Current Service Cost	41.25	21.80
Interest Cost	5.47	13.35
Due to change in financial assumptions	6.48	1.33
Due to change in demographic assumptions	(0.02)	0.53
Due to experience adjustment	10.28	(21.61)
Benefits paid	(25.06)	(19.43)
Closing Balance	119.64	81.08
Less: Fair Value of Plan Assets		
Opening Balance	24.24	74.88
Transfer in obligation	-	(45.40)
Interest income	1.45	5.57
Return on Plan assets excluding amounts included in interest income	(0.91)	(0.43)
Employers' Contribution	-	8.02
Benefits paid	-	(18.40)
Closing Balance	24.78	24.24
Net Liability/ (Asset)	94.87	56.84
Expenses during the year		
Transfer in obligation	8.62	-
Current Service cost	40.97	21.06
Net interest cost	4.21	7.37
Component of defined benefit cost recognized in statement of profit & loss	53.80	28.42
Remeasurement of net defined benefit liability		
- Actuarial Loss/(Gain) on defined benefit obligation	16.47	(11.42)
- Actuarial Loss/(Gain) on Plan Assets	0.35	0.43
Component of defined benefit cost recognized in other comprehensive income	16.82	(10.99)
Actual Return on plan assets	0.54	5.14
Break up of Plan Assets:		
Policy of insurance	100%	100%

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Principal actuarial assumptions

Particulars	March 31, 2020	March 31, 2019
Discount Rate	6.80%	6.70% - 7.60%
Expected rate(s) of salary increase	7.00%	7.00%
Withdrawal rate	4.00% - 25.00%	4.00% - 25.00%
Rate of return on plan assets	6.80%	7.00% - 7.50%
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Table	

Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The amount included in the financial statements arising from the entity's obligation in respect of its defined benefit plan is as follows:

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
Defined Benefit Obligation	119.64	81.08	173.74
Plan Assets	24.78	24.24	74.88
Net (liability) /asset arising from defined benefit obligation	(94.86)	(56.84)	(98.86)
Amount recognised in Balance sheet	(109.37)	(63.83)	(98.86)

Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and withdrawal rate. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	Impact on Defined benefit obligation			
	March 31, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	113.90	125.83	77.35	85.60
Future salary growth (0.5% movement)	125.74	113.93	85.58	77.34
Withdrawal rate (10% movement)	116.52	122.96	80.34	82.35

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Maturity profile of Defined benefit Obligation:

Expected Cashflow	March 31, 2020	March 31, 2019
Year 1 cashflow	7.24	8.58
Year 2 cashflow	3.08	2.45
Year 3 cashflow	6.12	3.16
Year 4 cashflow	13.40	4.87
Year 5 cashflow	11.59	8.30
Year 6 to Year 10 cashflow	44.36	27.98

The expected contribution for the next year is ₹ 35.37 Lacs.

52 Related party disclosures

Holding Company	Juno Moneta Technologies Private Limited
Entities/Person having significant influence	Sudip Bandyopadhyay
Key managerial personnel	Gurmeet Mohan Singh, Director Jhuma Guha, Director Anand Kamalkishore Maliwal, Additional Director (From 28/01/2020) Naveen Kumar Jain, Chief Financial Officer Vinod Mohan, Manager Cum Company Secretary

(i) Transactions and balance with related parties

Particulars	March 31, 2020		March 31, 2019		April 01, 2018
	Transactions during the year	Amount Payable/ receivable	Transactions during the year	Amount Payable/ receivable	Amount Payable/ receivable
Commission Payable to directors	2.00	(2.00)	-	-	-
Remuneration paid					
Salaries and other allowances					
Naveen Kumar Jain	10.04	-	27.93	-	-
Vinod Mohan	13.79	-	12.27	-	-
Exercise of employee stock option					
Naveen Kumar Jain	-	-	0.19	-	-
Sitting fees paid to directors	5.20	-	2.60	-	-

Note: Salaries and other allowances paid to Key Managerial Person of subsidiary companies aggregates to ₹ 298.86 Lacs (Previous Year ₹ 243.97 Lacs)

Sitting fees paid to directors of subsidiary companies aggregates to ₹ 21.68 Lacs (Previous year ₹ 9.03 Lacs)

Commission payable to directors of subsidiary companies aggregates to ₹ 30.00 Lacs (Previous year ₹ 30.00 Lacs)

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

53 Details of Subsidiaries

Name of the subsidiary	Place of incorporation	Effective Holding		
		March 31 2020	March 31 2019	April 01 2018
Direct subsidiaries				
Inditrade Derivatives and Commodities Limited	India	95.75%	95.75%	95.75%
Inditrade Business Consultants Limited	India	99.84%	99.84%	99.84%
Inditrade Fincorp Limited (formerly known as JRG Fincorp Limited)	India	57.00%	57.00%	57.00%
Inditrade Microfinance Limited	India	80.75%	84.67%	73.38%
Inditrade Insurance Broking Private Limited	India	100.00%	100.00%	100.00%
Inditrade Housing Finance Limited	India	100.00%	100.00%	100.00%
Robocash Private Limited (formerly known as Inditrade Robocash Private Limited) (Till September 30, 2019)	India	-	100.00%	-
Inditrade Community Foundation	India	67.52%	68.30%	66.04%
Step down subsidiary				
Inditrade Commodities Trading Limited	India	99.84%	99.84%	99.84%

54 Financial Instruments

Capital Management

The Group's capital management strategy is to ensure that it has sufficient capital for business operations, strategic investment, regulatory requirements and to provide reasonable return to the shareholders. The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

Financial Instruments - Fair Value Measurement

Particulars	March 31, 2020		March 31, 2019		April 01, 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets						
Cash and cash equivalents	3,637.97	3,637.97	1,382.77	1,382.77	3,183.07	3,183.07
Bank balances other than Cash and cash equivalent	1,890.26	1,890.26	1,706.56	1,706.56	5,485.41	5,485.41
Derivative Financial Instruments	0.20	0.20	184.22	184.22	-	-
Trade receivable	300.12	300.12	2,270.81	2,270.81	3,195.88	3,195.88
Other receivable	53.26	53.26	54.14	54.14	1,808.08	1,808.08
Loans	30,701.51	30,701.51	26,383.84	26,383.84	18,204.98	18,204.98
Other financial assets	3,080.41	3,080.41	1,800.90	1,800.90	2,858.41	2,858.41
Measured at amortised cost	39,663.73	39,663.73	33,783.24	33,783.24	34,735.83	34,735.83
Measured at Fair value through other comprehensive income	-	-	-	-	-	-
Investments	94.37	94.37	36.11	36.11	39.18	39.18
Measured at Fair value through profit and loss account	94.37	94.37	36.11	36.11	39.18	39.18
Financial Liabilities						
Trade payable	1,793.56	1,793.56	3,727.33	3,727.33	6,355.38	6,355.38
Other payable	1,215.17	1,215.17	399.36	399.36	5,001.46	5,001.46
Borrowings	15,878.96	15,878.96	16,120.60	16,120.60	10,770.82	10,770.82
Subordinated Liabilities	4,812.30	4,812.30	4,844.59	4,844.59	4,840.13	4,840.13
Other financial liabilities	3,175.63	3,175.63	1,408.44	1,408.44	525.85	525.85
Measured at amortised cost	26,875.62	26,875.62	26,500.32	26,500.32	27,493.64	27,493.64

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Financial Risk Management

Risk Management

The Group has put in place a robust risk management framework to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. Given the nature of the business that the Group is engaged in, the risk framework recognizes that there is uncertainty in creating and sustaining value as well as in identifying opportunities. Risk management is therefore made an integral part of the Group's effective management practice. The Group has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Credit Risk

Credit risk is the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Group. The group's main income generating activity is lending to customers and therefore credit risk is a principal risk. Credit risk mainly arises from loans and advances. The Group has a comprehensive framework for monitoring credit quality of its retail and other loans primarily based on days past due monitoring at period end. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

The group has comprehensive and well-defined credit policies across various businesses, products and segments, which encompass credit approval process for all businesses along with guidelines for mitigating the risks associated with them. The appraisal process includes detailed risk assessment of the borrowers, physical verifications and field visits. The group has a robust post sanction monitoring process to identify credit portfolio trends and early warning signals. This enables it to implement necessary changes to the credit policy, whenever the need arises.

