

**AMANAYA VENTURES LIMITED**  
**CIN: U51101PB2009PLC032640**

**Regd. Office Address: 69,70- First Floor, Deep Complex, Court Road, Amritsar,**  
**Punjab-143001**

**Email: [manan.mahajan@live.com](mailto:manan.mahajan@live.com), Telephone No.9914997607**

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**DIRECTOR'S REPORT TO THE MEMBERS**

**DEAR MEMBERS**

Directors of your Company have pleasure in presenting their 10<sup>th</sup> Annual Report on the affairs of the Company together with Audited Financial Statements and the Auditors' Report for the financial year ended March 31, 2019. The summarized financial results for the financial year are as under;

**FINANCIAL HIGHLIGHTS**

(Amt.in Rs.)

Particulars	Standalone	
	Current Year 31.03.2019	Previous Year 31.03.2018
Net Sales	13,50,46,946	6,31,05,115
Other Income	70452	3,378
Total Income	13,51,17,398	6,31,08,493
Total Expenditure	13,49,16,949	6,28,06,072
Profit/Loss before depreciation & taxation	3,62,062	409019
Less: Depreciation	1,61,614	1,06,598
Less: Provision for taxation	5627	4,409
Add: Prior period adjustment (Taxation)	0.00	0.00
Profit/Loss after taxation	2,06,075	2,98,012
Balance brought forward from previous year	10,699	(284,799)
Balance carried to balance sheet	2,16,774	10,699

**STATE OF COMPANY'S AFFAIRS**

During the year under review, the Company achieved net revenue from operations of **Rs. 13,50,46,946/-** as against **Rs. 6,31,05,115/-** in the previous year and made Profit/Loss before Tax of **Rs 3,62,062/-** as against **Rs 4,09,019/-** in the previous year.

**DIVIDEND**

No Dividend was recommended by the Board for the current financial year by keeping expansion view of the business of the company and due to insufficient profit.

**RESERVE**

No amount was transferred to the reserves during the financial year ended 31<sup>st</sup> March, 2019.

**MATERIAL CHANGES & COMMITMENTS**

No material changes and commitments affecting the financial position of the Company have occurred after the end of the financial year 2018-19 and till the date of this report.



## **SHARE CAPITAL**

The paid up equity capital as on March 31, 2019 was Rs. 47,81,640 during the year under review. Your Company has altered the share capital in the following manner during the financial year:

### **ISSUE OF EQUITY SHARES:**

As per provisions of Article of Association of the Company, provisions of Companies Act, 2013 and rules made thereunder, and other applicable provisions, if any, and pursuant to the necessary approval of members and by the Board of directors, the company has issued **Nil** equity shares during the financial year.

## **FINANCE**

Cash and cash equivalents as on March 31, 2019 was **Rs. 72,92,489/-**.

### **FIXED DEPOSITS**

Your Company neither accepted any deposits under chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014, during the year, nor have any deposits without compliance under chapter V of Companies Act, 2013.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013 during the year.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your company has well defined and adequate internal controls and procedures, commensurate with its size and nature of its operations. This is further strengthened by the Internal Audit done concurrently.

### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

As per provisions of the Section 135 of the Companies Act, 2013 and rules made thereunder, every company having net worth of Rs. Five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute CSR committee.

Since, the company is not falling in any of the above said criterion therefore your company need not constitute the CSR committee. However, the company donated a certain amount at interval of time to the various charitable societies.

### **CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION**

\*Company is a trading company and it does not carry any manufacturing activities or any Research and Development programme. However, the company continues to take all possible steps to conserve energy in area of its operations.



## FOREIGN EXCHANGE EARNINGS AND OUT-GO

During the financial year total;

Foreign Exchange Earnings	NIL
Foreign Exchange Outgo	NIL

## INDUSTRIAL RELATIONS

During the year, your Company enjoyed cordial relationship with employees at all levels.

## DIRECTORS & KEY MANAGERIAL PERSONNEL

S.No.	DIN/PAN	Name of Directors & KMPs	Designation	Date of Appointment	Date of Resignation
1.	0002217914	MANAN MAHAJAN	Director	27/02/2009	-----
2.	0008092865	Sonia	Director	04/04/2018	-----
3.	0007767074	BIKRAM SINGH RANA	Director	17/03/2017	-----
4.	02463524	RAJNI MAHAJAN	Director	18/02/2019	-----

Director Mr. Manan Mahajan (**DIN-02217914**) retires by rotation and, being eligible, offers themselves for re- appointment. The Directors recommend Mr. Manan Mahajan re-appointment as a Director of the company. Also the Company has received a declaration under Section 164(2) from Mr. Manan Mahajan in DIR-8.

However, Mrs Rajni Mahajan was appointed as director on 18/02/2019 during the year.

## NUMBER OF BOARD MEETINGS HELD DURING THE FINANCIAL YEAR 2018-19

During the financial year 2018-19, the Board met 10 times on dated 03/04/2018, 04/04/2018, 20/04/2018, 20/06/2018, 02/08/2018, 18/10/2018, 15/12/2018, 01/02/2019, 14/02/2019 and 31/03/2019.

The meeting of the Board was held periodically with not more than one hundred twenty days (120) intervening between two consecutive meetings of the Board.

Two extraordinary general meetings were held on 15/05/2018, 18/02/2019 respectively

## DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed.
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.



- iii) The directors had 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.
- iv) The directors have prepared the annual accounts on a going concern basis.
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The Contracts or arrangements entered into with related party along with justification for entering into such contract or arrangement, referred to in sub-section(1) of section 188 in the prescribed form No. AOC-2 is as per **Annexure-I**

#### **SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES**

The Company does not have any subsidiaries or joint ventures. Midland Services Limited is an Associate Company.