Determination of Expected Credit loss:

The Group classifies its loans under following pools:

1. Unsecured Personal Loans
2. Business Loans (SME)
3. Mortgage/Property Loans
4. Micro Finance

Determination of expected credit loss is done on collective assessment basis for each pool as mentioned above. The group reviews the credit quality of its loans based on the ageing of the loan at the period end. In assessing the impairment of loans to customers under Expected Credit Loss (ECL) Model, the loans in each pool are classified into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument.

Stage wise classification applied for each pool and determination of ECL is as follows:

A. Unsecured personal Loans

Rating	Days past due (DPD)	Stages
High grade	Not yet due	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-90 DPD	Stage 2
Credit impaired	91 DPD or More	Stage 3

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

B. Business Loans (SME)

Rating	Days past due (DPD)	Stages
High grade	Not yet due	Stage 1
Standard grade	1-90 DPD	Stage 1
Sub-standard grade	90-180 DPD	Stage 2
Credit impaired	180 DPD or More	Stage 3

C. Mortgage Loans

Rating	Days past due (DPD)	Stages
High grade	Not yet due	Stage 1
Standard grade	past due upto 6 months	Stage 1
Sub-standard grade	6-18 months past due	Stage 2
Credit impaired	> 18 months	Stage 3

D. Micro finance

Rating	Days past due (DPD)	Stages
High Grade	0	Stage 1
Standard Grade	1 - 89	Stage 1
Sub-standard Grade	90 - 179	Stage 2
Credit Impaired	180 or more	Stage 3

Determination of ECL in respect of loan to customers: The group estimates the probability of default based on past trend, primarily on the basis of days past due. Further, the group additionally considers the prudential norms for provisioning of Assets as contained in extant guidelines for NBFC, laid down by RBI, as a minimum benchmark for ECL.

As disclosed in Note 2(f), the spread of COVID-19 across in India and consequent lockdown has contributed to a significant decline and volatility in Indian economy. Accordingly, the RBI had announced a COVID-19 regulatory package on March 27, 2020. In terms of the said package and in accordance with the policy approved by the Board of Directors of the company, the company has extended a moratorium to eligible borrowers for installments due between March 1, 2020 and May 31, 2020. Extension of such moratorium benefit to borrowers as per the COVID-19 regulatory package of the RBI by itself is not considered to result in significant increase in credit risk as per Ind AS 109 for staging of loan accounts. Accordingly, the staging of loan accounts as on March 31, 2020, with respect to loan accounts which were under high/ standard grade as on February 29, 2020, is based on the days past due as on February 29, 2020.

Policy for write off of Loan Assets:

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the writeoff. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. The operational risks of the companies in the group are managed through comprehensive internal control systems and procedures and key back up processes. In order to further strengthen the control framework and

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

effectiveness, the companies in the group has established risk assessment and control measures at branches to identify process lapses by way of exception reporting. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The companies in the Group also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing enterprise exposure.

Market Risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The Group's exposure to market risk is a function of asset liability management activities. The Group is exposed to interest rate risk and liquidity risk. The Group continuously monitors these risks and manages them through appropriate risk limits.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with fixed interest rates and investments.

Liquidity Risk

Liquidity risk relates to our potential inability to meet all payment obligations when they fall due or only being able to meet them at excessive costs. The objective of the liquidity risk management framework is to ensure that the Group can fulfil its payment obligations at all times and can manage liquidity and funding risks within its risk appetite. The Asset Liability Committee regularly monitors the liquidity position and the duration of assets/liabilities and ensures that liquidity is strictly managed as per the policy.

Following are the contractual maturities of financial liabilities / financial assets at the reporting date. The amounts are gross and undiscounted and include estimated interest payments / receipts and exclude the impact of netting agreements.

Liquidity exposure as at 31st March, 2020

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Cash and cash equivalents	3,637.97	-	-	3,637.97
Bank balances other than cash and cash equivalents	1,223.09	667.17	-	1,890.26
Derivative Financial Instruments	0.20	-	-	0.20
Trade receivables	300.12	-	-	300.12
Other receivable	53.26	-	-	53.26
Loans	24,495.53	5,855.77	350.21	30,701.51
Investments	-	-	94.37	94.37
Other financial assets	603.88	2,471.84	4.69	3,080.41
Total financial assets	30,314.05	8,994.78	449.27	39,758.10
Financial liabilities				
Trade Payables	1,793.56	-	-	1,793.56
Other payables	1,215.17	-	-	1,215.17
Borrowings	12,758.09	3,120.87	-	15,878.96
Subordinated Liabilities	12.30	3,800.00	1,000.00	4,812.30
Other financial liabilities	2,926.57	249.06	-	3,175.63
Total financial liabilities	18,705.69	7,169.93	1,000.00	26,875.62

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Liquidity exposure as at 31st March, 2019

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Cash and cash equivalents	1,382.77	-	-	1,382.77
Bank balances other than cash and cash equivalents	1,635.81	70.75	-	1,706.56
Derivative Financial Instruments	184.22	-	-	184.22
Trade receivables	2,270.81	-	-	2,270.81
Other receivable	54.14	-	-	54.14
Loans	23,845.03	2,341.49	197.32	26,383.84
Investments	36.11	-	-	36.11
Other financial assets	403.61	1,392.78	4.51	1,800.90
Total financial assets	29,812.50	3,805.02	201.83	33,819.35
Financial liabilities				
Trade Payables	3,727.33	-	-	3,727.33
Other payables	399.36	-	-	399.36
Borrowings	12,940.15	3,180.45	-	16,120.60
Subordinated Liabilities	44.59	-	4,800.00	4,844.59
Other financial liabilities	1,271.34	137.10	-	1,408.44
Total financial liabilities	18,382.77	3,317.55	4,800.00	26,500.32

Liquidity exposure as at 1st April, 2018

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Cash and cash equivalents	3,183.07	-	-	3,183.07
Bank balances other than cash and cash equivalents	4,834.94	30.47	620.00	5,485.41
Trade receivables	3,195.68	-	0.20	3,195.88
Other receivable	1,808.08	-	-	1,808.08
Loans	18,204.98	-	-	18,204.98
Investments	39.18	-	-	39.18
Other financial assets	1,816.15	1,037.04	5.22	2,858.41
Total financial assets	33,082.08	1,067.51	625.42	34,775.01
Financial liabilities				
Trade Payables	6,355.38	-	-	6,355.38
Other payables	5,001.46	-	-	5,001.46
Borrowings	9,525.45	1,245.37	-	10,770.82
Subordinated Liabilities	40.13	-	4,800.00	4,840.13
Other financial liabilities	341.26	184.59	-	525.85
Total financial liabilities	21,263.68	1,429.96	4,800.00	27,493.64

Level wise disclosure of financial instruments

Particulars	March 31, 2020	March 31, 2019	April 01, 2018	Level	Valuation techniques and key inputs
Investment in equity instrument - Quoted	-	36.11	39.17	1	Quoted Price
Investment in equity instrument - Unquoted	94.37	-	-	3	Discounted cash flow

The carrying amounts of borrowings, loans, trade receivables, trade payables, cash and cash equivalents, other bank balances and other financial assets and liabilities other than those disclosed in the above table, are considered to be the same as their fair values, due to their short term nature.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

55 Maturity analysis of assets and liabilities

(All amounts are Indian Rupees in Lacs unless otherwise stated)

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR.