As required under Rule 8(1) of the Companies (Accounts) Rules, 2014, the Board's Report has been prepared on standalone financial statements and a report on performance and financial position of each of the associates is included in the financial statements.

In accordance with third provision of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed at registered office of the company.

#### **THE BOARD EXPLANATIONS ON AUDITOR'S OBSERVATIONS**

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 134 and 204 of the Companies Act, 2013.

#### **PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

During the year under review, there were no employees drawing remuneration as per limits specified under sub rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013.



**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

During the year, there were no instances of significant and material orders passed by the regulators, courts or tribunals on the Company.

**SHARES ISSUED UNDER EMPLOYEE STOCK OPTION SCHEME (ESOS): Nil**

**ACKNOWLEDGEMENTS**

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

**For and On behalf of the Board of Directors**

Place : Amritsar  
Date : 30/08/2019

  
**Manan Mahajan**  
**Director**  
DIN: 02217914

  
**Rajni Mahajan**  
**Additional Director**  
DIN: 02463524



## Form AOC-I

### Statement containing salient features of the financial statement of subsidiaries /associate companies/joint ventures

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

S.No.	Part "A": Subsidiaries	In Rs.
1.	Name of the subsidiary	-
2.	Reporting period for the subsidiary	-
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year	
4.	Share capital	-
5.	Reserves & surplus	-
6.	Total assets	-
7.	Total Liabilities	-
8.	Investments	-
9.	Turnover	-
10.	Profit before taxation	-
11.	Provision for taxation	-
12.	Profit after taxation	-
13.	Proposed Dividend	-
14.	% of shareholding	-
S.No.	Part "B": Associates and Joint Ventures	In Rs.
	Name of Associate	Midland Services Limited
1.	Latest audited Balance Sheet Date	31/03/2019
2.	Shares of Associate/Joint Ventures held by the company on the year end	
	Nos.	7,51,940
	Amount of Investment in Associates	25,21,623
	Extend of Holding %	23.50
3.	Description of how there is significant influence	More than 20% of holding
4.	Reason why the associate/joint venture is not consolidated	Consolidated
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet	37,24,472
6.	Profit / (Loss) for the year	(1577431)
	(1) Considered in Consolidation	(1577431)
	(2) Not Considered in Consolidation	NIL

For and On behalf of the Board of Directors

Place : Amritsar  
Date : 30.08.2019

*Manan Mahajan*

**Manan Mahajan**  
**Director**  
DIN: 02217914

*Rajni Mahajan*

**Rajni Mahajan**  
**Additional Director**  
DIN: 02463524



# ANNEXURE-I

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)

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	There were no transactions not at arm's length basis
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)	Date(s) of approval by the Board, if any	
f)	Amount paid as advances, if any	
g)	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:

S.No.	Name of the related party and nature of relationship	Nature of Transactions	Duration	Salient Terms	Amount (in lac.)
1.	Midland Services Limited(Associate company)	Sale of goods	ongoing	On arm's length basis and in the ordinary course of business.	102.25
		Purchase of goods	ongoing		187.82
		Receipt Professional Fees	ongoing		3.00

a)	<b>Name(s) of the related party</b>	<b>Relationship</b>
	Midland Services Limited	Mr. Manan Mahajan is the director in both the company as well as M/s Amanaya Ventures Ltd. is the promoter company.
b)	Nature of contracts/ arrangements/ transactions	Sale/Purchases/Various consulting and advisory services
c)	Duration of the contracts / arrangements/ transactions	Ongoing basis
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	As per mentioned in Agreement
e)	Date(s) of approval by the Board, if any	N.A
f)	Amount paid as advances, if any	N.A



## INDEPENDENT AUDITORS' REPORT

To The Members of Amanaya Ventures Limited

### Report on the Financial Statements

#### Opinion

We have audited the financial statements of Amanaya Ventures Limited (the "Company"), which comprise the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement for the financial year ended March 31, 2019, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at March 31, 2019, its profit and cash flows period for the financial year ended March 31, 2019.

#### Basis for opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

#### Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.





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

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

#### **Management's responsibility for the Financial Statements**

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- 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 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 financial statements, including the disclosures, and whether the 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.

### **Report on Other Legal and Regulatory Requirements**

As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

As required by 'the Companies (Auditor's Report) Order, 2016 ("the Order") as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act





we give in the **Annexure A** statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose 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, Statement of Profit and Loss (including other comprehensive income), Cash Flow Statement and the statement of changes in equity dealt with by this report are in agreement with the books of account;
- d) On the basis of written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of sub section 164(2) of the Act.
- e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure B**.
- f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - i. The Company does not have any pending litigations which would impact its Standalone financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
  - iii. The Company has no transferring amounts, required to be transferred to the investor education and protection fund by the company.

**For Manoj Mahajan & Associates**

**Chartered Accountants**

*Manoj Mahajan*

**CA Manoj Mahajan  
(Proprietor)**

**Membership number: 547186**

**Firm's registration number: 032268N**

**Date:- 30<sup>th</sup> August 2019**

**UDIN:19547186AAAABD3177**





## **Annexure A**

**The Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date**

### **1. In Respect of its Fixed Assets:**

- a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- b) These fixed assets have been physically verified by the management at reasonable intervals in accordance with regular programme of verification. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- c) The title deeds of immovable properties are held in the name of the company.

### **2. In Respect of its inventory:**

- a) According to the information and explanations given to us, Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification during the year.
3. According to information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013.
4. According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
5. According to information and explanations given to us the company has not accepted any deposits during the year.
6. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act'2013.
7. According to the information and explanations given to us, in respect of statutory dues:
  - a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
  - b) There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty





of excise, value added tax, cess and any other statutory dues in arrears as at March 31,2018 for period of more than six months from the date they became payable.

8. The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
10. We have not noticed or reported any fraud by the company or any fraud on the Company by its officers or employees during the year.
11. The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act
12. This clause of the Caro 2017 is not applicable to the Company as the company is not a Nidhi Company
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where ever applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
14. According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and the provisions of section 192 of Companies Act, 2013 have been complied with;
16. This clause of the Caro 2017 is not applicable to the Company as the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Manoj Mahajan & Associates**

**Chartered Accountants**

*Manoj Mahajan*

**CA Manoj Mahajan**

**Proprietor**

**Membership number: 547186**

**Firm's registration number: 032268N**

**Place:- Amritsar,**

**Dated:-30<sup>th</sup> August 2019**

**UDIN:19547186AAAABD3177**





## **Annexure B**

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

We have audited the internal financial controls over financial reporting of Amanaya Ventures Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

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

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





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

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

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Manoj Mahajan & Associates**  
**Chartered Accountants**

*Manoj Mahajan*  
**CA Manoj Mahajan**

**Proprietor**

**Membership number: 547186**

**Firm's registration number: 032268N**

**Place:- Amritsar**

**Dated:-30<sup>th</sup> August 2019**

**UDIN:19547186AAAABD3177**



## STANDALONE BALANCE SHEET AS AT 31<sup>st</sup> March 2019

(In Rupees)

Particulars	Notes	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2018
<b>EQUITY AND LIABILITIES</b>			
1. Shareholder's Fund			
a) Share Capital	1	47,81,640	47,81,640
b) Reserves and Surplus	2	3,68,774	1,62,699
c) Money received against share warrants			
<b>Total</b>		51,50,414	49,44,339
Share application money pending allotment			
2. Non-current liabilities			
(a) Long-term borrowings			
(b) Deferred tax liabilities (Net)			
(c) Other Long term liabilities			
(d) Long-term provisions			
<b>Total</b>			
3. Current liabilities			
(a) Short-term borrowings			
(b) Trade payables	3	13,144,882	7,144
(c) Other current liabilities	4	57,812	12,826
(d) Short-term provisions	5	38,566	57,626
<b>Total</b>		13,241,260	77,596
<b>GRAND TOTAL</b>		18,391,674	50,21,935
<b>ASSETS</b>			
4. Non-current assets			
(a) Fixed assets	6		
(i) Tangible assets		7,84,425	6,67,776
(ii) Intangible assets		51,111	63,936
(iii) Capital work-in-progress			
(iv) Intangible assets under development			
(b) Non-current investments	7	2,521,623	24,31,503
(c) Deferred tax assets (net)	8	1,13,143	1,07,516
(d) Long-term loans and advances	9	2,00,812	1,62,246
(e) Other non-current assets	10	---	1,500
<b>Total</b>		3,671,114	34,34,477

(Contd.....)





(In Rupees)			
Particulars	Notes	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2018
<b>Current assets</b>			
(a) Current investments			
(b) Inventories	11	6,152,324	
(c) Trade receivables	12	4,62,200	2,80,200
(d) Cash and cash equivalents	13	7,292,488	11,52,257
(e) Short-term loans and advances	14	8,13,548	1,55,001
(f) Other current assets			
<b>Total</b>		<b>14,720,560</b>	<b>15,87,458</b>
<b>GRAND TOTAL</b>			
Significant accounting policies See accompanying notes to the Financial Statements.	1 to 29	18,391,674	50,21,935

For on behalf of Board

*Rajni Mahajan*  
Rajni Mahajan  
(Director)

DIN:- 2463524

*Manan Mahajan*  
Manan Mahajan  
(Director)  
(Din: 02217914)

Place:- Amritsar

Dated:-30<sup>th</sup> August 2019

As per our report of even date

For Manoj Mahajan & Associates

Chartered Accountants



*Manoj Mahajan*

CA Manoj Mahajan

Proprietor

M.No547186

FRN: 032268N

UDIN:19547186AAAABD3177

**STANDALONE STATEMENT OF PROFIT AND LOSS for the  
Period ended as at 31<sup>st</sup> March 2019**

(In Rupees)

Sr No.	Particulars	Notes	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2018
I	Revenue from Operations	15	135,046,946	6,31,05,115
II	Other Income	16	70,452	3,378
III	<b>Total Revenue (I+II)</b>		<b>135,117,398</b>	<b>6,31,08,493</b>
IV	Expenses:			
	Cost of Material Consumed			
	Purchases of Stock-in-Trade	17	139,512,386	6,13,01,987
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	18	(61,52,324)	2,68,393
	Employee benefits expense	19	6,07,150	4,91,808
	Finance costs			
	Depreciation and amortization expenses	6	1,61,614	1,06,598
	Other expenses	20	7,88,124	6,37,286
	<b>Total expenses</b>		<b>134,916,949</b>	<b>6,28,06,072</b>
V	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>2,00,448</b>	<b>3,02,421</b>
VI	Exceptional Items			
VII	<b>Profit before extraordinary items and tax (V - VI)</b>		<b>2,00,448</b>	<b>3,02,421</b>
VIII	Extraordinary Items			
IX	<b>Profit before tax (VII- VIII)</b>		<b>2,00,448</b>	<b>3,02,421</b>
X	Tax expense:			
	(1) Current tax		38,566	57,626
	(2) Deferred tax		(5,627)	4,409
	(3) MAT Credit Entitlement		(38,566)	(57,626)
XI	<b>Profit (Loss) for the period from continuing operations (IX-X)</b>		<b>2,06,075</b>	<b>2,98,012</b>
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-

(Contd.....)