Particulars	March 31, 2020		March 31, 2019		April 01, 2018	
	Within 12 months	After 12 months	Within 12 months	After 12 months	Within 12 months	After 12 months
Assets						
Financial assets						
Cash and cash equivalents	3,637.97	-	1,382.77	-	3,183.07	-
Bank Balance other than Cash and cash equivalents	1,223.09	667.17	1,890.26	70.75	1,706.56	650.47
Derivative financial instruments	0.20	-	184.22	-	-	-
Receivables						
(I) Trade receivables	300.12	-	2,270.81	-	3,195.68	0.20
(II) Other receivables	53.26	-	54.14	-	1,808.08	-
Loans	24,495.53	6,205.98	30,701.51	2,538.81	26,383.83	-
Investments	-	94.37	94.37	-	36.11	-
Other financial assets	603.88	2,476.53	3,080.41	1,397.29	1,800.90	1,042.26
Non-financial Assets						
Inventories	3,674.09	-	9,664.09	-	8,877.55	-
Current tax asset	-	175.95	17.98	112.51	130.49	124.22
Deferred tax assets (net)	-	488.95	-	451.73	451.73	-
Goodwill on Consolidation	-	190.74	190.74	-	190.74	-
Property, plant and equipment	-	370.61	370.61	-	150.93	-
Right-of-use Asset	-	328.09	-	-	-	-
Other Intangible Assets	-	19.32	19.32	2.80	-	-
Other non financial assets	667.43	499.01	1,166.44	639.64	1,486.88	686.56
Total assets	34,655.57	11,516.72	46,172.29	5,555.20	43,202.21	3,231.73
Liabilities						
Financial Liabilities						
Payables						
(I) Trade payables	1,793.56	-	1,793.56	-	3,727.33	-
(II) Other payables	1,215.17	-	1,215.17	-	399.36	-
Borrowings	12,758.09	3,120.87	15,878.96	3,180.44	16,120.59	1,245.37
(other than debt security)						
Subordinated Liabilities	12.30	4,800.00	4,812.30	4,800.00	4,844.59	40.13
Other Financial liabilities	2,926.57	249.06	3,175.63	1,371.10	1,408.44	184.58
Non-financial Liabilities						
Current tax liabilities (net)	207.13	-	207.13	-	35.90	-
Provisions	74.66	74.34	149.00	34.70	63.83	23.68
Other non-financial liabilities	185.56	-	185.56	-	1,733.46	1.36
Total Liabilities	19,173.04	8,244.27	27,417.31	8,152.24	28,333.50	6,337.16
Net			18,754.98		17,563.50	15,847.06

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

56 Segment Information

(All amounts are Indian Rupees in Lacs unless otherwise stated)

The group is engaged in Client financing, Commodity trade support services, Insurance broking services and Financial distribution Support and other services. The group identifies these business segments as the primary segments as per Ind AS 108 - Operating Segments, which is regularly reviewed by the Chief Operating Decision maker for assessment of group's performance and resource allocation. Segment revenue, segment results and capital employed include the respective amounts identifiable to each of the segments. The group does not have any material operations outside India and hence, disclosure of geographic segments is not applicable. Non controlling interest is not part of segment liabilities.

Particulars	Client Financing		Commodity Trade Support services		Insurance Broking services		Others		Eliminations		Consolidated total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment revenue	11,521.88	5,925.04	1,864.30	2,663.65	481.67	171.37	144.06	247.17	774.83	1,406.91	13,237.08	7,600.32
Unallocated corporate income	150.46	182.35	180.54	53.60	1.69	0.59	250.14	301.89	80.12	286.05	502.71	252.38
Total income	11,672.34	6,107.39	2,044.84	2,717.25	483.36	171.96	394.20	549.06	854.95	1,692.96	13,739.79	7,852.70
Segment result	1,920.52	1,373.49	(201.85)	(268.34)	(71.68)	6.49	(181.02)	133.07	-	-	1,465.97	1,244.71
Unallocated corporate (expenses) / Income	-	-	-	-	-	-	-	-	-	-	582.43	538.44
Profit before tax	-	-	-	-	-	-	-	-	-	-	2,048.40	1,783.15
Income tax expense	-	-	-	-	-	-	-	-	-	-	628.20	521.77
Profit after tax	-	-	-	-	-	-	-	-	-	-	1,420.20	1,261.38
Other information												
Segment assets	40,914.55	35,206.16	6,140.44	16,123.60	311.31	158.70	10,740.87	10,521.19	13,042.46	17,092.16	45,064.71	44,917.49
Unallocated corporate assets	-	-	-	-	-	-	-	-	-	-	1,107.58	979.51
Total assets	-	-	-	-	-	-	-	-	-	-	46,172.29	45,897.00
Segment liabilities	22,977.66	19,749.31	5,222.70	15,195.40	276.83	39.31	1,052.75	677.95	2,316.88	7,413.83	27,213.06	28,248.14
Unallocated corporate liabilities	-	-	-	-	-	-	-	-	-	-	204.25	85.36
Total Liabilities	-	-	-	-	-	-	-	-	-	-	27,417.31	28,333.50
Depreciation	191.05	19.94	14.42	11.04	11.85	1.91	7.29	1.47	-	-	224.61	34.36
Non - Cash Income	20.14	14.75	118.70	33.80	-	-	168.07	-	-	-	306.91	48.55
Non-cash expenses other than depreciation	638.66	252.24	41.11	20.37	0.52	2.13	19.77	-	-	-	700.06	274.74

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Segment information relating to discontinued operation

Particulars	Equity Broking services		Eliminations		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment revenue	-	1,691.34	-	(3.06)	-	1,688.28
Unallocated corporate income	27.98	125.00	-	-	27.98	125.00
Total income	27.98	1,816.34	-	(3.06)	27.98	1,813.28
Segment result	-	222.95	-	-	-	222.95
Unallocated corporate (expenses) / Income	27.98	125.00	-	-	27.98	125.00
Profit before tax	-	-	-	-	27.98	347.95
Income tax expense	-	-	-	-	4.67	13.45
Profit after tax	-	-	-	-	23.31	334.50
Other information						
Segment assets	-	-	-	-	-	-
Unallocated corporate assets	-	-	-	-	-	-
Total assets	-	-	-	-	-	-
Segment liabilities	-	-	-	-	-	-
Unallocated corporate liabilities	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-
Depreciation	-	41.59	-	-	-	41.59
Non cash Income	-	42.77	-	-	-	42.77
Non-cash expenses other than depreciation	-	-	-	-	-	-

57 First time adoption of Ind AS

Reconciliation of balance sheet

Particulars	Notes	March 31, 2019			April 01, 2018		
		Amount as per previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS	Amount as per previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS
ASSETS							
Financial Assets							
Cash and cash equivalents	4	1,382.39	0.38	1,382.77	3,180.51	2.56	3,183.07
Bank balance other than Cash and cash equivalents	5	1,706.56	-	1,706.56	5,485.41	-	5,485.41
Derivative financial instruments	6	184.22	-	184.22	-	-	-
Receivables	7						
(I) Trade receivables		2,270.81	-	2,270.81	3,195.88	-	3,195.88
(II) Other receivables		54.14	-	54.14	1,808.08	-	1,808.08
Loans	8	26,587.68	(203.84)	26,383.84	18,264.05	(59.07)	18,204.98
Investments	9	35.24	0.87	36.11	35.25	3.93	39.18
Other financial assets	10	1,806.19	(5.29)	1,800.90	2,865.35	(6.94)	2,858.41
Total Financial Assets		34,027.23	(207.88)	33,819.35	34,834.53	(59.52)	34,775.01
Non-financial assets							
Inventories	11	9,664.09	-	9,664.09	8,877.55	-	8,877.55
Current tax assets (net)	12	130.49	-	130.49	124.28	-	124.28
Deferred tax assets (net)	13	409.59	42.14	451.73	311.75	12.52	324.27
Goodwill on consolidation		190.74	-	190.74	190.74	-	190.74
Property, plant and equipment	14	150.93	-	150.93	207.32	-	207.32
Intangible Assets	15	2.80	-	2.80	5.69	-	5.69
Other non-financial assets	16	1,481.89	4.98	1,486.87	1,922.76	6.32	1,929.08
Total Non-Financial Assets		12,030.53	47.12	12,077.65	11,640.09	18.84	11,658.93
Total Assets		46,057.76	(160.76)	45,897.00	46,474.62	(40.68)	46,433.94

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Particulars	Notes	March 31, 2019			April 01, 2018		
		Amount as per previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS	Amount as per previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS
Liabilities and equity							
Liabilities							
Financial liabilities							
Payables	17						
(I) Trade payables		3,727.33	-	3,727.33	6,355.38	-	6,355.38
(II) Other payables		399.36	-	399.36	5,001.46	-	5,001.46
Borrowings (other than debt securities)	18	16,297.53	(176.93)	16,120.60	10,785.19	(14.37)	10,770.82
Subordinated liabilities	19	4,844.59	-	4,844.59	4,840.13	-	4,840.13
Other financial liabilities	20	1,408.23	0.21	1,408.44	525.84	0.01	525.85
Total Financial Liabilities		26,677.04	(176.72)	26,500.32	27,508.00	(14.36)	27,493.64
Non-financial liabilities							
Current tax liabilities (net)	21	35.89	0.01	35.90	30.66	-	30.66
Provisions	22	63.82	-	63.82	98.86	-	98.86
Other non-financial liabilities	23	1,732.81	0.65	1,733.46	2,963.72	-	2,963.72
Total Non- Financial Liabilities		1,832.52	0.66	1,833.18	3,093.24	-	3,093.24
Equity							
Equity share capital	24	2,328.65	-	2,328.65	2,328.55	-	2,328.55
Other equity	25	9,732.97	91.55	9,824.52	8,690.35	15.03	8,705.38
Equity attributable to owners of the company		12,061.62	91.55	12,153.17	11,018.90	15.03	11,033.93
Non controlling Interest		5,486.58	(76.25)	5,410.33	4,854.48	(41.35)	4,813.13
Total Equity		17,548.20	15.30	17,563.50	15,873.38	(26.32)	15,847.06
Total liabilities and equity		46,057.76	(160.76)	45,897.00	46,474.62	(40.68)	46,433.94

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Reconciliation of Total Comprehensive Income for the year ended March 31, 2019

Particulars	Notes	Amount as per previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS
Revenue from operations				
Interest income	26	4,884.71	(162.03)	4,722.69
Dividend income	27	0.56	-	0.56
Fee and commission income	28	163.45	(0.64)	162.81
Net gain on derecognition of financial instruments under amortised category	30	-	92.19	92.19
Sale Services	31	538.79	(0.01)	538.78
Commodity Trade Support services	32	2,279.79	(196.50)	2,083.29
Total revenue from operations		7,867.29	(266.97)	7,600.32
Other income	33	283.04	(30.66)	252.38
Total Income		8,150.33	(297.63)	7,852.70
Expenses				
Finance costs	34	2,183.18	(41.79)	2,141.39
Fees and commission expense	35	193.51	-	193.51
Net loss on fair value changes	36	-	3.06	3.06
Impairment on financial instruments	37	170.89	72.82	243.71
Employee benefits expenses	38	2,037.79	14.92	2,052.71
Depreciation, amortisation and impairment	14	34.36	-	34.36
Other expenses	39	1,396.62	4.19	1,400.81
Total expenses		6,016.35	53.20	6,069.55
Profit before exceptional items and tax		2,133.98	(350.83)	1,783.15
Exceptional items		704.87	(704.87)	-
Profit before tax		2,838.85	(1,055.70)	1,783.15
Tax Expense:	40			
(1) Current tax		671.66	-	671.66
(2) Deferred tax		(111.29)	(38.60)	(149.89)
Total tax expense		560.37	(38.60)	521.77
Profit for the period from continuing operations		2,278.48	(1,017.10)	1,261.38
Profit before tax from discontinued operations	41	(334.31)	682.26	347.95
Tax expense of discontinued operations		13.45	-	13.45
Profit after tax from discontinued operations		(347.76)	682.26	334.50
Profit for the period		1,930.72	(334.84)	1,595.88
Other Comprehensive Income		-	(15.01)	(15.01)
Total comprehensive income		1,930.72	(349.85)	1,580.87

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Reconciliation of Net worth

Particulars	As at March 31, 2019	As at April 01, 2018
Net Worth under IGAAP	17,548.20	15,873.38
- Adoption of Effective interest rate (EIR) for amortisation of income and expenses of financial assets and liabilities measured at amortised cost	(167.03)	(44.70)
- Gain on Derecognition of Financial Instruments at Amortized Cost	92.19	-
- Fair value accounting of Investments	1.67	4.73
- Equity Component of Compound Financial Instruments	120.76	-
- Impact of Expected Credit Loss	(72.83)	-
- Others	(1.60)	1.12
- Tax Adjustment on above items	42.14	12.53
Net Worth under IND AS	17,563.50	15,847.06

Reconciliation of Cash flow for the year ended 31-03-2019

Particulars	Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
Net cash generated from/(used in) operating activities	(8,704.36)	1,590.92	(7,113.44)
Net cash generated from/(used in) investing activities	5,213.58	(4,148.12)	1,065.46
Net cash generated from/(used in) financing activities	3,104.31	2,564.43	5,668.74
Net increase/(decrease) in cash and cash equivalents	(386.47)	7.24	(379.23)
Cash and cash equivalents at start of year	3,189.91	(6.84)	3,183.07
Decrease in cash and cash equivalents on account of sale of broking business	(1,421.62)	-	(1,421.62)
Increase in cash and cash equivalents on account of addition/disposal of subsidiary	0.57	0.02	0.55
Cash and cash equivalents at close of year	1,382.39	(0.38)	1,382.77

Notes:

Loans

- Under Indian GAAP, the Group has created provision for loans based on guidelines on prudential norms issued by RBI. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss Model (ECL). The differential impact has been adjusted in Retained earnings / Profit and loss during the period.
- Under Indian GAAP, NPA provision along with Standard asset provision has been disclosed under Provisions. Under Ind AS the ECL provision has been shown net of loan balance.
- Under Indian GAAP, transaction cost incurred in connection with loans are amortised upfront and charged to profit and loss for the period. Under Ind AS, transaction cost are included in the initial recognition amount of financial asset measured at amortised cost and charged to profit and loss using effective interest method.

Share based payments:

Under Indian GAAP, the Company followed the intrinsic value method for the share based payment plans and the same did not result in recognition of any expense. Ind AS requires the fair value of the share options to be determined using an appropriate pricing model and recognised over the vesting period. Thus, expense has been recognised in profit and loss for the period ended 31st March, 2019. Expense pertaining to share options granted before 1st April, 2018, have been recognised as a separate component of equity in Share based payment reserve against retained earnings as at 1st April,

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are Indian Rupees in Lacs unless otherwise stated)

2018. Further Company has also granted employee stock option to employees of its subsidiaries and the related cost has been transferred to subsidiary and recorded as receivable from the Subsidiaries.

Deferred tax as per balance sheet approach:

Under previous GAAP, deferred tax accounting was under the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 "Income-Taxes" approach has resulted in recognition of deferred taxes on temporary differences that were not required to be recorded under previous GAAP. In addition, the various transitional adjustments have led to deferred tax implications that the Group has accounted for. Deferred tax adjustments are recognised in correlation to the underlying transaction in either retained earnings or other comprehensive income, on the date of transition.

Borrowings

Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised over the period and charged to profit and loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit and loss using the effective interest method.

Fair Value of Investment

Under Indian GAAP, the investments were carried at cost whereas under Ind AS, investments are measured based on the Group's business model for managing the financial assets and contractual cash flow characteristics of the financial asset. The investments that meet the business model and contractual cash flow characteristics are measured at amortised cost and interest is recognised as per the EIR method. Those that do not meet these tests are measured at fair value.