(In Rupees)				
Sr No.	Particulars	Notes	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		2,06,075	2,98,012
XV	<b>Profit (Loss) for the period</b> (XI + XIV)		2,06,075	2,98,012
XVI	Earnings per equity share:			
	(i) Basic (Rs.)		0.43	0.62
	(ii) Diluted		0.43	0.62
	Significant accounting policies See accompanying notes to the Financial Statements	1 To 29		

For on behalf of Board

*Rajni Mahajan*  
Rajni Mahajan  
(Director)

DIN:- 2463524

*Manan Mahajan*  
Manan Mahajan  
(Director)  
(Din: 02217914)

Place:- Amritsar

Dated:-30<sup>th</sup> August 2019

As per our report of even date  
For Manoj Mahajan & Associates  
Chartered Accountants



*Manoj Mahajan*  
CA Manoj Mahajan  
Proprietor

M.No547186

FRN: 032268N

UDIN:19547186AAAABD3177

**STANDALONE CASH FLOW STATEMENT for the year ended**  
**31<sup>st</sup> March 2019** (In Rupees)

Particulars	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2018
<b>A. Cash flow from Operating Activities</b>		
Net Profit before taxation and extraordinary items	2,00,448	3,02,421
Dividend Received	----	----
Interest & Misc Income Received	(66,373)	(3,378)
Depreciation & Amortizations	1,61,614	1,08,098
Preliminary Expenses written Off	1,500	1,500
<b>Operating Profit Before Working capital changes</b>	<b>2,97,189</b>	<b>4,07,141</b>
<b>Adjustment for</b>		
(Increase) / Decrease in Inventories	(6,152,324)	2,68,393
(Increase)/Decrease in Short Term Loans and advances	(658,546)	(10,779)
Decrease / (Increase) in Trade Receivables	(182,000)	3,76,600
Increase/ (Decrease) in Trade Payables	13,137,738	(6,03,726)
Increase / (Decrease) in Other Current Liabilities	44,985	(2,75,389)
<b>Cash generated / (utilized) from Operating Activities</b>	<b>6,487,042</b>	<b>1,62,240</b>
Net Prior Year Adjustments	57,626	27,600
Income Tax Paid		
<b>Net cash generated / (utilized) from Operating Activities</b>	<b>6,429,416</b>	<b>1,34,640</b>
<b>B. Cash flow from Investing Activities</b>		
(Increase)/ Decrease in Fixed Assets	(265,438)	(2,64,806)
Increase in Long Term Advances		
Purchase Of Equity Shares Of Midland Services Ltd.	(90,120)	---
Interest/ Misc Income Earned	66,373	3,378
<b>Net cash Generated/( utilized) From Investing Activities</b>	<b>(289,185)</b>	<b>(2,61,428)</b>





(In Rupees)

Particulars	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2018
<b>C. Cash from Financing Activities</b>		
Proceeds from issue of Share Capital	---	--
Expenses incurred for IPO	---	---
Increase in Securities Premium Account	---	---
(Repayments) / proceeds of long term borrowings	---	---
Interest paid on Loans	---	---
<b>Net cash generated from financing activities</b>	---	---
<b>Net increase/ (Decrease) in cash and cash equivalents</b>	<b>6,140,231</b>	<b>(1,26,788)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>1,152,257</b>	<b>12,79,045</b>
<b>Cash and cash equivalents at end of period</b>	<b>7,292,489</b>	<b>11,52,257</b>

As per our report of even date

For on behalf of Board

*Rajni Mahajan*  
Rajni Mahajan  
(Director)

DIN:- 2463524

*Manan Mahajan*  
Manan Mahajan  
(Director)  
(Din: 02217914)

Place:- Amritsar  
Dated:-30<sup>th</sup> August  
2019

For Manoj Mahajan &  
Associates  
Chartered Accountants



*Manoj Mahajan*  
CA Manoj Mahajan  
Proprietor

M.No547186

FRN: 032268N

UDIN:19547186AAAABD3177

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019

(In Rupees)

Note: 1	Share Capital	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2018
	Authorized Shares: 5,00,000 Equity Shares of Rs. 10/- Each (31 <sup>st</sup> March 2017: 5,00,000 Equity Shares of Rs. 10/- Each )	50,00,000	50,00,000
	Issued Shares: 4,78,164 Equity Shares of Rs. 10/- Each (31 <sup>st</sup> March 2017: 4,78,164 Equity Shares of Rs. 10/- Each )	47,81,640	47,81,640
	Subscribed & Fully Paid up Shares: 4,78,164 Equity Shares of Rs. 10/- Each (31 <sup>st</sup> March 2017: 4,78,164 Equity Shares of Rs. 10/- Each )	47,81,640	47,81,640
	<b>Total</b>	<b>47,81,640</b>	<b>47,81,640</b>

**Note: 1.1** The company has only one class of equity shares having face value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(In Rupees)

Note: 1.2	31 <sup>st</sup> March 2019		31 <sup>st</sup> March 2018	
Reconciliation of shares outstanding at the beginning and at the end of the year	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	4,78,164	47,81,640	4,78,164	47,81,640
Add: Shares issued during the year*	--	--	--	--
Less: Shares Bought Back during the Year	--	--	--	--
Less: Shares Forfeited During the Year	--	--	--	--
Add: other movements during the year	--	--	--	--
Outstanding at the End of the year	4,78,164	47,81,640	4,78,164	47,81,640





<b>Note: 1.3</b> <b>Names of Shareholders holding more than 5 % shares</b>	<b>31<sup>st</sup> March 2019</b>		<b>31<sup>st</sup> March 2018</b>	
	No. of Shares	% Held	No. of Shares	% Held
Mr. MananMahajan	3,17,438	66.39	3,17,508	66.40
Mr. ChetanMehra	30240	6.32	30240	6.32
Mr. RakeshRachwani	--	--	31360	6.56
Mr. ChetanMahajan	45000	9.41	45000	9.41
Mrs. RajniMahajan	42800	8.95	42800	8.95
Mr. Price Kumar	31,300	6.55	--	--