Property, Plant and Equipment and Intangible assets

Ind AS permits a first-time adopter to continue with the carrying value for all of its Property, Plant and Equipment and intangible assets as recognised in its Indian GAAP at the date of transition as deemed cost, after making necessary adjustments for decommissioning liabilities. The Group has used Ind AS 101 exemption and continued with the carrying value as recognised in Indian GAAP as deemed cost on the transition date.

Re-measurement of post employment benefit plans:

Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, re-measurements are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

58 Prior year figures have been reclassified / regrouped wherever necessary to conform to the current year's classification.

As per our report attached of even date
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Reg.No. 103523W/W100048

S. Sundararaman

Partner
Membership No: 028423

Place: Chennai
Date: 28 May 2020

For and on behalf of the Board of Directors of
Inditrade Capital Limited

Brij Gopal Daga

Director
DIN:00004858

Vinod Mohan

Manager cum Company Secretary
Place: Mumbai
Date: 28 May 2020

Anand Kamalkishore Maliwal

Director
DIN:07474039

Naveen Kumar Jain

Chief Financial Officer

Jhuma Guha

Director
DIN:00007454

(All amounts are Indian Rupees in Lacs unless otherwise stated)

Additional information as required by Paragraph 2 of the General Instructions for preparation of consolidated Financial statements to Schedule III to the Companies Act, 2013 as at and for the year ended March 31, 2020 and March 31, 2019

March 31, 2020

Name of the entity	Net Assets i.e., (total assets minus total liabilities)		Share in profit/loss		Share in other Comprehensive Income		Share in total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit & Loss	Amount	As % of consolidated Other comprehensive income	Amount	As % of consolidated Total Comprehensive Income	Amount
Parent Company								
Inditrade Capital Limited	8.52%	1,083.33	7.47%	69.77	-	-	7.61%	69.77
Subsidiary company								
Inditrade Derivatives and Commodities Limited	2.95%	375.07	(4.17)%	(38.94)	-	-	(4.25)%	(38.94)
Inditrade Business Consultants Limited	4.03%	511.99	25.43%	237.34	58.10%	(8.11)	25.00 %	229.24
Inditrade Fincorp Limited	75.94%	9,652.92	54.35%	507.36	36.50%	(5.09)	54.78%	502.26
Inditrade Microfinance Limited	43.21%	5,492.76	78.73%	734.94	16.09%	(2.24)	79.91%	732.69
Inditrade Insurance Broking Private Limited	2.21%	280.63	(4.61)%	(43.07)	(10.71)%	1.49	(4.53)%	(41.57)
Inditrade Housing Finance Limited	8.28%	1,052.86	(3.72)%	(34.70)	2.36%	(0.33)	(3.82)%	(35.03)
Inditrade Commodities Trading Limited	2.40%	305.18	1.15%	10.74	(2.34)%	0.33	1.21%	11.07
Inditrade Community Foundation	0.00%	0.24	0.01%	0.07	-	-	0.01%	0.07
Consolidated net assets/ profit after tax before Non controlling Interest		18,754.98		1,443.51		(13.95)		1,429.56
Non Controlling Interest	(47.55)%	(6,043.73)	(54.63)%	(510.01)	(18.89)%	2.64	(55.91)%	(512.65)
Consolidated net assets/ profit after tax	100%	12,711.25	100%	933.50	100%	(16.59)	100%	916.91

(All amounts are Indian Rupees in Lacs unless otherwise stated)

March 31, 2019

Name of the entity	Net Assets i.e., (total assets minus total liabilities)		Share in profit/loss		Share in other Comprehensive Income		Share in total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit & Loss	Amount	As % of consolidated Other comprehensive income	Amount	As % of consolidated Total Comprehensive Income	Amount
Parent Company								
Inditrade Capital Limited	5.72%	695.55	40.89%	470.28	207.58%	(11.22)	40.10%	459.06
Subsidiary company								
Inditrade Derivatives and Commodities Limited	4.76%	577.94	7.32%	84.16	-	-	7.35%	84.16
Inditrade Business Consultants Limited	14.39%	1,748.58	74.04%	851.64	489.18%	(26.44)	72.08%	825.19
Inditrade Fincorp Limited	49.51%	6,017.45	(37.00)%	(425.61)	(411.65)%	22.25	(35.23)%	(403.36)
Inditrade Microfinance Limited	56.47%	6,863.30	52.17%	600.08	7.65%	(0.41)	52.38%	599.67
Inditrade Insurance Broking Private Limited	1.44%	174.99	0.17%	1.92	30.07%	(1.63)	0.03%	0.29
Inditrade Housing Finance Limited	9.07%	1,101.70	(1.64)%	(18.85)	-	-	(1.65)%	(18.85)
Inditrade Commodities Trading Limited	3.12%	379.35	2.97%	34.22	(45.15)%	2.44	3.20%	36.66
Robocash Private Limited	0.04%	4.47	0.04%	0.41	-	-	0.04%	0.41
Inditrade Community Foundation	0.00%	0.17	(0.21)%	(2.37)	-	-	(0.21)%	(2.37)
Consolidated net assets/ profit after tax before Non controlling Interest		17,563.50		1,595.88		(15.01)		1,580.87
Non Controlling Interest	(44.52)%	(5,410.33)	(38.74)%	(445.62)	(177.68)%	(9.60)	(38.09)%	(436.02)
Consolidated net assets/ profit after tax	100%	12,153.17	100%	1,150.26	100%	(5.41)	100%	1,144.85

NOTICE OF THE 26TH ANNUAL GENERAL MEETING

Notice is hereby given that the 26th (Twenty Sixth) Annual General Meeting (A.G.M.) of the Members of Inditrade Capital Limited will be held on Thursday, 06th August, 2020 at 10.30a.m. (IST) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) to transact the following business:

A. ORDINARY BUSINESS:

1. Adoption of Audited Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company, both Standalone and Consolidated, for the Financial Year ended 31st March, 2020, together with the Reports of the Board of Directors and the Auditors thereon.

2. Re-appointment of Director retiring by rotation

To re-appoint Mrs. Jhuma Guha (DIN: 00007454), who retires by rotation as the Director of the Company at this Annual General Meeting and being eligible, offers herself for re-appointment.

B. SPECIAL BUSINESS:

3. Appointment of Mr. Anand Kamalkishore Maliwal (DIN: 07474039) as a Non-Executive Director of the Company

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

"RESOLVED THAT Mr. Anand Kamalkishore Maliwal (DIN: 07474039), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 28th January, 2020 in terms of Section 161(1) of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of the Company, and whose term of office expires at this Annual General Meeting and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, and being eligible, offers himself for appointment, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member signifying his intention to propose Mr. Anand Kamalkishore Maliwal's candidature to the office of the Director, be and is hereby appointed as a

Director of the Company, liable to retire by rotation, with effect from the date of this Meeting."

4. Re-appointment of Mr. Vinod Mohan as the Manager of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Vinod Mohan, Company Secretary as the Manager of the Company for a period of three years commencing from 10th November, 2019 to 9th November, 2022 on such terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with the authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and/ or agreement in such manner as may be agreed to between the Board of Directors and Mr. Vinod Mohan."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper, expedient or desirable to give effect to this Resolution and/or to make modifications as may be deemed to be in the best interest of the Company."

5. Approval for payment of Commission to Mr. Sivanandhan Dhanushkodi - Non Executive Independent Director 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 pursuant to the provisions of Sections 197, 198 and all other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 (the "Act") and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015, approval of the Members of the Company be and is hereby accorded to pay remuneration by way of commission, an amount exceeding 1% of Annual Net Profit computed in accordance with the provisions of Section 197 read with Section 198 of the Companies Act, 2013 and not exceeding ₹ 2,00,000 (Rupees Two Lakhs only) to Mr. Sivanandhan Dhanushkodi for his services rendered to the Company in such proportions and in such manner as may be recommended by the Nomination and Remuneration Committee and as decided and determined by the Board of Directors of the Company."

"RESOLVED FURTHER THAT the above remuneration shall be in addition to the sitting fees, if any, payable to the Director for attending the meetings of the Board or any Committee thereof as may be decided by the Board of Directors and reimbursement of expenses for participation in such Board and Committee meetings."

**By the order of the Board of Directors
For Inditrade Capital Limited**

**Date : 28.05.2020
Place : Mumbai**

**Sd/-
Vinod Mohan
Company Secretary
M.No:FCS 8044**

Notes:

1. The statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business to be transacted in the Annual General Meeting as set out in the Notice is annexed.
2. In view of continuing COVID-19 pandemic, the Ministry of Corporate Affairs has come up with General Circular No. 20/2020 dated 05th May, 2020 that allow companies to hold Annual General Meeting (AGM) in the manner detailed in General Circular No. 14/2020, dated 08th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 through Video Conferencing (VC) and Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circulars issued by the Regulators, the AGM of the Company is being held through VC/OAVM.
3. Members as on the cut-off date of 30th July, 2020 shall only be entitled for availing the remote E-voting facility and E-voting facility during the AGM. A person who is not a Member on the cut-off date should accordingly treat this Notice for information purposes only and

attend the AGM through VC/OAVM and shall not be entitled to any voting rights.

4. Since the AGM is held through VC/OAVM, where physical attendance of members in any case has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members will not be available for this meeting and hence requirement of attaching the Proxy Form and Attendance Slip has been dispensed herewith and not annexed to this Notice.
5. Corporate Members intending to send their authorized representative(s) to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a Certified True Copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf to the scrutiniser by email to svjsassociates@gmail.com. The authorized representative(s) shall enjoy all the rights of a Member for the purpose of voting through remote e-voting or for participation and voting in the meeting held through VC /OAVM.
6. A person can be an authorized representative of more than one Body Corporate. In such a case, he is treated as more than one Member present in person for the purpose of the quorum.
7. In Compliance with MCA Circulars dated 8th April 2020, 13th April 2020 and 05th May 2020 and SEBI Circular dated 12th May, 2020, Members may kindly note that sending of Physical Copies of Annual Report to Members have been dispensed with and is being sent through electronic mode to those members whose e-mail addresses are registered with the Company or Depositories. Members may also note that the Notice of the 26th AGM and the Annual Report 2020 will be available on the Company's website www.inditrade.com and can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and disseminated on the website of CDSL at www.evotingindia.com.
8. Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 26th AGM and the Annual Report for the year ended 31st March, 2020 including therein the Audited Financial Statements for the Financial Year 2019- 20, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 26th AGM and the Annual Report for the Financial Year 2019-20 and all other communication sent by the Company, from time to time, can get their email address

registered by following the steps as given below:-

- a. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your Folio No., Name of 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 Company email id vinod.mohan@inditrade.com
 - b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
9. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
 10. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details, NECS, mandates, nominations, power of attorney, change of address/name, PAN details, etc to their Depository Participant only and not to the Company's Registrars and Transfer Agents. Changes intimated to the Depository Participant will then be automatically reflected in the records of the Registrars and Transfer Agents which will help the Company and its Registrars and Transfer Agents to provide efficient and better service to the Members.
 11. In accordance with the amendments to Regulation 40 of the Listing Regulations, Securities and Exchange Board of India (SEBI), decided that requests for effecting transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository (National Securities Depository Limited or Central Depository Services (India) Limited). Members holding shares in Physical Form are requested to consider converting their holding to dematerialized Form in order to eliminate all risks associated with physical shares. Members can contact the Registrar and Share Transfer Agent (RTA) in this regard. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat accounts.
 12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in Physical Form can submit their PAN details to the Company.
 13. Additional Information required to be furnished under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standards-2 with respect of the Director(s)/ Manager seeking appointment/re-appointment at the AGM has been furnished and forms a part of the notice and has been given in the explanatory statement. The director(s)/manager has furnished the requisite consents/declarations for their appointment/re-appointment.
 14. The facility for joining the meeting shall be kept open at least 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.
 15. We will be publishing a Public Notice by way of advertisement in Business Standard and Mangalam with the suitable details of the ensuing Annual General Meeting.
 16. The Company has engaged the service of Central Depository Services (India) Limited, for assisting the Members for casting of votes by remote e-voting as well as the e-voting system on the date of the AGM and VC facility shall also be provided by CDSL.
 17. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
 18. Since the AGM is held through VC/OAVM, the Route Map is not annexed in this Notice.
 19. The facility of participation at the AGM through VC/OAVM will be made available to maximum 1000 members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson 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.
 20. M/s. SVJS & Associates, Company Secretaries, Kochi, has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner.
 21. During the 26th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 26th AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 26th AGM and announce the start of the casting of

vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 26th AGM.

22. The Scrutinizer shall after the conclusion of e-Voting at the 26th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the 26th AGM, who shall then countersign and declare the result of the voting forthwith.
23. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.inditrade.com and on the website of CDSL at www.evotingindia.com immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
24. **Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:**

Members whose email addresses are not registered with the depositories can register the same for obtaining login credentials for e-voting for the resolutions proposed in this Notice in the following manner:

- a) **For Physical Shareholders-** Please provide necessary details like Folio No., Name of Member, 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 Company email ID: vinod.mohan@inditrade.com.
- b) **For Demat Shareholders-** Please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 the Company email ID: vinod.mohan@inditrade.com. It is clarified that for permanent registration of email address, the Members are however requested to register their email address, in respect of electronic holdings with the Depository through the concerned Depository Participants.
- c) The Company/RTA shall co-ordinate with CDSL

and provide the login credentials to the above mentioned shareholders.

25. **Instructions for attending the AGM through VC/OAVM and E-Voting during the AGM are as under:**

- a. Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/Members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/Members login where the EVSN of Company will be displayed.
- b. Members are encouraged to join the Meeting through Laptops / IPads for better experience.
- c. Further, Members will be required to allow camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d. 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.
- e. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 (five) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at Company mail ID vinod.mohan@inditrade.com. The Members who do not wish to speak during the AGM but have queries may send their queries in advance at least 5 (Five) days prior to the meeting mentioning their name, demat account number/folio number, email id, mobile number at Company mail ID vinod.mohan@inditrade.com. These queries will be replied to by the company suitably by email.
- f. Those Members who have registered themselves as speakers will only be allowed to express their views/ask questions during the meeting.
- g. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned separately for Remote e-voting.
- h. Only those Members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting

system available during the AGM.

- i. If any votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.
- j. 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.

26. Instructions for remote e-voting are as under:

- (i) The voting period begins on 3rd August, 2020 at 9.00 a.m. and ends on 5th August, 2020 at 5.00 p.m. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 30th July, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The Members should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders/Members" module.
- (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

[OR]

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your

existing password is to be used.

- (viii) **If you are a first time user follow the steps given below:**

For Shareholders/Members holding shares in Demat Form and Physical Form

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

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

(xii) Click on the EVSN for the relevant **"Inditrade Capital Limited"** on which you choose to vote.

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

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

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

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

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

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

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

(xx) **Note for Non - Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should

be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual Members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who is authorized to vote, to the Scrutinizer and to the Company at the email address viz; vinod.mohan@inditrade.com, if they have voted from individual tab and not uploaded the same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

**By the order of the Board of Directors
For Inditrade Capital Limited**

**Date : 28.05.2020
Place : Mumbai**

**Sd/-
Vinod Mohan
Company Secretary
M.No:FCS 8044**

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), given hereunder sets out all material facts relating to the Businesses mentioned at Item nos. 3, 4 and 5 of the accompanying Notice:

Item no.3:

The Board of Directors of the Company at its meeting held on 28th January, 2020 had appointed Mr. Anand Kamalkishore Maliwal as the Additional Director of the Company in accordance with the provisions of Section 161 of the Companies Act, 2013 and on the recommendation of the Nomination and Remuneration Committee. As per Section 161(1) of the Companies Act, 2013, the tenure of appointment of Mr. Anand Kamalkishore Maliwal as an Additional Director is due to expire at the ensuing Annual General Meeting and hence the approval of the Members is being sought to confirm his directorship and to appoint him as a Non Executive Director of the Company.