<b>Note: 1.4 For the period of five years immediately preceding the date as at which the balance sheet prepared.</b>		
<b>Particulars</b>	<b>No. of Shares F.Y. 2019.</b>	<b>No. of Shares F. Y. 2018</b>
Aggregate number and class of shares allotted as fully paid up pursuamt to contract(s) without payment being received in cash.	Nil	Nil
Aggregate number and class of shares allotted as fully paid up Paidup by way of bonus shares	Nil	Nil
Aggregate number and class of shares bought back	Nil	Nil

**Note 1.5:-** There are no securities (Previous year No) Convertible into Equity/ Preferential Shares

**Note 1.6:-** There are no calls unpaid (Previous year No) including calls unpaid by Directors and Officers as on balance sheet date.



(In Rupees)		
<b>Note: 2 Reserves and Surplus</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
<b>A) Securities Premium Account:</b>		
Opening Balance	1,52,000	1,52,000
Less: Premium utilized for issuing Bonus shares	--	--
<b>Closing Balance</b>	<b>1,52,000</b>	<b>1,52,000</b>
<b>B) Other Reserves</b>		
<b>C) Surplus/ (Deficit):</b>		
Opening balance	10,699	(2,84,799)
Add: Net Profit/(Net Loss) For the current year	2,06,075	2,98,012
Less: Tax Adjustments	--	(2514)
Add: Prior year MAT Credit*		
Closing Balance	2,16,774	10,699
<b>Total (A+B+C)</b>	<b>3,68,774</b>	<b>1,62,699</b>

(In Rupees)		
<b>Note: 3 Trade Payables</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
Due to Associate Company	13,143,046	-
Due to Subsidiary Company	-	-
Due to Micro & Small Industries	-	-
Due to Others	1,836	7,144
<b>Total</b>	<b>13,144,882</b>	<b>7,144</b>

(In Rupees)		
<b>Note: 4 Other Current Liabilities</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
Others:		
Telephone Expenses Payable	-	1,672
SGST Payable	112	-
Audit Fees Payable	15,000	10,000
TDS Payable	15,000	-
Advance received from customers	27,700	-
IGST Payable	-	1,154
<b>Grand Total</b>	<b>57,812</b>	<b>12,826</b>

\*MAT payable Account has been reclassified as provision for tax account under head "Short Term Provisions" in the current year

\*\* There is no amount outstanding to be credited to Investor Education and Protection Fund, in respect of matured but unclaimed fixed deposits/loans and any unclaimed interest.





<b>Note: 5 Short Term Provisions</b>		<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
Opening Balance		0	0
Add: Provision for Taxation		38,566	57,626
Less : TDS Receivable		-	-
Total		38,566	57,626

<b>Note: 6 Fixed Assets</b>										
	<u>Gross Block</u>				<u>Depreciation</u>				<u>Net Block</u>	
Description of Assets	Cost as on 01/04/18	Addition During the Year	Sale	Total Cost	Upto Last Year	For the Year	Adjusted	Total	WDV as on 31/03/19	WDV as on 31/03/18
<b>A) Tangible Assets</b>										
Air Conditioner	98828	0	0	98828	12758	18777	0	31535	67293	86070
Car	490000	0	0	490000	120898	58188	0	179086	310914	369102
Computer Igenca	72118	0	0	72118	563	22837	0	23400	48718	71555
Furniture & Fittings	63360	35736	0	99096	6340	9135	0	15475	83621	57020
Laptop	42500		0	42500	13495	13458	0	26953	15547	29005
Mobile	50000		0	50000	11322	9500	0	20822	29178	38678
Television	21700		0	21700	5354	4123	0	9477	12223	16346
Electric Fittings	0	8266		8266	0	701	0	701	7565	
Godrej Defender	0	80508		80508	0	7229	0	7229	73279	
LED	0	12119		12119	0	214	0	214	11905	
Office Building	0	128809		128809	0	4627	0	4627	124182	
<b>Total</b>	<b>838506</b>	<b>265438</b>	<b>0</b>	<b>1103944</b>	<b>170730</b>	<b>148789</b>	<b>0</b>	<b>319519</b>	<b>784425</b>	<b>667776</b>
<b>B) Intangible Assets</b>										
Trademark	67500	0	0	67500	3564	12825	0	16389	51111	63936
<b>Total</b>	<b>67500</b>	<b>0</b>	<b>0</b>	<b>67500</b>	<b>3564</b>	<b>12825</b>	<b>0</b>	<b>16389</b>	<b>51111</b>	<b>63936</b>
<b>Total (A+B)</b>	<b>906006</b>	<b>265438</b>	<b>0</b>	<b>1171444</b>	<b>174294</b>	<b>161614</b>	<b>0</b>	<b>335908</b>	<b>835536</b>	<b>731712</b>
<b>Previous Year</b>	<b>641200</b>	<b>264806</b>	<b>0</b>	<b>906006</b>	<b>67696</b>	<b>106598</b>	<b>0</b>	<b>174294</b>	<b>731712</b>	<b>573504</b>



(In Rupees)

<b>Note: 7 Non Current Investments</b> (Valued At Cost, unless otherwise stated)	<b>Number as at 31<sup>st</sup> March 2019</b>	<b>Number as at 31<sup>st</sup> March 2018</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
<b>Trade Investment:</b> <b>Investment in Equity Instrument:</b> <b>Associate:</b> Midland Services Limited, Equity Shares of Rs. 10/- each fully paid up.	7,51,940	7,39,670*	25,21,623	24,31,503
<b>Total</b>	<b>7,51,940</b>	<b>7,39,670</b>	<b>25,21,623</b>	<b>24,31,503</b>