The Company has received a notice in writing from a Member under Section 160 of the Act proposing the candidature of Mr. Anand Kamalkishore Maliwal for the office of Director of the Company. Further the Company has also received the consent in writing from Mr. Anand Kamalkishore Maliwal to act as the Director and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The brief profile of Mr. Anand Kamalkishore Maliwal is given below:

Mr. Anand Kamalkishore Maliwal is a business technologist with more than 16 years of experience in Banking and Financial Services. His experience is spread across a wide spectrum of technology functions across multiple geographies including India, Japan and UK. Anand has significant experience in the areas of managing core technology functions, deploying and rolling out programs, vendor management, technology outsourcing, multi-location team management and process consulting. He also has a sound understanding of newer programs in field of Mobility, Analytics and Cloud. His previous assignments include Destimoney Securities Private Limited, Network Stock Broking, Cognizant Technology Solutions, Polaris Software Labs and India Infoline Ltd.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Anand Kamalkishore Maliwal be appointed as a Non-Executive Director of the Company and seek his guidance in the digital transformation initiatives of the group.

The Nomination and Remuneration Committee and the Board of Directors have recommended the appointment of Mr. Anand Kamalkishore Maliwal as a Non-Executive Director, considering his distinguished record of service and administrative abilities.

Save and except Mr. Anand Kamalkishore Maliwal and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

Item no. 4:

The Members of the Company at its meeting held on 10th August, 2017 had re-appointed Mr. Vinod Mohan as the Manager of the Company, for a period of 3 years commencing 10th November, 2016. His term of office expired on 09th November, 2019, and the Board of Directors on the recommendations of the Nomination and Remuneration Committee had re-appointed Mr. Vinod Mohan as the Manager of the Company for a further period of 3 years effective from 10th November, 2019 subject to the approval of Members of the Company.

Mr. Vinod Mohan is a Graduate in Law and a Fellow Member of the Institute of Company Secretaries of India (ICSI). He has more than 10 years of work experience, in the field of Corporate Secretarial, legal and managerial functions. Mr. Vinod Mohan is at present the Company Secretary cum Compliance Officer of the Company and in addition to that he is also holding the post of Manager. The details of remuneration paid to Mr. Vinod Mohan as Manager of the Company during the Financial Year is provided in MGT-9 (Extract of Annual Return) published in the Website of the Company www.inditrade.com. However at present, no remuneration is being paid to Mr. Vinod Mohan in his capacity as the Manager of the Company.

Keeping in view Mr. Vinod Mohan's rich and varied experience in the Corporate Secretarial, Legal and managerial functions over a long period of time, it would be in the interest of the Company to continue the employment of Mr. Vinod Mohan as the Manager of the Company. The Board of Directors therefore seeks the approval of the Members of the Company for the re-appointment of Mr. Vinod Mohan as the Manager of the Company.

Save and except Mr. Vinod Mohan and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/ Key Managerial Personnel of

the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 4 of the Notice.

Item No. 5:

The Nomination and Remuneration Committee of the Board after considering the rich experience and expertise brought to the Board by the Non-Executive Directors, recommended a remuneration by way of commission, an amount exceeding 1% of the Annual Net Profit computed in accordance with the provisions of Section 197 read with Section 198 of the Companies Act, 2013, in the Financial Year 2019-2020 to Mr. Sivanandhan Dhanushkodi - Non Executive Independent Director in lieu of his services rendered to the Company. Such payment will be in addition to the sitting fees, if any, for attending the Board/Committee meetings.

As per Section 197 of the Companies Act, 2013, remuneration is payable to the Non-Executive Directors of a Company by way of commission, if such payment is authorised by way of a resolution passed by the Members. Accordingly, approval of the Members is being sought by way of a Special Resolution under the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for payment of remuneration of ₹ 2 lakhs by way of commission to Mr. Sivanandhan Dhanushkodi, Non-Executive Independent Director of the Company. In accordance with the Schedule

V and other applicable provisions of the Companies Act, 2013, and on the recommendation made by the Nomination and Remuneration Committee of the Company at its meeting held on May 28, 2020, the Board of Directors of the Company at its meeting held on even date has approved such payment of commission of ₹ 2 lakhs, subject to such other approvals as may be necessary to Mr. Sivanandhan Dhanushkodi, in view of inadequate profits for the Financial Year 2019-2020. The statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to the Special Resolution at Item No. 5 is annexed hereto as **Annexure-I**

None of the Directors, Key Managerial Personnel or their respective relatives, except Mr. Sivanandhan Dhanushkodi to whom the resolution relates to are concerned or interested in the Resolution mentioned at Item No. 5 of the Notice. The Board recommends the resolution set forth in Item No. 5 for the approval of the Members.

**By the order of the Board of Directors
For Inditrade Capital Limited**

**Date : 28.05.2020
Place : Mumbai**

**Sd/-
Vinod Mohan
Company Secretary
M.No:FCS 8044**

Details of Directors seeking appointment/ re-appointment pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) and Secretarial Standards-2.

Name of the Director	Mrs. Jhuma Guha	Mr. Anand Kamalkishore Maliwal
DIN	00007454	07474039
Age	55 years	43 years
Qualification	ACA, ACS	Bachelor of Engineering and Post Graduate Diploma on Business Administration
Experience in specific functional area	More than 28 Years of experience in Corporate & Legal affairs, Compliance, Finance, Mergers and Acquisitions and Strategic Management	Business Technologist with more than 16 years of experience in Banking and Financial Services spread across wide spectrum of Technology functions across multiple locations like India, Japan and UK
Terms and conditions of appointment/ re-appointment	Re- appointment as Non-Executive Director, liable to retire by rotation	Appointment as Non-Executive Director, liable to retire by rotation
Remuneration sought to be paid	Nil	Nil
Remuneration last drawn	Nil	₹ 16,22,544/- in May 2019
Date of first appointment on the Board	15th February, 2016	28th January, 2020
Shareholding in the Company	Nil	500 Equity Shares
Relationship with other Directors, Manager and Key Managerial Personnel	Nil	Nil
Number of Board Meetings attended during the year	5/5	1/1
*Directorship in other Companies	1) Inditrade Fincorp Limited (Formerly known as JRG Fincorp Limited) 2) Inditrade Microfinance Limited 3) Inditrade Housing Finance Limited	Inditrade Commodities Trading Limited
* Membership/Chairmanship in Board Committee of other Companies	Inditrade Microfinance Limited Audit Committee (Membership)	Nil
* Includes only Directorship/Chairmanship / Membership of Audit Committees and Stakeholders' Relationship Committee of Public Limited Company(Whether Listed or Not)		

Name of the Manager	Mr. Vinod Mohan
Age	40 years
Qualification	Graduate in Law and a Fellow Member of the Institute of Company Secretaries of India (ICSI)
Experience	More than 10 years of experience in Corporate Secretarial, legal and managerial functions.
Terms and conditions of appointment/ re-appointment	Appointment as Manager for a period of three years
Remuneration sought to be paid	NIL
Remuneration last drawn	No remuneration is being drawn in the capacity of a Manager
Date of first appointment	11th November, 2014
Shareholding in the Company	Negligible
Relationship with other Directors and Key Managerial Personnel	None
Number of Board Meetings attended during the year	NA
Directorships held in other Companies	NIL
Chairmanship / Membership of Committees of other Boards*	NIL
*Includes only Directorship/Chairmanship/ Membership of Audit Committees and Stakeholders' Relationship Committee of Public Limited Company(Whether Listed or Not)	