<b>Note: 7.1 Detail of Investment in the associate company</b>	<b>Original Cost of Investment (A)</b>	<b>Goodwill/ </b>	<b>Accumulated profit/(loss) prior to acquisition</b>	<b>Investment including Capital reserve (A)-(B)</b>
Midland Services Limited	2,431,503	(3,229,162)	(1,737,099)	5,660,665
<b>Total</b>	<b>2,431,503</b>	<b>(3,229,162)</b>	<b>(1,737,099)</b>	<b>5,660,665</b>

(In Rupees)

<b>Note: 8 Deferred Tax Assets</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
Deferred Tax Assets	1,13,143	1,07,516
<b>Total</b>	<b>1,13,143</b>	<b>1,07,516</b>

(In Rupees)

<b>Note: 9 Long Term Loans and Advances</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
MAT Credit Entitlement	2,00,812	1,62,246
<b>Total</b>	<b>2,00,812</b>	<b>1,62,246</b>

(In Rupees)

<b>Note: 10 Other Non Current Assets</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
Preliminary Expenses	--	3000
<b>Total</b>	<b>--</b>	<b>3000</b>

(In Rupees)

<b>Note: 11 Inventories</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
Inventories	6,152,324	--
<b>Total</b>	<b>6,152,324</b>	<b>--</b>





(In Rupees)		
<b>Note: 12 Trade Receivables</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
Receivables outstanding more than Six Months:		
Unsecured, Considered Doubtful	2,80,200	2,80,200
Unsecured, Considered Good		
Receivables outstanding Less than Six Months:		
Unsecured, Considered Doubtful	1,82,000	-
Unsecured, Considered Good	-	-
Total	4,62,200	2,80,200

(In Rupees)		
<b>Note: 13 Cash and Cash Equivalents</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
Balances with Bank (A)	6,337,356	6,96,612
Cash in Hand (B)	9,05,133	4,05,645
FDR (C)	50,000	50,000
Total (A)+(B)+(C)	7,292,489	11,52,257

(In Rupees)

<b>Note: 14 Short Term Loans &amp; Advances (Unsecured Considered Good) (Recoverable in cash or kind or pending adjustment)</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
<b>Loans and Advances:</b>		
a. Advance to Brokers as Security	1088	1088
b. IGST Receivable	1,32,494	--
c. Tax Deducted At Source (TDS)	51,547	90000
d. Advance to Staff	30,400	1599
e. Rent Security	8000	8000
f. Ravianka Arora	200018	--
g. SGST Receivable	--	54314
Total	8,13,548	1,55,001

(In Rupees)

<b>Note: 15 Revenue From Operations</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
Revenue From Sales of Bullion, Gold Jewellery & Other Commodity	134,596,830	62,205,115
Revenue From Professional Fees	4,50,000	9,00,000
Other Operating Revenue	115	--
Total	13,046,946	63,105,115



(In Rupees)

<b>Note: 16 Other Income</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
Interest Income	66,373	3,378
Misc. Income	4079	--
Total	70,452	3,378

(In Rupees)

<b>Note: 17 Details of Purchase of Stock in Trade</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
Purchases of Bullion and Other Commodities	139,512,386	61,301,987
Total	139,512,386	61,301,987

(In Rupees)

<b>Note: 18 Changes in Inventories of Finished Goods</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
Change in inventories of Finished Goods	(61,52,324)	2,68,393
Total	(61,52,324)	2,68,393

(In Rupees)

<b>Note: 19 Employee Benefits Expense</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
Director's Remuneration	3,00,000	3,00,000
Salary To Staff	3,07,150	1,91,808
Total	6,07,150	4,91,808

(In Rupees)

<b>Note: 20 Other Expenses</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>
Advertisement & Publicity	3,200	--
Audit Fees	15,000	16,000
Bank Charges	10,660	3,465
Books & Periodicals	3,600	2,000
Car Repair	--	45,569
Charity & Donation	1,100	--
Computer Expenses	9,500	34,150
Discount and Rebate	--	1,643
Fees & Taxes	1,47,210	34,949
Festival Expenses	16,421	--
Freight and Forwarding	1,04,583	19,719
Insurance	40,458	17,595
Logistics Expenses	14,860	--
Misc Expenses	63,801	36,091
Making Charges	93,027	10,572
Office Rent	92,000	197,000





Office Maintenance	16,390	--
Postage and Telegram	280	10,848
Preliminary Expenses	1,500	1,500
Processing Fees	8,500	--
Printing and Stationery	8,090	3,207
Repair and Maintenance	24,531	85,354
Round Off	9	--
Staff Welfare	4,640	--
Telephone Expenses	11,296	38,209
Tour & Travel	19,858	19,823
Warehouse Charges	--	40,592
Water & Electricity Charges	35,311	19,000
Website Developments	42,300	--
Total Other Expenses	7,88,124	6,37,286

For on behalf of Board

*Rajni Mahajan*  
**Rajni Mahajan**  
 (Director)

DIN:- 2463524

*Manan Mahajan*  
**Manan Mahajan**  
 (Director)  
 (Din: 02217914)

Date: 30<sup>th</sup> August 2019  
 Place: Amritsar

As per our report of even date  
 For Manoj Mahajan & Associates  
 Chartered Accountants



*Manoj Mahajan*

**CA Manoj Mahajan**  
 Proprietor  
 M.No547186  
 FRN: 032268N  
 UDIN:19547186AAAABD3177

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED AS ON 31<sup>st</sup> MARCH 2019.

### 21. Corporate Information:

Amanaya Ventures Limited (The Company) is a public limited company domiciled in India. Formerly The Company was incorporated as Amanaya Financial Services Private Limited under the provisions of the Companies Act 1956 as on 27<sup>th</sup> February 2009. The name of The Company has been changed to Amanaya Ventures Private Limited as on 26<sup>th</sup> September 2015 pursuant to the rule 29 of the Companies (Incorporation) Rules, 2014. The Company has been converted into the Public Limited Company under Section 18 of the Companies Act, 2013 and New Corporate Identification Number: U51101PB2009PLC032640 along with fresh certificate of Incorporation has been issued under the name of **Amanaya Ventures Limited** by the Ministry of Corporate Affairs, Chandigarh, as on 15<sup>th</sup> October 2015. The company is engaged in providing Corporate Advisory as well as Event Management Services and trading of the commodities such as bullion and agro commodities.

### 22. Significant Accounting Policies:

#### 22.1. Basis of Preparation and Accounting:

The financial statements of the Group have been prepared on accrual basis under the historical cost convention and ongoing concern basis in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ('the Act'), as applicable. The accounting policies have been consistently applied by the Group.

The assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

#### 22.2. Use of Estimates:

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. The estimates and assumptions used in the



financial statements are based upon the Management's evaluation of the relevant facts and circumstances as on the date of financial statements.

Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates. Any revision in accounting estimates is recognized prospectively from current year and material revision, including its impact on financial statement, is reported in notes to accounts in the year of incorporation of revision.

### 22.3. Fixed Assets

Fixed Assets are stated at cost of acquisition or construction, less accumulated depreciation and impairment, if any. Cost includes expenses related to acquisition and any directly attributable cost of bringing the assets to its intended working condition and excludes any duties / taxes recoverable. Subsequent expenditure incurred on existing fixed assets is expensed out except where such expenditure increases the future economic benefits from the existing assets.

- a) Tangible assets: Tangible assets are stated at cost of acquisition or construction (less) accumulated depreciation.
- b) Intangible assets: Intangible assets are stated at cost of acquisition (less) accumulated amortization.

### 22.4. Depreciation:

- a) Depreciation has been provided on the basis of straight line method as per schedule II of the Companies Act 2013. In respect of fixed assets (other than freehold land and capital work-in-progress) acquired during the year, depreciation/ amortization is charged on a straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to April 1, 2017, on the carrying amount as on April 1, 2017.

Sr No.	Type of Asset	Useful Life
1	Motor Car	8 Years
2	Intangible Assets	5 Years
3	Furniture & Fixtures	10 Years
4	Mobile Phone	5 Years
5	Television	5 Years
6	Laptop	3 Years

- b) Impairment of Assets: At each balance sheet date, the company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of





impairment loss. An impairment loss is charged to Profit and Loss account in the year which an asset is identified as impaired.

#### **22.5. Investments:**

Investments that are readily realizable and are intended to be held for not more than one year at the point of acquisition are classified as "Current investments". All other investments are classified as "Non-current investments". Current investments are stated at the lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of Noncurrent investments. Investments in Associates are held for long term and valued at cost reduced by diminution of permanent nature therein, if any.

#### **22.6. Stock-in-Trade:**

The Stock- in- trade, if any, are comprises of "Commodities". Commodities primarily includes items listed and traded at NCDEX and MCX which are prominent national commodity Exchanges. Commodities are valued at cost price or net realizable value whichever is lower. Cost of commodities are comprises of cost of purchase and other costs incurred to bring them at their respective present location and condition. Securities are valued at cost price, determined on FIFO basis, or net realizable value whichever is lower.

#### **22.7. Revenue Recognition:**

Revenue is recognized when the significant risks and rewards of ownership of Commodities have been passed to the buyer. Revenue from derivatives, if any, comprises of realized profit/loss on exchange traded derivative instruments. Realized profit/ loss on closed positions of derivative instruments are recognized on final settlement on squaring up of the contracts. Interest income is recognized on the basis of bank statements received from the Bank. Revenue from Services is recognized upon rendering of services based on agreements/ arrangements with the concerned parties using the Completed service contract method. This method recognizes revenue in the statement of profit and loss only when the rendering of services under a contract is completed or substantially completed. In case of any uncertainty relating to collectability which arises subsequent to the time of sale or the rendering of services, a separate provision of an appropriate amount is made to reflect the uncertainty.

All incomes have been accounted for on accrual basis except for those entailing accounting on realization basis under AS 9 on the ground of uncertainty factor. All expenses are provided on accrual basis, unless stated otherwise.



**22.8. Financial Derivatives and Commodity Hedging Transactions:**

In respect of derivatives contracts, premium paid, gain/ loss on settlement and losses on restatements are recognized in the profit & loss account statement.

**22.9. Leased Assets:**

Operating Leases: Rentals are recognized as an expense with reference to lease terms and other considerations.

**22.10. Employees Benefit:**

All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits, which include salaries, wages, short term compensated absences and performance incentives and are recognized as expenses in the period in which the employee renders the related service.

Liability for accrued expenses is recognized only after deducting any amount already paid. The obligations in case of short term employee benefits are measured on an undiscounted basis (no actuarial gains/losses).

**22.11. Tax on Income:**

Tax expenses comprises of current tax & deferred tax.

**Current Tax:** The provision for current income tax liability is ascertained on the basis of assessable profit computed in accordance with the provision of Income Tax Act, 1961.