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013:

I. General Information:																		
1.	Nature of Industry:	Inditrade Capital Limited is engaged in the business of financial services through its subsidiaries																
2.	Date or expected date of commencement of commercial production:	NA																
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:	NA																
4.	a. Standalone Financial performance based on given indicators:	<table><tr><th>Particulars</th><th>Year ended March 31, 2020 (₹ In lakhs)</th><th>Year ended March 31, 2019 (₹ In lakhs)</th></tr><tr><td>Income from Operations and other Income</td><td>289.44</td><td>431.06</td></tr><tr><td>Operating Profit (before interest, depreciation and tax)</td><td>163.66</td><td>156.66</td></tr><tr><td>Profit/(Loss) before Tax*</td><td>102.71</td><td>71.17</td></tr><tr><td>Profit/(Loss) after Tax</td><td>79.55</td><td>732.29</td></tr></table> <p>* excludes exceptional items. (Figures have been regrouped/recast wherever necessary)</p>	Particulars	Year ended March 31, 2020 (₹ In lakhs)	Year ended March 31, 2019 (₹ In lakhs)	Income from Operations and other Income	289.44	431.06	Operating Profit (before interest, depreciation and tax)	163.66	156.66	Profit/(Loss) before Tax*	102.71	71.17	Profit/(Loss) after Tax	79.55	732.29	
Particulars	Year ended March 31, 2020 (₹ In lakhs)	Year ended March 31, 2019 (₹ In lakhs)																
Income from Operations and other Income	289.44	431.06																
Operating Profit (before interest, depreciation and tax)	163.66	156.66																
Profit/(Loss) before Tax*	102.71	71.17																
Profit/(Loss) after Tax	79.55	732.29																
	b. Consolidated Financial performance based on given indicators:	<table><tr><th>Particulars</th><th>Year ended March 31, 2020 (₹ In lakhs)</th><th>Year ended March 31, 2019 (₹ In lakhs)</th></tr><tr><td>Income from Operations and other Income</td><td>13,739.79</td><td>7,852.70</td></tr><tr><td>Operating Profit (before interest, depreciation and tax)</td><td>5681.84</td><td>3958.90</td></tr><tr><td>Profit/(Loss) before Tax*</td><td>2076.38</td><td>1331.10</td></tr><tr><td>Profit/(Loss) after Tax</td><td>1443.51</td><td>1595.88</td></tr></table> <p>* excludes exceptional items. (Figures have been regrouped/recast wherever necessary)</p>	Particulars	Year ended March 31, 2020 (₹ In lakhs)	Year ended March 31, 2019 (₹ In lakhs)	Income from Operations and other Income	13,739.79	7,852.70	Operating Profit (before interest, depreciation and tax)	5681.84	3958.90	Profit/(Loss) before Tax*	2076.38	1331.10	Profit/(Loss) after Tax	1443.51	1595.88	
Particulars	Year ended March 31, 2020 (₹ In lakhs)	Year ended March 31, 2019 (₹ In lakhs)																
Income from Operations and other Income	13,739.79	7,852.70																
Operating Profit (before interest, depreciation and tax)	5681.84	3958.90																
Profit/(Loss) before Tax*	2076.38	1331.10																
Profit/(Loss) after Tax	1443.51	1595.88																
5.	Foreign investments or collaborators, if any:	NIL																
II. Information about Mr. Sivanandhan Dhanushkodi:																		
1.	Background details:	<p>The brief profile of Mr. Sivanandhan Dhanushkodi, Former C.P. Mumbai and D.G.P. Maharashtra is given below:</p> <ul style="list-style-type: none">Retired as the Director General of Police, Maharashtra state in March, 2011Served as Commissioner of Police, Mumbai and was responsible for building up a world-class anti-terrorism mechanism <p>Most recently, he has served as a member of the special task force in the National Security Council Secretariat (Prime Minister's Office) for revamping India's internal and external national security measures. He was the security advisor to the Reserve Bank of India for three years from 2012 to 2015. He has co-authored a National best seller titled "Chanakya's seven secrets of leadership" which is translated into five national languages.</p>																

2.	Past remuneration:	NIL
3.	Recognition or Awards:	<ul style="list-style-type: none"> Recipient of the President's Distinguished Service Medal, 2000 as well as the Meritorious Service Medal, 1993 and the Internal Security Medal, 1998
4.	Job Profile and his suitability:	Mr. Sivanandhan Dhanushkodi being a Non Executive Independent Director has distinguished records of service and administrative abilities. His experience being the Director in many other financial services companies including that of listed entities can bring immense value addition to your Company.
5.	Remuneration proposed	As stated in the Explanatory Statement at Item No.5 of this Notice
6.	Comparative remuneration policy with respect to industry, size of the company, profile of the position and person:	The remuneration proposed is well within the maximum permissible remuneration as laid down in Schedule V of the Companies Act, 2013 which is comparable with the Companies of the same size and profitability.
7.	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:	Besides the remuneration proposed and sitting fees for attending the meetings, Mr. Sivanandhan Dhanushkodi does not have any pecuniary relationship with the Company and is not related to any managerial personnel of the Company
III Other information:		
1.	Reasons of loss or inadequacy of profits:	The Company has sold its broking and depository business in the year 2018. The Company on a standalone basis has not forayed into any business initiatives since.
2.	Steps taken or proposed to be taken for improvement:	The Company through its subsidiaries is engaged in various business verticals. The Company on a standalone basis is still exploring other business initiatives and has taken necessary steps to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.
3.	Expected increase in productivity and profits in measurable terms:	It is difficult to forecast the productivity and profitability in measurable terms. However, the Company expects that productivity and profitability may improve and would be comparable with the industry average.
IV. Disclosures:		
1.	Remuneration package of the managerial person:	Fully described in the explanatory statement as stated above.
2.	Disclosures in the Board of Directors' report under the heading 'Corporate Governance' included in Annual Report 2019-20:	The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report of the Financial Year 2019-2020 of the Company.

Notes

[illegible]

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Brij Gopal Daga
Independent Director

Mr. K A Somasekharan
Independent Director

Mr. D Sivanandhan
Independent Director

Mrs. Jhuma Guha
Non-Executive Director

Mr. Anand Kamalkishore Maliwal
Non- Executive Director

COMPANY SECRETARY CUM COMPLIANCE OFFICER & MANAGER

Mr. Vinod Mohan

CHIEF FINANCIAL OFFICER

Mr. Naveen Kumar Jain

STATUTORY AUDITORS

Haribhakti & Co. LLP
Chartered Accountants,
5B, A Block, 5th Floor,
Mena Kampala Arcade, No 18 & 20,
Thiagaraya Road,
T. Nagar, Chennai - 600 017.

SECRETARIAL AUDITORS

SVJS & Associates
Company Secretaries
65/2364A, Ponoth Road
Kaloor, Kochi, Ernakulam-682017

INTERNAL AUDITORS

Panicker Warriar & Co.
Chartered Accountants
First Floor ,Nenmanassery Illom
Illom Road
Off Paliam Road
Ernakulam-682016

BANKERS

HDFC Bank Limited
The Federal Bank Limited
ICICI Bank Limited
Axis Bank Limited
State Bank of India
Kotak Mahindra Bank Limited

REGISTRAR AND SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd.
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East),
Mumbai- 400059

REGISTERED OFFICE

Second Floor, M E S Building,
Kaloor, Kochi, Ernakulam,
Kerala-682017

CORPORATE OFFICE

Unit No. T-7 C,
5th Floor, C Wing,
Phoenix House
Senapati Bapat Marg,
Lower Parel (W),
Mumbai 400013

Inditrade Capital Limited

CIN: L67120KL1994PL C008265

Registered Office: Second Floor, M E S Building,
Kaloor, Kochi, Ernakulam, Kerala, India-682017

Tel: 0484-6714800 | Fax: 0484-6714820

E-mail: inditrade@inditrade.com | Website: www.inditrade.com