**Deferred Tax:** Deferred tax assets and liabilities arising on account of timing difference and which are capable of reversal in subsequent periods, are recognized using the tax rates and tax laws that have been enacted or substantively enacted as on the Balance Sheet date. Deferred Tax Assets are recognized and carried forward only if there is a virtual certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

As per paragraph 19 of AS-22, an enterprise re-assesses unrecognized deferred tax assets at each balance sheet date. The enterprise recognizes previously unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. The group has recognized deferred tax asset on the brought forward losses of previous years after setting of current year profits, considering the profits arising from operations from last two years as a convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**Minimum Alternate Tax (MAT):** (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. MAT credit available is recognized as an asset only to the extent



there is reasonable possibility that the Group will pay normal income tax during the specified period for which MAT Credit is allowed to be carried forward. The Group recognizes MAT Credit as an asset by way of credit to the statement of Profit and Loss and is disclosed as "MAT Credit Entitlement" under Long Term Loans and Advances

## 22.12. Earnings Per Share:

The Company reports basic and diluted earnings per share in accordance with accounting standard 20-" Earnings Per Share" Notified under section 133 of the companies Act 2013, read together with paragraph 7 of the companies (Accounts) Rules, 2014. Basic earnings per share are computed by dividing the net profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Particulars	2019	2018
Profit/ (Loss) after Tax (Rs. ) (A)	2,06,075	2,98,012
Weighted No. of Equity Shares (B)	4,78,164	4,78,164
Earnings Per Share (A)/(B) (In Rs.)	0.43	0.62

## 22.13. Borrowing Cost:

Financing and borrowing costs are charged to revenue in the year in which these are incurred.

## 22.14. Cash and Cash Equivalents:

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. In the Cash Flow Statement, Cash and Cash Equivalents includes cash in hand, bank balances and term deposits with bank having maturity term of less than three months. Investments in shares are excluded from cash equivalents unless they are, in substance, cash equivalents

## 22.15. Provisions/ Contingent Liabilities & Contingent Assets:

Provision is recognized in the accounts when there is a present obligation as a result of past event (s) & it is probable that an out of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligations at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed in the financial statements.





## **NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS:**

### **23. Segment Reporting:**

The dominant source and nature of risks and returns of an enterprise governs the primary reporting format of the company. The company is engaged in three different business segments namely Trading, Corporate Advisory and Event Management Services. These segments are identified on the basis of their difference in risk and return from other business segments. However, their reporting is only optional and doesn't mandate the company to report segments as per AS-17

### **24. Related Party Disclosure:**

#### **A. Related parties & nature of relationship:**

##### **I. List of the Key Management Persons (KMP):**

- a. Mr. Rajni Mahajan: Director.
- b. Mr. Manan Mahajan: Non Executive Director

##### **II. Entity in which The Company owning an interest in the voting power that gives the company control or significant influence over the entity:**

- a. Midland Services Limited. (Associate Company)

##### **III. Entity under which directors having significant influence/ Interest:**

- a. M/s Mahajan Mushroom Farm

#### **B. Details of Transactions with the Related Parties:**

(In Rs. Lakhs)				
Sr No.	Name of the Entity/ KMP	Nature of the Transaction	For the Year Ended 31 <sup>st</sup> March 2019	For the Year Ended 31 <sup>st</sup> March 2018
1	Midland Services Limited	Purchase	187.82	521.34
2	Midland Services Limited	Sales	102.25	145.91
3	Midland Services Limited	Receipt Professional Fees	3.00	9.00
5	Manan Mahajan	Rent	0.40	0.36
6	Rajni Mahajan	Salary	3.00	3.00



**25. Stock and Sales particulars of Trading Items:**

A. Details in Value:

Sr. No:	Name	Sales Value (Rs.)	Stock-in-trade (Rs.)	Opening Inventory (Rs.)
1.	Commodities & Securities	13,50,46,946	61,52,324	---
2.	Corporate Advisory	4,50,000	--	--

**26. Quantitative Details of Stock-in-Trade as on 31st March 2018:**

Sr No	Item	Units	Opening Stock (A)	Purchases (B)	Sales (C)	Shortage (D)	Closing Stock (A) + (B) - (C) - (D)
1	Bullion	(Gms)	--	55191	50202	-	4989
2	Commodities	(Kgs)	--	--	--	-	--

**27. Payment to Auditors:**

(Rs.)

Sr. No.	Nature of Payment	Amount	Amount
1.	Statutory Audit Fees	15000	10000

**28. Deferred Tax :**

(Rs.)

Major components of deferred tax accounting on account of timing difference are:-

Particulars	2019	2018
<b>Timing Difference</b>	--	--
Tax impact on brought forward losses Results in creation of deferred tax asset		
Timing difference of depreciation as per income tax act & companies act. Results in creation of deferred tax liability/Asset	21643	17122
<b>Total Timing Difference</b>	<b>21643</b>	<b>17122</b>
<b>Deferred tax liability as on 01/04/2018</b>		--
<b>Deferred tax assets as on 01/04/2018</b>	<b>107516</b>	<b>111925</b>
<b>Deferred tax assets for the year</b>	<b>5627</b>	--
<b>Deferred tax liability for the year</b>	--	<b>4409</b>
<b>Deferred tax assets carried forward</b>	<b>113143</b>	<b>107516</b>



29. Previous year figures are regrouped/ rearranged/ reclassified wherever consider necessary.

**For on behalf of Board**

*Rajni Mahajan*  
**Rajni Mahajan**  
**( Director )**

**DIN:- 2463524**

*Manan Mahajan*

**Manan Mahajan**  
**(Director)**  
**(Din: 02217914)**

**Place:- Amritsar**  
**Date: 30<sup>th</sup> August 2019**

**As per our report of even date**  
**For Manoj Mahajan & Associates**  
**Chartered Accountants**



*Manoj Mahajan*

**CA Manoj Mahajan**  
**Proprietor**

**M.No547186**

**FRN: 032268N**

**UDIN:19547186AAAABD3177**